

MR PRESIDENT: Honourable Members would you join me in saying the Assembly Prayer

**Prayer**

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

MR PRESIDENT: Honourable Members if any of you are hot, once Condolences have been completed you should feel free to remove your coats, and we'll commence the meeting with Condolences

**Condolences**

MR CHRISTIAN: Mr President, it is with regret that this House records the death of Bruce Colin Mackenzie in Sydney on Thursday 21st April 1992. Bruce was a former long time resident of Norfolk Island and one who gave many years of service to the community on both the Council and the Legislative Assembly. Bruce was the eldest son of the late Noel and Linda Mackenzie of Melbourne. He came to Norfolk just on thirty years ago and was an electrician by trade. Just 55 years of age he had had a battle with cancer for the last few years. Bruce served on the Norfolk Island Council during the years 1970 to 1978 and then on the Legislative Assembly up until 1982. He then became in charge of the Electricity Undertaking until 1989 when he left to settle in Sydney. He had a good position there and at times travelled to New Guinea for his firm. Bruce was a "straight shooter" and a very popular young man on the Island, dedicated to keeