



**NORFOLK ISLAND LEGISLATIVE ASSEMBLY
12TH NILA HANSARD – 16 APRIL 2008**

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

Honourable Members if you would care to remove your coats please do so. We are changing at this time. There is a slight diversion in the Notice Paper. We move straight on to Presentation of Petitions.

PETITIONS

Are there any petitions this morning?.

GIVING OF NOTICES

Are there any notices?

QUESTIONS WITHOUT NOTICE

Are there any questions without notice?

MR SHERIDAN Mr Speaker just a couple of questions today. One for the Minister for Finance. Minister in regard to the GST are all businesses registered for this purpose, paying their required portion of the GST

MR CHRISTIAN Thank you Mr Speaker, as I understand it, about 99.9% of all businesses are paying their GST appropriately. The Auditors have just been to the island and I expect a report from them fairly shortly via the Chief Revenue Officer and as a result of receiving the audit report and the report from the CRO I would expect the Legal Services Unit would be briefed and action will be commenced against those who are not fully in compliance with the legislation

MR SHERIDAN Mr Speaker again for the Minister for Finance, Minister as being responsible for the importation of fuel, can you explain the requirements needed for a person to import fuel into Norfolk Island

MR CHRISTIAN Thank you Mr Speaker, that's a fairly difficult process to explain but I can do my best. There are a number of pieces of legislation at the moment which control the importation of fuel into Norfolk Island. Firstly we have the customs barrier, we have the Fuel Levy Act and we also have the Planning Act 2002. They all have some bearing. I am aware that in recent times there have been shipments of diesel fuel imported into Norfolk Island and at the moment it would appear that the importer of that fuel enjoys financial benefit that I have not extended to Norfolk Energy. At the moment with fuel imported by Norfolk Energy we charge the equivalent of the import duty on the fuel and the equivalent of the road levy which is 20 cents per litre and the GST component are all rolled into our wholesale price. Unfortunately there is a glaring omission in our Fuel Levy Act which our Legal Services Unit have been notified about and I will be giving them some instruction in the next few days and basically if you import fuel for resale and you are a licenced importer you are required to pay GST and

the Fuel Levy but no duty. However, if you choose not to apply to become a licenced importer of fuel there is no penalty for not complying with the legislation so at the moment we have a situation where people importing diesel fuel into Norfolk Island that is coming in duty free and road levy free but GST is applied to it. That's my understanding at the moment Mr Speaker and as I said I will be taking the necessary steps to put Norfolk Energy and private fuel importers on a level playing field

MR SHERIDAN Mr Speaker again for the Minister for Finance being responsible for the airline. With the takeover of the contract by our airline to provide flight services to and from Norfolk Island could you for the benefit for the community explain how the airline is set up with regard to who holds the shares and the make up of the director's boards etc

MR CHRISTIAN Thank you Mr Speaker, and thank you very much Mr Sheridan for that question. I appreciate being given the opportunity to write a response here because there have been many unfounded rumours circulating in the community about various individuals owning our airline. The simple fact is that our airline is a corporation incorporated under Nauruan legislation. They have a board of directors, the chairman of that board is Mr Kevin Powers, who for those who are interested is a cousin of Mr Ian McCowan here in Norfolk Island. Kevin Powers also is a line pilot flying with our airline and they have a CEO as well. The board of the airline is principally made up of Nauruan Government Minister and I think if my recollection is correct they actually report to the Nauruan Finance Minister or Transport Minister and there is only one share issued in the company and that share is held on behalf of the Nauruan Government by one Nauruan Minister so there's no ability for any people or persons outside of the Nauruan Government to own shares in Air Nauru. I might point out Mr Speaker just for clarification that when I refer to Air Nauru, Our Airline is actually the business name of the Nauru Air Corporation

MR SHERIDAN Mr Speaker just a small supplementary there for the Minister. Minister do you envisage that this new relationship with Our Airline, formerly Air Nauru, will be beneficial to the economy of Norfolk Island and if so, in what areas

MR CHRISTIAN Thank you Mr Speaker, yes, I think it will be fairly beneficial, the principal benefit will be that we are moving to a newer generation aircraft which will be based in Norfolk Island and will be based in Norfolk Island and painted in the Norfolk Island livery. That should allow us to better handle some of the challenging situations that arise in Norfolk Island when we have inclement weather. It also allows us if we choose to do so, to increase the number of seats available on each flight from roughly a hundred up to a maximum of 130 per flight and it also lowers the cost of the operation. The numbers that have been given to me by the Chief Executive Officer of Norfolk Air Mr Ewan Wilson, would indicate that on an apples by apples comparison the bottom line for Norfolk Air on the assumption that we add Coolangatta to the network and the second Melbourne service which has already been announced, the bottom line would improve by about \$2m over and above what we are achieving at the moment so financially, it will be a much better deal for us, principally because of lower cost of production which flows directly through to the bottom line, and the other benefit which will flow is that when we transition from OzJet to our airline, and the contracts haven't been signed yet but there is every intention that they will be signed this week, we will become responsible for providing the cabin crew and I expect any of the existing OzJet cabin crew that want to transfer to the airline will be able to do so, and I've been told that to crew the schedule that we'll have in place by that time, we will need somewhere between ten and twelve cabin crew so if we can recruit all of them in Norfolk Island and have them all based in Norfolk Island I think that's a darn good achievement

MR SHERIDAN Mr Speaker just a supplementary there to do with the airline, Minister in relation to the company set up of our own airline, Norfolk Air

when do you envisage that the relevant paper work will be completed and the proposed Board of Directors take management of Norfolk Air

MR CHRISTIAN Thank you Mr Speaker, that can happen as soon as possible and there is no impediment from me or from the current executives. We are keen to complete the process and I have engaged independent legal people to prepare the necessary incorporation documents, the Secretary to Government advised me yesterday that the particular staff Member of the legal firm handling it has been on leave, and was now back at work so I expect the necessary paperwork hopefully within the next week and we would be able to hand over the new entity

MR SHERIDAN Mr Speaker a question for the Minister for the Environment. Minister in the House last month in reply to a question with regard to the extension of the Water Assurance Scheme in Pitcairn Place, you indicated that this work was of high priority, and that it may be necessary to bring in outside contractors to do this work. Minister has a work plan been established by the Administration and or when will outside contractors commence this project

MRS JACK Mr Speaker thank you and thank you Mr Sheridan. The Acting Chief Executive Officer did talk to me the other day and notified me that some papers had come forward to him from the Public Service regarding that. I'm not aware of the content of the paper but it did have something to do with the sewerage connection so I can find out some more detail for Mr Sheridan and either give it to him as soon as I am aware or present it to the House next month

MR SHERIDAN Mr Speaker I've a question here for the Minister responsible for roads or it could be the Minister for Finance. Minister recently the Norfolk Island Government undertook to supplement the Commonwealth Government in roadworks on Duncombe Bay Road out to the Captain Cook lookout to the tune of some \$120,000 I believe. Minister did the Administration staff undertake this work themselves or was this work contracted out

MR CHRISTIAN Thank you Mr Speaker, I can provide my understanding of this. The Administration did provide some assistance with the Duncombe Bay Road. There well have been a commercial value of \$129,000 or some such figure attached to the work but it didn't actually cost the Administration that amount of money so it was work provided in kind as I understand it and that work was principally chip sealing and the supplying of bitumen and the like and that was done by the Administration as I understand it

MR MAGRI Mr Speaker as Minister for roads I can confirm what the Minister for Finance said as being correct

MR SHERIDAN Mr Speaker a question for the Minister responsible for the RESA work as yet

MR CHRISTIAN Thank you Mr Sheridan for that question. No, the RESA works hasn't been approved. A Development Application has been lodged and the Planning Officers have on a couple of occasions have requested additional information. That information has been provided to the Planning Officers. I understand with a view that the Planning Board will get to consider it at its next meeting somewhere around the 30th April. That's the time frame there Mr Speaker. Additional information, which may be of interest to the listening public and the MLA's is that CASA has approved of the design plan for RESA and we have a letter back from the principal engineer approving the proposed work and the construction of RESA requires a referral to Vicky's Department in Canberra, and that referral has been express posted today so I would imagine that if the Board agreed to the RESA proposal at its April meeting then a recommendation will be coming forward to the Minister for the Environment to approve it

and after that approval there would be the 28 day appeal period so I would imagine the earliest that work would get underway on RESA would be around the beginning of June and the project is an airport project but it will be project managed by Mike Johnson from the Works Depot area of the Administration

MR SHERIDAN Mr Speaker a supplementary question please. Minister considering that the Development Application has not been approved as you've just indicated, how is it that some \$44,800 of road base has been paid for by the airport for RESA works

MR CHRISTIAN Thank you Mr Speaker, I'm not aware that any road base has been purchased. They may well have budgeted for the expenditure of that money knowing that the project will be going ahead in the not too distant future

MR SHERIDAN Mr Speaker just a supplementary question there. Minister I took those figures off the Administration's finance system that I have access to. Would you take them up to have a look at them and see exactly why they've been done the way it has

MR CHRISTIAN Yes certainly. I'm aware that sooner or later road base will have to be purchased for the project. As I said, Mike Johnson is the project manager. If he's placed an order I'm not aware of it at this stage but there could be something in the pipeline, and I'll undertake to find out

MR SHERIDAN Mr Speaker a question for the Chief Minister. I understand that there's been numerous complaints in regard to the previous Chief Executive Officer and that it is the intention of a person from the Commonwealth Merit Protection Commission to come to the island to investigate these allegations. Minister have these terms of reference for the investigation been completed and will these allegations made by the CEO, the previous CEO in correspondence prior to her resignation in regard to certain persons, be part of that brief

MR NOBBS Thank you Mr Sheridan. In a statement I'll be making later to this House a great deal of detail will be provided in answer to a lot of the questions raised there. The terms of reference for the Merit Protection Commission taking over the impending enquiry is being worked out between the Secretary to Government and the Merit Protection Officer and the purpose of carrying that through is to provide I suppose in some form, natural justice to those who, if those claims are upheld, some natural justice to them. It's also to ensure that we can be given some guidance to adjust our policy in HR type operating procedures so that we are not put in this situation again, in this manner and to make sure that we are doing the best we can for management of staff within the Public Service as well as the way that we operate from Government to Chief Executive Officer and Chief Executive Officer to Government and Chief Executive Officer to Public Service but I will be making a more detailed statement later on

MR SHERIDAN Mr Speaker one for the Minister responsible for Telecommunications. Minister for the community interest could you explain the advantages for Telecommunications cost in regard to pensioners connections

MR CHRISTIAN Thank you Mr Speaker, could Mr Sheridan please elaborate

MR SHERIDAN Mr Speaker I'll just rephrase it. Just for the community interest could you explain with regard to the cost of pensioners phone connections, could you explain whether or not they have to pay for local calls

MR CHRISTIAN Thank you Mr Speaker, I'll provide the following response. I don't actually have the schedule of fees that we have in place at the moment but at the time that we moved to the new arrangements there was an intention that we would try and lower the connection fees for everybody that connects to Norfolk Telecom including pensioners. At the moment pensioners I think I've got it right, would be required to pay the 10 cents per minute but what we've discussed among ourselves is some way of giving the benefit back to the pensioners. Now that could be either by way of adjusting the benefit adjustment factor which would take that into account automatically, or we could retain part of the old system where pensioners enjoyed free phone calls and I've been working with Norfolk Telecom as to how we can accommodate that and from a billing point of view I think we can do it by giving a discount equivalent to what you've been billed so that the net result on your invoice or statement is zero, however, the problem that I've come up against is that I need to be able to clearly define what we mean when we use the word pensioner, is it somebody over 60 or 65 who receives a full Norfolk Island pension or will it include somebody who has part time employment, is under the age of 65 but receives a special benefit, which is still in our system occurring as a form of pension. Will we extend the free phone calls to people who are retired and are pensioners but do not derive a benefit from the Norfolk Island welfare system. They may for instance receive a pension from Australia or the UK or some other place or they may well be self funded retirees so this is the issue that Norfolk Telecom has asked me to give them clear directions on. We how we define that, to turn our minds to that on how we define that, but the intention would be that we would probably continue the situation where pensioners get free phone calls because for them, the phone is in fact, in many instances, a companion. The other area which we will revisit, are the phones in public places. We still have the ones at both jetties, the beaches and various other places and for a child or somebody wanting to ring home or something to get picked up and they don't have ten cents, they can't make the call now and the only call you can call from those public type phones are the emergency services so we need to just give a bit more thought to that. The other one that has the potential to become a bit of problem in the customer service sense rather than a commercial sense is the ability to ring the airlines toll free number. Normally in a toll free situation it would be the airline or the accommodation provider who picks up the cost of the telephone call so at Norfolk Air for instance I've got the manager of Telecom giving me some indication of what the cost of calls could be on an annual basis so that the airline can decide whether it's going to fund the cost of the calls so that they are a cost free call or whether we are going to develop a system with Norfolk Telecom where there is no cost to dial that number so they are some of the issues that we are trying to work through. You may recall that there was a letter in the paper I think last week from Tracey Yager about the matter, she had the courtesy of sending me an advanced copy of that letter so that I knew about it before it hit the papers and once again, these are some of the minor issues that we've got to work through over the next few weeks, so Telecom charges may well vary again slightly over the next month or two

MR SHERIDAN Mr Speaker a question for the Minister for Health. Minister could you give an update as to where we are with the proposal upgrade/renewal of the hospital and or its facilities

MR GARDNER Thank you Mr Speaker, in relation to that as Members would be aware we have a New Hospital committee dedicated to pursuing that task in light of recent discussions with the Hospital Board and the Director I've sought their assistance in concentrating their efforts on just how it would be funded, whatever it is that is settled upon and working with the director of the Hospital and I've asked him to present the various modular options for construction of the new facilities. That doesn't necessarily mean that it would be a single project to provide a new hospital but it may be broken up into various sections for various projects so that it is dealt with as the funds and resources become available rather than casting our net too wide in an initial project that would be beyond our means. I hope that I will have something back from the Director in relation to that. I've asked that emphasis in the first instance be given to the

aged care facilities at the hospital as a priority in that exercise and as soon as I have further material to hand I intend to circulate it to Members of the Legislative Assembly to have further discussion and then obviously with the support of the new hospital committee look at how those would be funded

MR SHERIDAN Mr Speaker one final one from myself directed to the Minister responsible for tourism. Minister has the Tourist Bureau been working with Norfolk Air to ensure that the Hamilton air services that are coming up next week I believe, are viable and that the seats are filled as much as possible

MR GARDNER Thank you Mr Speaker, I'm not aware of any direct involvement that the Tourist Bureau has had in the Hamilton venture. As Members again would be aware I think a question from Mr Sheridan some months ago when it was first announced was that I was caught a little unaware and by surprise of the launch of the proposed services but to date I'm not aware of any involvement, directly involved with the Tourist Bureau and the Hamilton services

MR CHRISTIAN Thank you Mr Speaker, I do not have a question but can provide a bit more information in respect of a question directed at me by Mr Sheridan in respect of RESA expenditure at the airport if I could clarify that. Expenditure at the airport at the moment for RESA purposes to date has been \$44,370.10 that's actual expenditure to date. They are in respect of geo technical investigations and the design work for the RESA engineering and in the performance against budget for the financial year 2008 there is a cost centre 610, the description is for RESA earthworks and there is a commitment there to spend up to \$45,380 in respect of road base but no commitment has been entered into or expenditure made at this time Mr Speaker

MR ANDERSON Mr Speaker this question is to the Minister for Finance. I'm wondering how the progress is going with the ability for consumers to import into the grid and receive credits for that

MR CHRISTIAN Thank you Mr Speaker, and Mr Anderson for that question. This was discussed at MLA's yesterday and as you are aware some time ago I put out a press release notifying the public that we would allow people who wanted to take advantage of various programmes offered by the Commonwealth in respect of financial support to purchase photovoltaic type generation systems and we would allow that to be connected to the grid and in the first instance they would have to write to me for approval. I think we have received one request which has been formally approved. The next stage of the project which we are working on is the development of a form which will formalise I suppose the procedures that we require here in Norfolk Island but would also double as the verification document for the Commonwealth that the person applying for the grant is actually connected to the national grid in Norfolk Island so we are working on the development of that form at the moment Mr Speaker. What we are also going to achieve is a grant of sorts from the Norfolk Island Government to people who install these systems. As I previously mentioned the Commonwealth will contribute up to 50% I think of the capital costs of these installations, and what the Norfolk Island Legislative Assembly has agreed to yesterday is to adopt a policy where we will refund the import duty or the GST paid by way of ex gratia payment once the system has been imported and connected to the grid and certified as operating by our Chief Electrical Officer so we will assist consumers there in a smaller way than what the Commonwealth is doing but nevertheless, in a meaningful way

SPEAKER Thank you. Are there any further questions without notice There being no further questions without notice we now move on

CONDOLENCES

Honourable Members I made mention at the commencement of the meeting that we would change the notice paper slightly in regard to condolences and I would now I call on condolences. Mr Tim Sheridan

MR SHERIDAN Thank you Mr Speaker, it is with regret that this House records the passing of Norma Gladys Summerscales on the 29th March 2008. Norma was born in May.1925 in Thames on the North Island of New Zealand. She was the third of four children. Norma attended school until the age of 13 when her father asked her to leave school and take care of her mother who had Parkinson's, which she did. After two years Norma was able to go back to school and help was hired. She excelled in her studies and matriculated with a high enough score to get into medicine however, in those hard times she had to be content with nursing, which she began at the Sydney Adventist Sanatorium in 1944 then became a midwife at the Queen Victoria Hospital in Melbourne. She spent Christmas of 1947 at her parent's new home on Norfolk Island where she met Bill Summerscales who was scouting out the island as a possible new home for his parents and siblings. Bill invited Norma to visit his family in Melbourne when she began at the Queen Victoria Hospital, which she did, and there she met Bill's older brother Bert or Bene as he was referred to. They were married in 1950. Bene built their home on land they had purchased and Karen was born. Fifteen months later they welcomed Rodney. The family moved then to Norfolk. Their third child Gary was born and times were hard so the family moved to Papua New Guinea. There Norma became a successful business woman establishing her Hong Kee tailored clothing outlet having the clothes made and shipped back from Honk Kong. Bene meanwhile established a building company which grew rapidly and in 1963. Gael was born. In 1971 Norma and Bene took their first holiday and went on a world tour for three months. In 1972 they returned to Norfolk to live and Norma, bitten by the travel bug, spent the next 30 years planning their travels. They were able to visit many countries and to visit Karen and family in Sweden and Rodney and family in America. Norma battled sickness for the last 15 years, never really feeling well. Despite her ill health she managed to keep living her life to the full. . She lived her life with honesty, compassion, commitment and according to her beliefs. A true student of this earth, she never knowingly caused anyone harm, and went out of her way to help whenever needed. She will be sadly missed by this community and to her husband Bene, to Gary, Karen, Rodney and Gael and their families, to Norma's grandchildren and great grandchildren and to her many friends this House extends its deepest sympathy. May she rest in peace Mr Speaker.

MR SPEAKER Thank you Mr Sheridan. 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. We move on to Presentation of Papers

PRESENTATION OF PAPERS

Are there any Papers for presentation this morning Honourable Members

MR GARDNER Thank you Mr Speaker, under subsection 31-4 of the Legal Aid Act 1995 in clause 12 of the Memorandum of Understanding between the Commonwealth of Australia and Norfolk Island I now lay before the Legislative Assembly a report addressing the matters specified in that sub section which are a report of the Legal Aid Advisory committee for the period relating to its activities, (b) all recommendations of the committee that have been accepted and the statement of reasons for the non acceptance of recommendations (c) that no legal assistance has been provided to a body corporate and (d) enclosing a summary of the financial records of the fund in relation to the above period. Thank you

MR CHRISTIAN Thank you Mr Speaker, section 2(b)(2) of the Customs Act 1913 makes provision for the Executive Member to exempt goods from duty where the duty payable is less than \$200. Section 2(b)(5) of the Act provides that where the Executive Member has exercised his power he should lay his copy of the exemption on the table of the Legislative Assembly. I so table those exemptions and for the information of the listening public the first exemption is for the sum of \$24.25 in respect of the importation of first aid manual by St John's Ambulance of Norfolk Island and secondly the sum of \$172.50 for the importation of three dimensional targets by the Association of Norfolk Island Archers to assist in training of junior archers. Thank you

MR CHRISTIAN Thank you Mr Speaker, in accordance with section 19 of the Goods and Services Tax Act. The Chief Revenue Officer is required to produce a quarterly report and I as the Minister am required to table those reports and Mr Speaker I have here for tabling the reports for the period ended January 2008 and March 2008 and just by way of information I will highlight some of the critical parts. GST to date at the end of December had raised \$3.349m. GST had raised a total of \$602,000 which gave us a total revenue for that period of \$3.9m and as we all know the duty drawback was quantified as \$2.2m at the commencement of the process and at the end of December we had paid back by way of credits to importers in Norfolk Island \$457,000 by way of duty drawbacks. If you look at the period ending March 2008 GST has managed to pull in \$4.8m. the NSL component has gone up slightly to \$603,000 so it's interesting to note that a year down the line we are still getting some NSL payments and the total revenue collected to date from both sources stands at \$5.5m and at the end of March we had paid back by way of the duty drawback \$634,000 so at the moment everything is working pretty well. We had allowed maybe five years for the duty drawback period to work and if these numbers continue through it would appear that we will have paid back everybody's duty credits by the end of the fourth year so well done

MRS JACK Mr Speaker and move that the paper be noted

SPEAKER Honourable Members the question is that the paper be noted

MRS JACK I was just wondering Minister the amount of money that's been raised, how does that lie within our budget forecasts or expectations. I think I would be disappointed to have to tell you that we're ahead of budget

MRS JACK Well done

SPEAKER Thank you. Further debate Honourable Members. There being no further debate, the question is that the paper be noted and I put that question

QUESTION PUT
AGREED

SPEAKER Thank you.

MR GARDNER Thank you Mr Speaker, I table the inbound passenger statistics for the Month of March 2008 and move that the paper be noted

SPEAKER Honourable Members the question is that the paper be noted

MR GARDNER Thank you Mr Speaker, again I think it's fair to say that the figures are pleasing despite being down approximately 200 on the same time last year but up some 700 plus on the year before for the same period but interesting to

note in this month that the figures didn't quite accurately portray those that were meant to arrive on island. As I understand it the flight that was due to arrive on the 31st March from Newcastle was delayed and actually didn't arrive until April so the figures are probably down about 60 or 80, I'm not actually sure who was due to arrive on that flight but the numbers are down on what they would have been and they will fall into April so they'll probably feather April's bottom line so maybe I'll have more pleasing news about April's figures at the next month's sitting. Again just analyzing the figures as I do from time to time, interesting to note that now it appears as though our local residents are travelling more often than they have in the past. Where we used to look at visitor arrival figures and certainly the figures that are transported on aircraft have been constituted by about 10% of locals. That figure has now arisen by about 15% which is interesting in itself and I know that I talked with a disappointing twang about the New Zealand arrival figures. When I'm talking about that I'm talking about the visitor arrival figures and it is an area of concern but I believe it's been well addressed both in forward strategies and with strategies that are in place at the moment but we can't overlook the fact that on top of that figure, that arrival figure, is approximately 15% of locals who are travelling who are not included as a component or that I report as a component in the arrival statistics each month, so in actual fact even though the visitor arrival figures from New Zealand were only 622 there were 781 people traveling from New Zealand so 160 odd were locals traveling. The same out of Australia where there are a total number of just under 3000 passengers coming out of Australia 470 of those are local people travelling at any given time so that's an interesting statistic and really just to gauge I guess of activity wouldn't say that it's something that is providing greater disposable income for people to travel. There are many and varied reasons why people travel and a lot of this obviously deals with social welfare, HMA support, referrals off shore for health, schooling, education, and those sorts of things, so I would hate that assessment to any way be construed as being an indicator that everybody has plenty of money and are travelling a lot more. It really is just an indicator to show that there seems to be for some reason, an unknown reason and we'll dig down to the bottom of that why there is this increase of utilization of air services by local people and no doubt we'll have some answers to that in due course. The March figures aren't as exciting as maybe some of the other months have been in this year. I've picked out one matter that had an impact, just that one delayed flight, and I know in December and January we were expecting record figures and the same things happened, where people cancelled because of delayed flights etc and there are many and varied factors that impact on arrival figures. One might look at it and say well gee something's critically wrong. There is nothing wrong. There has been a glitch for some reason in March, and no doubt we'll get to better understand that in due course as well but April figures are showing significantly heavy loadings for all aircraft coming into Norfolk Island, particularly out of Australia. We have the additional services Mr Sheridan spoke about earlier coming out of Hamilton. They will impact on April figures. May is looking solid and interestingly enough, there are a number of initiatives that have begun that should bear fruit in due course and one of those that I referred to yesterday is the presentation of an on line reservations system by two organisations, there will be another one next week. That was followed up by a presentation to the industry yesterday and I think that the industry have overwhelmingly shown an interest in ensuring that we put in place an online reservations system as an additional tool in our arsenal to attract increased visitation to Norfolk Island and certainly in providing another option for potential visitors to Norfolk Island to be able to have a look at what's available. It's another arrow in our kit and an important way to go. In addition to that the Minister responsible for the Airline has discussed with me additional capacity and services and hopefully we will be making some announcements in relation to additional services which all will assist in driving visitor numbers in Norfolk Island. Obviously there are considerations that need to be taken into account as far as viability of services and demographics and all those sorts of assessments need to be done. As I understand it, they are well under way so with the support, marketing and promotions support, that will be forthcoming as soon as we have a handle on that assessment process we will have a clearer understanding of just what sort of marketing and promotional assistance we will need to provide both from an airline perspective and a tourism perspective to drive the

necessary numbers that we are keen to pursue as part of our strategic plan. It's pleasing to see that the strategic plan is being adopted. There are a number of issues out of that that are already well advanced and others that are coming on line and over the next 12 months we hope to make significant inroads into the outstanding requirements of our strategic plan to gain the numbers that we are looking for, for the future prosperity and sustainability for Norfolk Island. Thank you

MR ANDERSON Mr Speaker just one matter on the figures and I haven't got them in front of me, but I think it's very pleasing is the increase in the Melbourne based numbers and I think that's the result of a great initiative, the Melbourne flights

SPEAKER Thank you. Further debate Honourable Members. There being no further debate, the question is that the paper be noted and I put that question

QUESTION PUT
AGREED

SPEAKER Thank you. The motion is agreed. Any further Papers Honourable Members

STATEMENTS

We move to Statements of an official nature. Are there any Statements this morning Honourable Members

MR MAGRI Mr Speaker, at the last sitting of the House Mr Sheridan asked a question without notice based on concerns raised in the community that there is over harvesting of certain marine life along our foreshores, particularly hihi's; wanna, sea slugs and other marine creatures. Mr Sheridan asked me, as the Executive Member with responsibility for fisheries, what I propose to put in place to alleviate this perceived problem and I undertook to undertake an investigation to ascertain whether the concerns are warranted. Mr Speaker, as pointed out by Mr Sheridan, there is currently no legislation in place to protect or control the collection of edible marine creatures however in acknowledging the concerns, whether real or perceived, I placed a media release in *The Norfolk Islander* on Saturday, 5 April 2008 drawing the community's attention to the need to protect our marine environment for future generations. Mr Speaker, I believe we are all custodians for future generations of the wonderful marine environment around Norfolk Island which helps to sustain us. We want to continue to enjoy the bounty of the seas and we must ensure that we all take responsibility for ensuring that we harvest these edible species carefully, ensuring that we do not remove underdeveloped marine creatures to ensure that there are sufficient to breed and multiply. Mr Speaker, I have undertaken to monitor the collection of shellfish and shallow water marine species as part of the ongoing work on a management plan for all fisheries under the control of Norfolk Island and in this respect, Mr Speaker, I ask anyone with evidence of unreasonable levels of harvesting or abuse of marine creatures to contact me at the Assembly and provide details. It is my hope, Mr Speaker, that everyone in the community will have regard to this fragile marine environment and cooperate on a voluntary basis to ensure that our marine creatures are not endangered. If, however, there is evidence of ongoing and widespread over harvesting, I will feel an obligation to bring forward legislation to regulate the size and quantity which can be taken. I trust, Mr Speaker, that this will not be necessary. Thank you, Mr Speaker

MR NOBBS Mr Speaker as I indicated earlier with Mr Sheridan's question regarding the former CEO I have a statement that relates to that. This is a response to a document that is also in circulation in the community. Mr Speaker, Members may have seen a document apparently circulated to community members

which purports to be a report to me from former Chief Executive Officer of the Administration of Norfolk Island. I note that the document is unsigned but is dated 17th March 2008. I received a partial draft of this document as an email attachment from the former CEO on 17th March, but it was not discussed between us. Some of the comments made in the document might appear on face value to be critical of particular public servants and of the Norfolk Island Government, although on closer examination they lack substance. Before providing Members with some accurate information on the content of the document, I should provide some background to the circumstances in which it was produced. For several months, I have received a continuing flow of expressions of concern from a range of sources about the performance of the former Chief Executive Officer, relating to a wide range of matters that might be best characterised as inappropriate conduct and ineffective management. These matters were discussed between myself and the former CEO at regular face-to-face meetings and to some extent remedial measures were put in place. In the week commencing 10th March, I received a substantial volume of written complaints about the performance and behaviour of the then CEO. This included a representation from the Public Service Association advising that they no longer had any confidence in the then CEO. I met with the Executive of the PSA, who presented a substantial volume of written complaint material and in discussion identified some 25 specific issues or instances of inappropriate behaviour. I met with the former CEO on the same day to commence examination of the issues and arranged a further discussion with her later that week. Subsequently, I received several written complaints from individuals, some of which raised similar issues but also added new matters of concern. As at 17 March, the then CEO was aware of the detail of the PSA complaints and of some of the written complaints which had been made to both herself and me. She may not at that time have been aware of the content of some of the other written complaints lodged directly with me late in the week commencing 14 March. I judged the issues complained about to be of sufficient substance that an independent external investigation was necessary, a position confirmed with my Ministerial colleagues and checked with the Legal Services Unit. My office contacted the Australian Public Service Commission, and it was agreed that a delegate of the Merit Protection Commissioner would be made available to investigate the complaints and to advise the Norfolk Island Government and Administration on appropriate outcomes, including any necessary systemic or procedural changes. The former CEO was advised of the proposed investigation in writing on 18th March and requested to stand aside from her regular duties and to work on special projects on full pay while the investigation was conducted. She did not respond within the specified time, which I took to be a rejection of that offer. I then wrote to her again offering that she could step aside as CEO and remain on full pay without any required duties. The former CEO wrote to me on 19th March, rejecting this offer and tendering her resignation. She stated that she “welcomed the process of independent investigation” but added that “...I reject my right to present any evidence in this process but wish to be informed of the results...” After considering the implications of the CEO’s resignation, the Norfolk Island Government requested the Merit Protection Commissioner to proceed with the investigation, in order to ensure procedural fairness to all concerned, to bring these matters to an appropriate conclusion and to enable us to obtain their advice on policy and procedural changes arising from their enquiries. I believe that the above circumstances account for the unprofessional tenor of the circulated document and for some of the inappropriate comments in it. I should further note that I had for some weeks been requesting the former CEO to provide me with a written weekly status report of significant issues on which she was personally engaged. I did not receive any such reports, although the document circulating in the community might conceivably have been the first had it been presented to me in final form. I have been requested by the Acting Administrator, acting on an approach from a member of the public, to comment on some specific issues arising from the document. I have today given my written response to the Acting Administrator on the five specific issues identified and now provide details for the information of Members. “Continual breaches” of the Public Moneys Act 1979 is one of the quotes from this document. The former CEO has raised on numerous occasions her contention that directions to officers from the

Minister for Finance to purchase goods and services were not in accordance with the *Public Moneys Act 1979*. Given those concerns, and some similar questions in the Legislative Assembly, I sought a specific legal opinion from the Legal Services Unit about the actions of the Minister for Finance under the Public Moneys Act. I reported that opinion to the Assembly at its sitting of 20th February in a statement, which is recorded in Hansard as follows:

MR NOBBS

Mr Speaker just a brief one. I had anticipated a follow up question from Mr Sheridan with regard to a query he raised at the last sitting with regard to the Minister for Finance, and what I would like to do, is just read some of the advice that has come back from the Legal Services Unit and just let Mr Sheridan know that I did process his exact words through so that it could be answered in the best way possible, and the summary of advice is the key area that I would like to read out Mr Speaker. "In our opinion a direction by an Executive Member to obtain the supply of services for an Administration undertaking by independent contractors rather than by employees is a lawful and proper direction under section 38(1)(C) of the Public Monies Act 1979. A direction under section 38(1)(C) of the Act must be a direction for carrying out the Act in particular for and in relation to the supply of services for the Administration. A direction to retain personnel on a consultancy, as opposed to employment basis is consistent with section 38(1)(C) of the Act. Clearly there is no statutory obligation to retain personnel solely on an employment basis. There is no suggestion in our instructions that the Administration has any direct contractual relationship with call centre personnel." Mr Speaker, I bring that forward in statements just in keeping with one of the queries Mr Sheridan had and it related to the strategic plan with regard to those areas. Thank you. This statement was of course broadcast live on Radio Norfolk and repeated the next day. I also referred to the issue in the Ministers' radio forum of 21st February. In my view, this issue has been well and truly in the public arena and I find it disappointing that the former CEO was still raising the matter as at 17th March although it appeared by then to have been fully and properly dealt with. Failure to respond to the concerns raised by the former CEO about these "breaches" Crown Counsel and Deputy Crown Counsel met with myself and the Minister for Tourism and Health on 7th March to advise that the former CEO was still pressuring them for a revised legal opinion on whether the Minister for Finance had committed breaches of the Public Moneys Act. They had declined to provide another or a different opinion as they were concerned that they were being inappropriately used to intervene in a political issue. It was decided at that meeting that while there was no obvious breach of the Public Moneys Act, it might help to settle the issue if the Internal Auditor was asked to review all of the documents and to advise whether there were any issues of process or procedure which required attention. The Minister for Tourism and Health and I undertook to take this matter to Executive for final decision on referral to the Internal Auditor. This was an entirely proper way to deal with the situation where the clear advice to Government was that there was no illegal action but where the former CEO was still dissatisfied with that advice. Instruction to the Legal Services Unit not to take the matter further. The issue raised in the circulated paper is worded in a misleading manner. The "contractor to Norfolk Air" was in fact the General Manager of Norfolk Air who was erroneously advised by the former CEO that he was acting in breach of the Public Moneys Act because of her contention that the Minister for Finance was in breach in issuing delegations of his powers to purchase goods and services. As the Minister was not in breach, it follows that the delegations were also not invalid. The reason for the delegation to the two most senior officers of Norfolk Air relates to the need to make decisions on very short notice in relation to replacement aircraft and purchases of services (meals, accommodation and ground transport) in disrupt situations. These can arise at any time night or day, and may result from poor weather, aircraft unserviceability or unpredicted changes to flight schedules. In such circumstances, it is essential for the effective operation of Norfolk Air and the protection of Norfolk Island's tourism reputation that decisions can be made quickly, within the overall framework of policy laid down for Norfolk Air. In many of the circumstances, there would not be time for consultation with all Executive Members, as passengers could be stranded at several airports simultaneously and replacement aircraft difficult to obtain, given the issues of aircraft availability, flight and cabin crew,

catering and restrictions on crew flying hours. Delay in such circumstances can result in substantial extra costs. The Minister for Finance dealt with this appropriately by issuing financial delegations to senior managers of Norfolk Air. No instruction was issued by me or any other Executive Member to Legal Services Unit not to take this matter further. What was agreed at the meeting on 7th March was that LSU would await the decision of the Executive and then any action by the Internal Auditor, and would advise the CEO of this course of action, which is what they did. In the event, the matter did not come before the Executive until the meeting of 18th March, because the Minister for Tourism and Health was absent from Norfolk Island for all of the previous week while attending commitments in Australia, including the Standing Committee of Attorneys-General. Executive on 18th March sought to review all relevant documents, prior to any decision to request the Internal Auditor to examine process issues. At no time has the Norfolk Island Government or any of its Ministers agreed that there were breaches of the Public Moneys Act. That remains the current position. Mishandling of creditors within the public sector Management of the payment of accounts by the Administration is the responsibility of the relevant officers, who report to the CEO. One of the reasons for recruitment of the former CEO was because of her accounting qualifications and experience and the recognition that performance in financial management was a key area where improvement was sought. The former CEO had made progress in control of creditors and debtors in the public sector, but was indicating in this comment that in her view more needed to be done. That said, the particular creditor mentioned of over \$300,000 related to Norfolk Energy where payment had been overlooked and was late by a matter of a few days. The creditor rang the CEO to enquire about the matter and the account was paid the same day. This matter was not evidence of a systemic problem or of the general "mishandling" of creditors and indeed the former CEO's intervention immediately remedied the issue.

Lack of government support for true reporting of government finances

The statement that there was "questionable support by some Executives to report true financial situation of the Administration rather than simply a cash position" is emphatically denied by all Executives and is not borne out by the manner of Administration financial reporting or by the reports of external or internal auditors over many years. Not only does the audited general financial reporting tabled annually report truly and accurately on an accrual accounting basis, the Norfolk Island Government is unique in presenting to most monthly Assembly meetings running financial indicators giving progressive reports on income and expenditure, also on an accrual basis. It is possible that the former CEO's use of the word "true" reflected her view that it was necessary to move to immediate implementation of International Financial Reporting Standards, which would result in accounts being presented in a different format, particularly in relation to the valuation of assets. However, the document at point 3 makes clear that progress toward IFRS implementation was progressing smoothly and was on track at the date of the former CEO's document dated 17th March. The document contains many more comments on a range of issues on which the Acting Administrator did not seek comment. Most of those issues relate to administrative matters of a relatively minor nature, personnel matters or contractual matters with particular named persons or companies. I do not propose to canvass those issues in this statement. Mr Speaker, in closing I add that the Government of Norfolk Island has treated the concerns of the former CEO and her resignation in a professional and proper way at all times. In fact, the Government went beyond its contractual obligations in waiving the period of notice and funding the removal of personal effects to Australia. It is disappointing that this document has been circulated to the community after the former CEO's departure from Norfolk Island when most of the issues had already been addressed and when appropriate action was underway for all of the others. The Norfolk Island Government will not be distracted by this matter from meeting its major responsibilities to provide good governance in the interests of the entire community. Thank you, Mr Speaker

MR MAGRI

Thank you Mr Speaker. On a slightly lighter note, Mr Speaker there have been concerns raised by Members of this House that some

people may be hiring vehicles that are not registered for hire. At the last sitting of the House Mr Brendon Christian also asked a question without notice about when the new system of colour stickers to identify different classes of registration would be issued. Mr Speaker, I am pleased to advise that following the concerns raised by Members, the Registrar of Motor Vehicles immediately took steps in October 2007 to obtain registration stickers for hire cars which are of a different colour to normal registration stickers and they have the words 'HIRE CAR' endorsed on the sticker. Thank you, Mr Speaker

MR GARDNER Thank you Mr Speaker I move that the paper be noted

SPEAKER Honourable Members the question is that the paper be noted. Mr Gardner

MR GARDNER Thank you Mr Speaker, if I could just clarify with the Minister on that point. Are the labels of a different colour or is the writing on the label a different colour

MR MAGRI Mr Speaker and thank you Mr Gardner for your question. The actual writing on the label is a different colour, not the labels themselves. I've had some representations from Members that they thought it would probably be better if the labels themselves were a different colour and due to the fact that these labels were already printed for the 2008 year I'll attempt to remedy that in the 2009 print run

MR GARDNER Thank you Mr Speaker, just a further question if I could. How does the Minister propose policing the use of hire vehicles under the Road Traffic Act with the implementation of the new labelling system

MR MAGRI Mr Speaker the new labelling system won't require policing itself but the issue behind it definitely will require some investigation as to whether policing is warranted. The allegation or the people who are using vehicles that aren't registered for hire is a fairly serious allegation and I have been talking with the current Chief Executive Officer to not only investigate that issue but to also investigate whether we can extend that to people that register vehicles that should be registered for commercial purposes, are also included. As far as any additional strengthening or policing of the current Road Traffic Act I will undertake to investigate that and bring something back to the House in due course. Thank you Mr Speaker

SPEAKER Thank you. Further debate Honourable Members. There being no further debate, the question is that the paper be noted and I put that question

QUESTION PUT
AGREED

SPEAKER Thank you. I think the motion is agreed. Any further Statements of an official nature. Chief Minister

MR NOBBS Thank you Mr Speaker. Mr Speaker at last month's meeting Mr Sheridan asked for a run down on how this Government has performed over the last twelve months and what our achievements were and to give a bit of an outline to Members and the community. In conjunction with the Secretary to Government I have prepared such a statement and forewarn Members to get comfortable. Mr Speaker, this is the first Assembly meeting after the anniversary of the swearing in of the 12th Assembly on 28th March 2007. Executive Members were sworn to office on the day after that. Now is a good time to take stock of what has been done in the past 12 months and to look to what we plan to achieve over the remaining two years of this Assembly. We

sometimes hear from the community that “nothing has been done by the government” in the past year. In fact, there has been real progress on a very wide range of fronts, and if I was to outline every area on which we have moved forward, this would be a very long statement indeed. I have already provided to the community a series of reports in the Norfolk Window marking the first 12 months of achievement by the Norfolk Island Government of the 12th Assembly. These are also available on the government website at www.gov.nf. This week will see the fourth and final article in that series, and I also plan to publish a summary handout with the next edition of the Norfolk Islander. Tomorrow, we will again have the Ministers’ Forum on Radio Norfolk to give details of current initiatives and to answer questions from the community. I believe that we have shown an openness and transparency in the operations of government through an integrated communication strategy to make our decision-making more accountable – and we plan more steps in this regard in the near future. Mr Speaker, the past 12 months have in many ways been challenging for the whole Norfolk Island community, but I am confident that we have largely risen to that challenge and delivered solid progress in ensuring economic sustainability while still delivering improvements in social programmes and the strengthening of public infrastructure. I want to particularly thank my four Ministerial colleagues – Vicky Jack, Geoff Gardner, Chris Magri and Neville Christian – for their hard work and diligence over the past year, during which we have worked well as a team to achieve our common goals for the good of the whole community. Mr Speaker, we are a government that looks to the future without dwelling too much on the past. Of course, we acknowledge the importance of our history and culture and try to learn the lessons of the successes and failures of past governments. But mainly we want to move forward with growing the Norfolk economy and providing high levels of community services and social supports for everyone here. We are also investing in infrastructure to guarantee Norfolk’s future. That said, we do want the community to know what has been done in our first year in government and where we plan to go in the next two years or so of the 12th Assembly. Many people do not realise the vast range of services for which the Norfolk Island Government and Administration are responsible. For a small, isolated community, we have an excellent range of high-quality public services, all achieved with very low levels of taxes and with limited financial help from outside. What comparable small community in our region could succeed in owning and running an airline? Or subsidising its tourist promotion and hospital to the tune of about \$1 million a year each? Or providing multiple free-to-air television and radio stations? Or simply ensuring that we have sufficient supplies of electricity, telecommunications and fuel. Or fully funded and successful schemes for workers compensation and healthcare insurance. This barely scratches the surface of the list of the many community services for which we are responsible. Norfolk Islanders are resilient and resourceful, and the government has to have similar characteristics to be able to supply this wide variety of services funded from what would be regarded by our mainland cousins as shoestring finances. I think that as a community we can be rightly proud of our overall high standard of living and quality of life, achieved mainly from within our own resources. The government of the 12th Assembly has made public its strategic plan, setting out our key priorities for change and improvement in five key areas:

- Growing prosperity for all of Norfolk Island
- Delivering better services
- Ensuring a sustainable environment for living
- Promoting fairness, opportunity and responsibility
- Enhancing leadership, communication and consultation

I believe that we have made considerable progress in these identified areas, while being the first to acknowledge that much more remains to be done. As I said before, Mr Speaker, there has been progress in so many areas that it would take too long for me to list them all. I have prepared a dot point list of some 70 of these areas of achievement, which I will table at the conclusion of this statement. I am sure that there are other things that each of my colleagues could add to the list, but it will give some idea of the many initiatives we have taken and the progress achieved in just one year. As an overview, I would like to comment on some specific issues and the programmes and initiatives we

have put in place to achieve economic growth, social cohesion and improved service delivery in our first year in office.

The economy of Norfolk Island

Back in 2006, the Commonwealth proposed to intervene and remove most self-government powers from Norfolk Island because of perceptions that we faced a financial crisis and were not economically sustainable. The then Norfolk Island Government obtained a detailed econometric study from Econtech which demonstrated that there was no immediate crisis but that some significant policy changes needed to occur to ensure ongoing sustainability. The major initiatives were implemented, mostly by the current government, although I pay tribute to our predecessors for getting the ball rolling. In short, the health of the economy has improved significantly in the past year. It is worth thinking back to where we were in economic terms in Norfolk Island just 12 months ago and then to consider a few examples of how we have moved forward:

- A year ago, there was lots of doubt about whether the government could generate enough revenue to maintain and grow community services. We had abolished several taxes and slashed customs duty. The GST was unproven, and people feared we would need a huge bureaucracy to administer it, or that there would be lots of evasion. Well, we are ahead of where we had hoped to be. After 12 months, GST revenue is at about 102% of our forecast and overall Revenue Fund income is also in front. We have received a bit less than we expected in customs duty, but growth due to increased visitor arrivals has boosted our direct and indirect revenues. We have been able to fund important improvements to secure the future of our airport and fire services from the growth in passenger related movement charges.

- The Revenue Fund financial indicators provided to Assembly members last month showed ongoing good news in our overall budget position. Income is running at levels just ahead of our predictions, and our prudent spending controls have resulted in expenditure being about 6% below budget. We had already budgeted for a surplus this year, and as at the end of February we are over \$650,000 ahead of our target. This result has been achieved at the same time as we have helped to combat cost of living increases through substantial subsidies to the hospital and absorption of some of the increased costs of power generation. The stronger financial position will also assist us to cover the replacement of infrastructure and to make allowance for depreciation, both of which have been highlighted in past years as areas needing attention.

- The most recent population figures show that the number of people ordinarily resident in Norfolk Island (that is Residents plus holders of GEP and TEP permits, but excluding visitors) has grown by over 1.5% since the same time last year. This is not a big increase, but it shows that we have arrested the long-term slow decline in the Island's population. And we need more people – there are near record numbers of employment vacancies and employers are reporting to me that they are having difficulty in attracting applicants. We have several initiatives in the pipeline to deal with this, including a forecast increase in the minimum wage, some proactive strategies to attract investors and workers and new arrangements to greatly expand TAFE and vocational training opportunities on-island.

- We commissioned Econtech to review its assessment of the Norfolk Island Government's financial position and its projections on sustainability. Their new report is now available to the public on the Government website at <http://www.gov.nf/> or can be obtained by contacting the staff at the Assembly. It makes fascinating reading, particularly in showing how much has been achieved but also in showing that there is more to be done. Econtech has taken account of changes to revenue and tourism outcomes, and has factored in greater allowances for depreciation, additional infrastructure and renewal of existing infrastructure. It has forecast tourism growth to reach around 39,700 visitors in 2008/09, which will be surpassed if the growth rate of the past year can be maintained.

Econtech's overall conclusion is that under current policy settings, "...NIG is expected to have a net operating cash flow of \$3.3 million in 2008/09". But Econtech points out that when depreciation and infrastructure costs are taken into account, NIG will face an "...average annual shortfall of around 400,000 over the next three years". This indicates that we still face a challenge to be fully sustainable and at the same time to put enough

aside to cover depreciation and replacement of critical public infrastructure. That is, we should have an average of around \$3.5 million in cash flow surpluses in the next three years, but will need closer to \$4 million for capital and depreciation costs. However, given that for many years no funds were reserved for these purposes, the Econtech report indicates just how much progress has been made in putting our public finances into order. I am confident that with the implementation of the recommendations of the review of GST revenues currently underway and prudent budgeting, we will fully meet the Econtech projections.

Tourism

Tourism remains our most significant industry, and the Norfolk Island Government has committed significant resources and human effort to improving our tourism promotion and market appeal in the past 12 months. Last March, there was a lot of concern in the community that we would not be able to sustain tourism growth. In fact, people thought that the airline would go broke, that the increase in visitor arrivals was just a short-term bubble and that our economy and population were in decline. I'm pleased to say that all of these fears have been proven wrong, especially through a really strong performance in the airline and tourism sectors in the past year. Visitor arrivals have maintained strong growth of 10% over the last year and the upward trend continues. This result is particularly strong in light of the fall in inbound tourism to Australia in the same period. Even though we experienced particularly bad weather over our usual summer high season, visitor numbers for January and February were up almost 11%. March figures were affected by adverse weather, but were still good. Forward bookings for Norfolk Air for the rest of April indicate that we can expect very strong arrival numbers this month. The five-year tourism strategy is well on track, strongly supported by the Government and implemented with enthusiasm by Norfolk Tourism and the Tourist Board. Together they have come up with some great innovations to strengthen our overall visitor arrival numbers and to broaden the appeal of Norfolk Island to high yielding tourists.

I commend the Board for its initiatives which include:

- The highly successful reintroduction of tourism awards, aimed at providing recognition for outstanding performance and at encouraging improvement in service delivery to visitors
- Expansion of the special events area and promotion of a range of successful and popular activities
- Creation of the tourism ambassadors group, with a range of roles related to marketing and promoting Norfolk Island. This enthusiastic group has provided a positive presence for Norfolk Island at a range of off-island events and hospitality activities, undertaken surveys and promoted the Island directly to retailers and other industry partners.
- In the next 12 months, Norfolk Tourism plans to develop a new brand for Norfolk Island, based in part on an audit of tourism experiences and feedback from visitors and the overall industry.
- Also planned for this year is an accreditation scheme for all facets of the tourism industry in Norfolk Island.

As well, this Government has amended legislation to allow for greater flexibility in the tourist accommodation sector, particularly by allowing easier trading of accommodation licences in certain circumstances. We are looking at further ways to ensure the upgrade of tourist accommodation facilities and the availability of a wider range of choices for visitors.

Norfolk Air

By any objective measure, Norfolk Air has had a great year of growth and improvement in its infrastructure and services. Just a year ago, Norfolk Air only serviced Sydney and Brisbane. Now we also have regular flights to Newcastle and Melbourne, with more growth to come. Arising from changed ownership arrangements, we are about to sign new contracts which will assure the future of air services to and from Australia and give us access to newer and larger aircraft with improved operational capacity. We will then have a larger plane in Norfolk Air colours based here, and there will be around eight more jobs for locally recruited cabin staff. Under these new contractual arrangements, it is also likely that we will be able to add Coolangatta to our list of destinations. In its own

right, Norfolk Air is researching and trying new initiatives to grow our tourism market. Some of these have worked really well, while others – such as the one-off charters to New Zealand – have been less successful. Overall, the trend highlights the most positive and productive period of airline yield management I can recall in Norfolk Island, and I am sure that we will not give up trying just because every marketing initiative does not result in a tourism boom. Norfolk Air will continue to generate new ideas and new enthusiasm in this pivotal industry, while remaining vigilant to schedule and market trends. The locally-based call centre has already shown its value in the professional manner in which it has coped with the disruptions from the terrible weather in the past four months. The call centre and the establishment of the Burnt Pine office have created on-island jobs and helped to develop a skills base in airline management way beyond what had previously existed. We have said that we would establish Norfolk Air as a fully-fledged government owned company when it had enough accumulated profits to provide it with working capital. Norfolk Air now has close to \$1 million in accumulated funds plus many millions in forward sales. The company will be established before the end of this financial year with its own board of management and the flexibility to allow it to grow and to work closely with Norfolk Tourism to jointly promote the growth of our tourist market.

Infrastructure development – Norfolk Island Airport as a case study

Our improved budget situation in the last 12 months has enabled us to commit to a range of significant improvements to the Norfolk Island Airport - one of the most important assets of the Norfolk Island community, and one that is critical to achieving ongoing good tourism results. We were particularly anxious to ensure that our international airport continued to hold at least Category 6 status to assure the future of services from Australia and New Zealand – and perhaps in time from other international destinations. We have therefore made some crucial decisions which are now being carried out. These include:

- The purchase of two modern fire engines with full capacity to meet airport and commercial fire emergencies and to supplement other community fire fighting resources. The two new fire trucks will be here in the later part of 2008, and are already fully paid for.
- Redeveloping the terminal area, car park and hire car security area to make the airport more attractive to visitors, easier to navigate and safer for rental cars and private vehicles. There will also be better lighting, together with new landscaped entrance and exit areas. We also hope to provide greater public access to the well-known banyan tree close to the airport terminal. The drawings for this project have been on public display and the work will commence soon.
- The building of new accommodation for the fire engines will enable the extension of the terminal building, to provide a larger arrival hall and room for the modern screening and x-ray equipment which will ensure that we meet all passenger and baggage screening security requirements. A working group is also looking at whether the terminal extensions can include a duty-free liquor outlet and perhaps more room for other retail activities.
- The construction of larger Runway End Safety Areas (RESA) has been approved and funds allocated by the Government. When the work is completed, we will be in compliance with RESA requirements set by Australian and international air safety authorities. The project is subject to the normal planning approval process, and applications are currently under consideration. Work will commence as soon as the planning approval is given. Completion of RESA will improve the safety of operations at the airport and ensure its ongoing contribution to growing our tourist trade. The RESA project will involve considerable earthmoving work and a slight realignment of part of Peters Highway.

These elements might sound like four separate projects but in fact they comprise an integrated strategy, which has enabled us to utilise local, and off-island expertise to achieve best value for the money spent. In fact, the total cost of all four initiatives is less than the original amount quoted for the RESA work alone. This is because the relocation of the fire station will provide end-to-end visual access for the entire runway. This has freed up the area next to the terminal currently occupied by the old fire station, thus facilitating the car parking changes and allowing for the extension of the terminal to

incorporate new and important functions. At the same time, the materials removed to ensure the visual access and other improvements will be used as fill for building up the RESA area at the south west end of the runway. As well, we intend to relocate emergency services to the new fire station building so that these important functions can be more readily coordinated. All in all, the redevelopment strategy at the airport creates benefits all round and will assure the future of the airport and our vital air services.

Social programmes and community services

Education and vocational training

- We have reached agreement in principle with the NSW Department of Education and Training (DET) for a great leap forward in the availability of apprenticeship training in Norfolk Island, and for an overall expansion in vocational training.
- Minister Vicky Jack will be travelling to Melbourne later today together with the School Principal for the Ministerial Council on Education, Employment, Training and Youth Affairs, which includes Ministers and senior officials from all the Commonwealth, New Zealand and all states and territories. This will give Norfolk Island a voice in a wide range of issues to do with education, assessment and curriculum, and will also present opportunities for further negotiation of arrangements for the long-term future of DET provision of education services to the School and the specific arrangements for apprenticeships. We will push forward with arrangements with DET, and expect to see more apprenticeships available on-island in a range of trades and professions by the start of 2009.

Social welfare

- Many people do not realise that the Norfolk Island welfare system delivers a range of benefits to those in need which is positively comparable with the social welfare net in Australia, despite it being in essence much less complex and more accessible. Our pensions for the aged, disabled and those in hardship are in fact now paid at higher rates per fortnight than those on the mainland.
- We have widened the range of additional benefits for pensioners, which now include free telephone line rentals along with earlier initiatives which provided reductions in charges for many government services such as vehicle registrations and electricity supplies and access to free health care.
- Minister Vicky Jack has recently established a small working party of MLAs to look at ways to reduce the cost of living in Norfolk Island, especially for lower-income families and individuals. The group has indicated that one of its first tasks will be to look at the cost of child care services.

Fishing and new commercial opportunities

- Minister Chris Magri has worked diligently in consultation with all interested parties, especially the Norfolk Island Fishing Association and the Commonwealth, to draft a comprehensive Fishery Management Plan for the fishery under Norfolk Island authority usually known as "The Box". The detailed document is now ready for community consultation, which will commence within a week when Chris will meet with the Association to obtain their feedback. He has also written to the responsible Commonwealth Minister seeking a meeting to progress the plan. We are likely to propose a unique model in which responsibility for the management of the fishery is shared between the community and the government. This will ensure the sustainability of the marine environment and fish stocks, while allowing maximum access for local fishers.
- Minister Magri was pivotal in smoothing the way with all relevant authorities to allow for the basing of an adventure fishing vessel in Norfolk Island for a season of sports fishing beyond the Box, based on catching and releasing marlin. The *Ultimate Lady* has proven a great success so far, and is currently at sea on its third excursion to the marlin-rich waters in the vicinity of Wanganella Bank. This venture holds great promise for creating a new tourism niche industry.
- In the last year, we have tried some new initiatives to attract investment and new commercial development to Norfolk Island, including promotional displays and ministerial visits to both Australia and New Zealand. We are working hard to produce a new comprehensive commercial development policy, which will interact with the work I am leading to put in place an overall framework for sustainable immigration and population.

Both of these initiatives are well advanced and will see policy and management addressed in the next year, which will tie in to our goal to grow prosperity in Norfolk Island.

Environment

- There have been many new initiatives in environment protection and enhancement in the past 12 months. I acknowledge the valuable contribution to a number of these from the Commonwealth's Natural Heritage Trust and Envirofund.
- The Norfolk Island Hydrology Study was completed on-island and published, with a particular focus on water resources and waste water. This was supplemented by a useful handout for householders on protecting groundwater resources, now available from Administration.
- We now have surveyed the whole Island's groundwater reserves and have placed this information in a database linking to MapInfo. This is designed to be updated regularly and will link to historical data previously collected. This will enable us to manage this resource sustainably in the future through informed decision making based on scientific principles.
- The revegetation of reserves project has already been completed at Headstone Reserve through the dedicated work of Chris Adams. The revegetated area is starting to look great with almost all plantings surviving and now established. The project has now moved to 100-Acre Reserve where substantial works have been undertaken. Current works include madeira vine control and revegetation of the upper parts of the Reserve.
- There has been much work in cooperation with the local community and Commonwealth departments on assessing environmental needs and planning for the future. Major documents currently close to finalisation include the State of the Environment Report and the Natural Resource Management Plan. There has been extensive public consultation in preparing drafts of these important reports, with a final round of community discussion and input about to begin.
- One of the initiatives which promises to deliver tourism dividends for many years has been our ensuring that KAVHA went forward to UNESCO as part of the Convict Nomination Group for World Heritage Listing. If this succeeds, it will enormously lift the profile of Norfolk Island in the international community and help us to widen the profile of high-yielding visitors to whom we can promote our tourism attractions.

Roads

- The focus of the roads programme for much of the past year has been on ensuring that roads are maintained at a level to maximise safety for motorists and other road users. This has also included resurfacing some roads which were in moderate condition to ensure that they did not deteriorate to the point of needing total replacement.
- We now plan a two-pronged approach for the next 12 months, which will involve continuing safety maintenance and resurfacing on the road network, but also include the completion of stage two of the Burnt Pine upgrade from the Visitors Bureau to the Airport, to coordinate with the refurbishment of the approaches, cattle stops and car parking at the airport.

Mr Speaker, this is really just a sample of a much wider range of social, community and economic development programmes we have progressed in the past year. I hope it gives some idea of our overall social and economic priorities and the areas in which we plan further advancement as we enter our second year in government. I have already addressed the government's strategic priorities when I presented the Strategic Plan 2007-09 to the Assembly at an earlier sitting. I will not go over that ground again, other than to say that Members will shortly be considering the draft budget for 2008-09, which will incorporate a range of initiatives arising from the Strategic Plan and will make clear the objectives we seek to commence, continue and achieve over the life of this Assembly. Mr Speaker, I believe that in its first year, the Norfolk Island Government of the 12th Assembly has hit the ground running and has achieved much. But there is a great deal more to do, and we will continue to seek the support of Members and the community to continue the momentum so that that we can ensure that this island we love becomes an ever better place in which to live, raise a family, run a business and enjoy a great lifestyle. Mr Speaker, in concluding this statement, I seek to table the

document I mentioned earlier, which summarises in dot point form some 70 areas of initiatives and action from the last 12 months. Thank you, Mr Speaker

SPEAKER Thank you Chief Minister. I note that the paper has been tabled. I invite debate. There being no further debate I put the motion that the Statement be agreed to

QUESTION PUT
AGREED

That Statement is agreed to. Are there any further Statements of an official nature. We move on to the Notice Paper

NOTICES

REQUEST FOR REVISION OF KAVHA BOUNDARIES

SPEAKER A motion by leave. Mr Sheridan

MR SHERIDAN Thank you Mr Speaker. I seek leave of the House to move this motion

SPEAKER Yes Mr Sheridan. Is leave granted Honourable Members. Yes. Leave is granted Mr Sheridan. Please continue

MR SHERIDAN Thank you Mr Speaker. I move that subject to the Commonwealth acceding to the request to enter into discussions on the revision of the boundaries of the Kingston and Arthur's Vale Historic Area known as KAVHA as inscribed on the National Heritage List, this House requests the responsible Executive Member to represent the following proposal for consideration in those discussions:

a) That the boundaries of KAVHA are revised to include portions 57a5, 67i(rem), 67(part portion), 67n, 67r, 80b4, 81k, 164, and 173, the New Military Barracks, Old Military Barracks, Golf Club, Cemetery Reserve, Point Hunter Reserve, Kingston Common Reserve, Government House Reserve, Kingston Recreational Reserve and War Memorial Reserve and;

b) That those remaining freehold portions and Crown leasehold portions, leased to private occupiers, within the existing boundaries of KAVHA be individually assessed on their respective heritage values and;

c) Where a portion so assessed would not diminish the heritage significance of the KAVHA site, a process be agreed to excise those portions from within the KAVHA boundaries. Mr Speaker I don't intend to take up as much time as the Chief Minister did in his last statement but just a brief statement on the motion. As indicated at the last sitting of this House the original motion which was on last month's notice paper has been replaced by the motion now on today's notice paper. This has come about by further representation made to myself and other Members of the Legislative Assembly as foreshadowed at last month's sitting. Mr Speaker the original motion still in part remains as the bulk of the motion and this is that the KAVHA boundaries be revised to only include the lower part of the Kingston area which is detailed at paragraph (a). the other paragraphs (b) and (c) have been added so that with the Commonwealth acceptance to enter into discussions on the revision of the boundaries that freehold and crown leasehold portions currently within the KAVHA boundaries can be individually assessed on their respective heritage values and where possible where a portion so assessed is deemed to not diminish the heritage significance of the KAVHA site then a process be agreed to excise these portions for the KAVHA boundaries. Mr Speaker this motion was the result of a letter being signed by 613 Members of the Norfolk Island community of which I now table into the House asking that the KAVHA boundaries be redefined and that a process be adopted prior to any other land being included within the KAVHA boundary. Mr Speaker the original request of this letter had resulted in the

motion that is before us today. These 614 signatures represent one third of the ordinary resident population of Norfolk Island at any one time and I note that this would represent some 50% of the Norfolk Island electoral roll. These signatures by the residents of Norfolk Island compel this House to consider their request as it was these same signatures that voted this Legislative Assembly into power in March last year, specifically to represent them as their advocates in areas such as this motion requests. This I've undertaken to do and so do now. I spoke on KAVHA a couple of months ago in this House when moving a motion for the responsible Minister to engage in dialogue with the Commonwealth to consider the revision of the KAVHA boundaries. This the Minister has requested that as of this time that I am aware of no response has been forthcoming from the Commonwealth. This motion today asks that the Minister be responsible when representing the Norfolk Island community in this matter to consider this matter as a basis for discussions. Matters of importance, especially to the landholders within the KAVHA area of which this motion alludes to is that they believe that both Governments, have a pivotal role within KAVHA and land that surrounds it and that both Governments upon receipt of this letter, supported by over 600 residents of Norfolk Island would have to make an initial decision as to whether or not to support this proposal. Should the proposal be supported then it would be anticipated that between both Governments they would work out the most appropriate path to implement this review so as to achieve a satisfactory result for all concerned. Other matters of importance to the landholders within the KAVHA area are that if this motion is supported that a number of other items should be considered when discussing issues dealing with the KAVHA boundary. Issues such as, who would carry out the individual assessment of properties concerned. Commonwealth assessors or independent assessors. Landholders feel that an independent assessor is a must. The landholder must be involved in the process. One of the issues is that landholders feel that they have not been involved in the process. An appeal mechanism would be sought by the landholders other than litigation and other avenues be considered for properties that do not fit the criteria to be excised from within the KAVHA boundaries. These avenues would be discussed with the appropriate Commonwealth/Norfolk Island officers together with the landholders. Mr Speaker this motion is very straightforward but is conditional upon the Commonwealth acceding in the first instance to enter into discussions with regard to the revision of the KAVHA boundaries. If this is forthcoming, then the Norfolk Island Minister has a clear indication of what the majority of Norfolk Island residents feel about the boundaries for KAVHA and has a duty to her constituents to put their indications forward to the Commonwealth. Mr Speaker I look forward to the support from my colleagues as would the community

MRS JACK

Mr Speaker I note that in Mr Sheridan's speech to the motion he spoke of prior to any other land being included in the KAVHA boundary and I am concerned that he may be aware of some movement being sought that I'm not aware of. I am aware that nominations go in. Anyone can put a nomination forward regarding any piece of Australia or Norfolk Island. There is in fact a nomination up now which certainly has expanded the boundary beyond what this Government and the Australia Government are prepared to consider is my understanding and certainly what has been put in the paper by one of the Commonwealth officers over the concerns raised by that nomination so I am concerned that we are still dealing with that same issue even though it has to my satisfaction anyway, but apparently not to everybody's else's been put to rest. Mr Sheridan also responded or noted that there had been no response from the Commonwealth regarding the letter I sent in January. There had in fact been one response by Minister Debus but in that letter he was saying that he noted that I had also contacted Minister Garret's office and that he would be awaiting comment from Minister Garret before he made any further comment so it was just an acknowledgement letter but there had been that acknowledgement letter. As soon as the response does come from Minister Garret's office I will be making that available to all Members. It has been chased up in the last couple of days and as yet there's still been no response, so I apologise for that but it's something out of my control. One thing that has been raised also in Mr Sheridan's talk there was it seemed extra conditions

being put on to part (b) here that aren't mentioned and I am concerned that there are those extra conditions being muted or the expectation that if this gets up those expectations spoken by Mr Sheridan could be seen to be automatically considered and so I would just like some clarification from him there

MR SHERIDAN

Mr Speaker if I may respond. Yes just in referring to the couple of comments from the Minister for the Environment, in particular re the other land included into the KAVHA boundary, well there is a certain feeling out there in the community that there is a possibility as the Minister indicated that there could be other portions of land entered into the KAVHA boundaries through representations to the National Heritage Trust etc as there is one proposal up there at the moment. Whether or not that gets assessed is neither here nor there it's just that there is a possibility that other land can be included. What the landholders feel must happen is that prior to any other portions of land being included in the KAVHA boundary that a full consultation process must be laid down, so that everybody can have their say and I believe that's just what the landholders want. In my initial motion that I withdrew they were calling for a referendum before any other portions of land were entered into KAVHA. This I believe myself is abit unworkable, but they would like a process that is agreed to by all the landholders, the Commonwealth and the Norfolk Island Government, that there is a process before any other land is included. As to the other concerns that the landholders had in regard, they are not in the actual motion, and no, it's not something that I'm moving that the Minister does take up with the Commonwealth Minister if agreed to, it's just some of the other concerns that the landholders still have that they would like the Minister to take on board when she does have discussion with the appropriate Minister in the Commonwealth so they are not included in the motion, I know I've stated that they are matters of importance for the landholders, but it's just something for the Minister to keep in mind so when she does have discussion with the appropriate Minister in the Commonwealth that there are other matters aside from the couple that I had detailed in the motion that they are concerned about and that they would like to be aired you might say

MR MAGRI

Mr Speaker the motion before us today provides a platform to the community with the support of the Norfolk Island Government to address some of the concerns raised in relation to the existing KAVHA boundaries. It's important to preface my support for this motion by acknowledging support for the concept of a properly managed and defined Kingston and Arthurs Vale Historic Area and equally support the concept of the World Heritage Nomination. However this motion is not about the concept of KAVHA, nor is it about World Heritage. This motion is about the occupiers of the leasehold and freehold land in and or adjacent to this very important area and how these people are dealing with the ever growing and complex array of regulatory arrangements that extend to those properties. Mr Speaker I also note that in the draft Conservation Management Plan for the KAVHA area on page 114 it states that one of the principal difficulties for managing a place such as KAVHA is the range of property ownerships and the different interests represented by the owners and also on page 124 it states that one of the management issues facing KAVHA is the range of stakeholder interests. So Mr Speaker the landholders have sought to have a change in the current KAVHA boundaries to be reduced and they've collected in excess of 600 signatures supporting this proposal. Some of the landholders have made representations over a number of years to federal Ministers, consultants, Joint Standing Committees of the Federal Parliament, Assistant Secretary of the Heritage Division of the Australian Government Department of the Environment and Water Resources, other Australian Government departments as well as applications with the Norfolk Island Government department for building and planning as well as the KAVHA Board itself. Mr Speaker these landholders have genuine concerns that should not and cannot be ignored. Mr Speaker I strongly support the motion and I thank Mr Sheridan for bringing this motion before us today

SPEAKER Thank you. Any further debate? The question is that the motion be agreed to Honourable Members and I put that question

QUESTION PUT
AGREED

Thank you. That motion is agreed to

EMPLOYMENT REGULATIONS 1991

MR SHERIDAN Mr Speaker I move that this House requests the executive member with responsibility for the Employment Act 1991 (the "Act"), to have regulations made, as a matter of priority, to amend regulation 12 of the Employment Regulations 1991 to provide that for the purposes of paragraph 108(2)(e) of the Act, the prescribed minimum wage is \$12 per hour. Mr Speaker this proposal to raise the minimum wage to \$12 per hour has been brought about by representation by numerous community Members over a vast period of time. Currently the minimum wage is \$8.50 per hour which was altered in October 2004. After much research and review of other minimum wages, especially in Australia, I have come to the conclusion that \$12 per hour is appropriate. I have taken into consideration that the Norfolk Island RPI has risen by some 20.55% since the last increase up to the 31st December 2007. I have taken note of the Norfolk Island RPI as various sectors of the community rely on this to adjust fees and charges on a yearly basis. Also I note that the PSA has in part used the RPI for one of their arguments with regard to their current wage claim against the Administration as I believe this very House is considering using the RPI as a basis for their own claim for extra remuneration. Mr Speaker this minimum wage does not affect the majority of workers on Norfolk Island as most will be paid at or over this level at this point in time. The people who it does affect are the people at the lowest end of the pay scale but still have the same bills, pay the same prices for electricity, food, fuel and other commodities within the Norfolk Island sector but has fewer dollars to pay for these same goods. Mr Speaker with the ever increasing cost of living on Norfolk Island some residents are already feeling the pinch and if an increase in the minimum wage can assist them then it's a very worthwhile undertaking. As of the 1st July 2008 utilising an RPI movement of 6.32% per year or some 54 cents per year, the increase to the \$8.50 minimum wage would be \$2.19. That is an increase of \$10.69 per hour. With the research that I have undertaken it is of note that the standard minimum wage in Australia as of July 07 affective October 07 is \$13.74 per hour and it is planned to review this minimum wage in July 08. After taking into account that tax is paid at the rate of .15 cents for dollars earned over \$6000 average hourly rate would be approximately \$12.14 cents for a 38 hour working week. Also of note is looking at the 2006 Norfolk Island census there were some 311 people earning less than \$400 per week and another 131 people earning between \$400 and \$500 per week. This represents approximately 24.3% or a quarter of the working population earning less than \$400 per week plus another 15.7% earning between \$400 and \$500 xxx

Tape 4

Dollars per week. Mr Speaker these are the workers that I am concerned with. Mr Speaker most goods and services are adjusted on a yearly basis be it Administration charges, unit charge, rental prices, pensioners and welfare pensions plus other goods and services, are increased by necessity from ever increasing freight rates, fuel, electricity and don't forget the introduction of the GST. You cannot buy the same goods that you could in October 2004 when the minimum wage was last increased. The other side of the coin is that some businesses, mostly in the hospitality and retail areas, will argue that any increase in the minimum wage will cause goods and services prices to rise and therefore affect inflation and therefore the increase to their wages will be spent on increased goods cost. Mr Speaker I don't believe this and I feel that businesses in these areas have the ability to recover some of these increases whereas the low income earner cannot afford to get an increase. One of the areas that it would affect would be the teenage work force as they could be paid at a percentage rate of the minimum rate depending on their age. Mr Speaker a teenager under the age of 16 attracts a minimum rate of 75% of the minimum wage, for example, currently \$6.38. A teenager aged between 17 and 18 years of age attracts a minimum rate of 91% for example, \$7.74 at this present arrangement. I believe that this represents a poor realisation for their work and should be recompensed better. At \$12 the rate would be \$9 for a teenager under 16 and \$10.92 for a teenager in the 17 to 18 age bracket. A more realistic return for their work efforts. It is of note that the Australian Federal Treasurer Mr Wayne Swan just the other day made a statement that we can expect a prolonged period of high inflation and high interest rates. If this is the case then this Government must be proactive and not reactive to the plight of low income earners and in assisting those in getting a few dollars put aside for the years ahead. It is with this in mind that I encourage my fellow members to support the rise to the minimum wage of \$12 per hour

MR NOBBS

Mr Speaker thank you and thank you for bringing that on Mr Sheridan. There can be no doubt that the minimum wage figure of \$8.50 is not good enough to sustain healthy living in any consideration in Norfolk Island. I note that in 2000 a working group suggested that the minimum wage be \$10 and as Mr Sheridan pointed out in 2003 it was set at \$8.50. I have discussed this with Members at an earlier stage whereby I discussed the need to increase the minimum wage and also undertook to research what the current wage structures were in a variety of industries and employments on the island and that showed thankfully that no-one was actually being paid that minimum wage in that survey. However, it definitely doesn't preclude the need to increase that figure so that we are taking account of the cost of living and other such issues. Several weeks ago I commenced a working group into employment issues and those issues with relation to the Employment Act and associated components that interact with the Employment Act and I would just give you a run down of some of those issues because they relate to other considerations in this as well. They were with regard to aligning our minimum work conditions with the Australian minimum work conditions. Obviously there have been some ratio's and things used in the past for that. Further to that was defining in the Act casual part time full time flexible working hours. Additional to that was obviously the minimum rates of pay, the unpaid breaks which the meeting areas is maximum five hours and then the 30 minute break that should be inclusive in this and further to that an alignment of the private sector sick leave entitlements as they are currently I think five days per year. I also sought a legal view from the Legal Services Unit with regard to contracts that prevent an employee engaging themselves in similar type employment if their current employment ends unfavourably. We also discussed issues that the Employment Tribunal has to deal with and youth wages as Mr Sheridan pointed out and also some alternative and expanded methods for conciliation in the employment conciliation process. I welcome your bringing this on Mr Sheridan however, I do note in the regulations that there has to be a not less than 30 days representation and invitation for discussion with all community Members on these issues and what I would prefer is I have a further meeting with the working group that I've set up to go over employment issues. That working group meets this Friday and we will be using the summarised data that we presented at the last meeting to come up with some tangible outcomes. Changes

to the guidelines where necessarily alignment of guidelines in the Act and regulations and an overall assessment of what our wage structures should be across all those areas there

MR GARDNER Thank you Mr Speaker, just a couple of queries from Mr Sheridan. He quoted some figures before saying that according to the 06 census, I think it was, that there were some 311 people earning less than \$400. those 311 people do you know whether they were part time, casual, full time employees or a combination of such because some people might only work three hours a week for example

MR SHERIDAN Mr Speaker if I may, no I took those figures straight out of the 2006 census as I said and it was from the graph in the range of gross weekly income from all sources and it was for people 15 years and over so there may very well be some teenagers in there earning after school etc but that's where I grabbed those statistics from, the census that we put out

MR GARDNER Thank you Mr Speaker, further on from that it was just to satisfy a query in my mind and it certainly doesn't sway my thinking that this is a subject for discussion that we need to have. It has been some time. I know there's been attempts in the previous Legislative Assembly to raise the minimum wag to \$10.50 and in that proposal which I think was withdrawn there were a couple of other riders attached to that which I think raised some areas of concern with some Members, myself included but in saying that I certainly would not be wishing to rush this through the House today, particularly in light of the Chief Minister's comment about the regulations which I must say quite frankly is a new one on me, I wasn't aware of those provisions under regulation for a period required before you can set a minimum wage and that's clearly something that I would like to have a closer look at in the intervening period but importantly, there is a need for community consultation on this and I appreciate Mr Sheridan's enthusiasm in bringing this forward today but it has a potential to have an effect in a whole lot of areas and I think we need to be conscious of that and I'm not sure how Mr Sheridan wanted to deal with it today, whether he wanted to push it through to finality because if this motion was supported and despite the issue that the Chief Minister raised earlier about a requirement under regulations for certain things to happen, this motion requests the Executive Member to have regulations made. The next opportunity for that matter to come back before this House for discussion would be for finalisation of the making of the regulations at executive council and being presented here as a regulation which is a disallowable instrument and that would be then the next opportunity that we would have to debate the matter and I would prefer a process of proper consultation before we actually had to go to that length before we open debate on the matter again but I'm in the hands of Mr Sheridan and the Chief Minister. He's got different advise which I haven't seen yet in relation to that matter so I would like to hear from them on that in whether they wanted to deal with it to finality today

MR SHERIDAN Mr Speaker I was unaware of that requirement to air it for 30 days for public consultation but that could be done whether the Minister brings forward legislation and sits it on the table for a month, but in saying that I would be quite willing to leave the notice in the House for the month and note it for the next sitting

SPEAKER You are suggesting that the matter be adjourned

MR SHERIDAN Mr Speaker I'm quite willing to do that and after discussion I will move the appropriate motion to leave it on the table for a month

SPEAKER Any further debate Honourable Members. Then I seek a final motion Mr Sheridan please

MR SHERIDAN Mr Speaker, I move that debate be adjourned and the resumption of debate made an Order of the Day for a subsequent day of sitting

SPEAKER The question is that debate be adjourned and the resumption of debate made an Order of the Day for a subsequent day of sitting

QUESTION PUT
AGREED

The Ayes have it. Debate is so adjourned Honourable Members

MUSEUM TRUST ACT 1987 - RE-APPOINTMENT OF TRUSTEE

SPEAKER I note at this time that Mrs Jack has vacated the Chamber. She has a commitment this afternoon. Mr Gardner has indicated that he will move this motion on her behalf

MR GARDNER Thank you Mr Speaker, on behalf of Minister Jack I move that this House resolves for the purposes of paragraph 5(2)(b) of the *Museums Trust Act 1987* that the executive member re-appoint Simone Rena James as a member of the Norfolk Island Museum Trust for the period 20 April 2008 to 19 April 2010. Mr Speaker Mrs Jack has asked me to make mention of a couple of matters. One in relation to this particular Trust, the Museum Trust. The meetings of the Trust are usually held monthly although there have been the odd occasion in the past where frequency has been greater than that. She's also asked me to thank Simone for agreeing to be reappointed and also to highlight the difficulty that we experience from time to time in getting people to come forward and offer their services to sit on voluntary Boards and organisations and we are very grateful for those people who do take the time and make the commitment to assist in carrying out the functions under the various statutes that we have in place and the efforts that they make on our behalf and in an advisory role in many instances to the various Minister s. Also Mr Speaker Mrs Jack has asked me to thank Mr Ross Quintal who's position on the Museum Trust Mrs James is filling, for his services to the Trust over the last two years and I commend the motion to the House

SPEAKER Thank you. Any further debate? The question is that the motion be agreed to Honourable Members and I put that question

QUESTION PUT
AGREED

Thank you. That motion is agreed to

ROADS ACT 2002 - DEDICATION OF PUBLIC ROADS

MR MAGRI Mr Speaker I move that this House resolves to approve the determination by the executive member under section 45A of the *Roads Act 2002* that the transitional period for the purposes of Part 8 of that Act be the period ending 26 February 2010. Mr Speaker, the Roads Amendment Bill 2005 amended the Roads Act to give additional time for the dedication of an old road or an old service road as public roads under the Act. The Act was amended to provide a transitional period for the dedication of these roads being the period ending on 27 February 2006 or such later date or dates before 27 February 2010 as the executive member may with the prior approval of a resolution of the Legislative Assembly determine by notice in the Gazette. Mr Speaker, the first time limit has now passed and therefore I seek the approval of this House to extend the transitional period to 26 February 2010. Subject to a resolution in favour of this Motion, Mr Speaker, it is my intention to bring forward, at a subsequent day of sitting, a motion seeking a resolution of this House requesting the executive member to take such action as is required under the Roads Act 2002 to dedicate certain roads as public roads. Thank you, Mr Speaker

SPEAKER Thank you. Any further debate? The question is that the motion be agreed to Honourable Members and I put that question

QUESTION PUT
AGREED

Thank you. That motion is agreed to

CUSTOMS ACT 1913 - EXEMPTION FROM PAYMENT OF CUSTOMS DUTY

MR CHRISTIAN Thank you Mr Speaker, I move that, under subsection 2B(4) of the Customs Act 1913, this House recommends to the Administrator that the goods specified in the first column of the Schedule imported by the person specified opposite, and on the conditions mentioned, in the second column of the Schedule be exempted from duty. Mr Speaker column 1 identifies the goods as a stretcher, the amount of duty that would be payable is \$751.95 and the importer of the goods is the St Johns Ambulance of Norfolk Island. Mr Speaker this complies with our normal policy in respect of how we deal with St John's and I would ask my colleagues to support the motion. Thank you

SPEAKER Thank you Mr Christian. Any further debate? The question is that the motion be agreed to Honourable Members and I put that question

QUESTION PUT
AGREED

Thank you. That motion is agreed to

IMMIGRATION ACT 1980 - APPOINTMENT OF MEMBER TO IMMIGRATION COMMITTEE

MR NOBBS Thank you Mr Speaker I move that for the purposes of subsection 6(4) of the *Immigration Act 1980*, this House recommends the appointment of Jenifer Ruth Magri as a member of the Immigration Committee for the period 17 April 2008 to 16 April 2010. Mr Speaker Mr Gardner has already mentioned this afternoon our gratitude to the efforts that are put into these committees and once again I would like to echo many of those comments. It obviously entails a commitment of time, effort and expertise and we definitely appreciate the various committees input into some of these deliberations, particularly in the Immigration arena as we look at a variety of application types, permit types and all manner of plans for people's future. So I would definitely welcome Jenifer Ruth Magri to the immigration committee and I would also like to thank Barb Elvy who has been a long standing Member of the immigration committee as she has recently decided that she is going to do other work, no doubt she has been a dedicated Member of that committee working as chairman for quite a lengthy period so thank you very much for her as well

SPEAKER Thank you Chief Minister. Any further debate? The question is that the motion be agreed to Honourable Members and I put that question

QUESTION PUT
AGREED

MR MAGRI ABSTAINED

Thank you. That motion is agreed to

CUSTOMS AMENDMENT BILL 2008

SPEAKER We move on Honourable Members to Orders of the Day and the next matter Honourable Members where we resume debate on the question that the Bill be agreed to in principle and Chief Minister you have the call to resume

MR NOBBS Mr Speaker I resume this with the full intention of foreshadowing that I will adjourn it to the next sitting. The reason that I've brought it forward now is my absence from the chamber at the last sitting and Minister Gardner brought it onto the notice paper for me and I appreciate that but I did want to give some of the background that led to the reintroduction of this. This is by no means a new amendment that has been looked at within this House. The proposed amendment deals with the importation of buses and seeks to allow the further importation of the 9 metre bus on Norfolk Island and although I am aware that this has been previously discussed there are some issues that I did want to bring to the fore. Particularly because many approaches have been made from community Members to revisit this particular issue and I felt it was best if we could discuss this in this forum. I previously circulated a large amount of background information to all of the Members and that information included some accurate measurement of the buses real physical dimensions as was evident in our discussion most people thought that a 9 metre bus was a 9 metre bus whereas in actual fact the physical measurements vary somewhat and hence the reason on the amendment for it to be listed at 9.5 metres in length, 2.35 metres in width, 3.3 metres in height. I've also provided all Members with some background information such as the harsard discussion relating to the importation of buses, and some supporting information provided to me by a tour operator from Norfolk Island and some further points following some discussions that've had with the OIC of the Norfolk Island police and those discussions were in relation to any safety issues and things like that, that we also need to consider so they were attached as well. Obviously the accommodating of our tourists and the tourism industry is one issue but road safety is another that we have to be very mindful of in this area and that may even lead to some stages, where if we retain the 9 metre buses, the restriction of them to certain roads as is the case in Mt Pitt and areas such as that so I merely just wanted to bring it on and give a reason for why it is on the notice paper and how I would like to take it to finality at the next sitting

SPEAKER Thank you Chief Minister. Any further debate Honourable Members. Then the question is that debate be adjourned and the resumption of debate made an Order of the Day for a subsequent day of sitting and I put that question

QUESTION PUT
AGREED

The Ayes have it. Debate is so adjourned Honourable Members

FIXING OF THE NEXT SITTING DATE

Thank you Honourable Members we move to the fixing of our next sitting day

MR ANDERSON Mr Speaker I move that the House at its rising adjourn until Wednesday 21 May 2008, at 10.00 am.

SPEAKER Thank you Mr Anderson. Is there any debate Honourable Members. The question is that the motion be agreed to.

QUESTION PUT
AGREED

The motion is agreed to

ADJOURNMENT

MR SHERIDAN
now adjourn

Thank you Mr Speaker I move that the House do

SPEAKER

Thank you Mr Sheridan. Is there any further participation in adjournment debate Honourable Members. Mr Gardner

MR GARDNER

Thank you Mr Speaker I would just like to take this brief opportunity to acknowledge the contribution of Mrs Bonnie Quintal in recognition of her recent retirement from the St John's Ambulance Brigade on Norfolk Island. As Members would be aware there is a very extensive article printed in relation to her contribution to the Norfolk Island community in the Norfolk Islander last weekend which made for very interesting reading. Bonnie has made a tremendous contribution to this community over many many years, and in many different guises and I trust that she will settle into retirement with the same passion and energy that she's displayed in her contribution to the community over so many years and I just hope that Kik, you have plenty of jobs lined up to contain that passion and energy and enthusiasm in her retirement. I wish her well in particular in her retirement and congratulations Bonnie on a tremendous contribution to the Norfolk Island community and I hope Members join me. Thank you Mr Speaker

MEMBERS

Hear, Hear

MR NOBBS

Mr Speaker just in brief, there'll be the usual Minister's forum on the radio tomorrow morning commencing at 9am and all and every Minister is of course, very welcome to come and discuss issues on the radio. Thank you

SPEAKER

Thank you Chief Minister . Honourable Members any further participation in adjournment debate Honourable Members There being no debate I put the question that the House do now adjourn

QUESTION PUT
AGREED

Therefore Honourable Members this House stands adjourned until Wednesday 21 May 2008 at 10.00 am.

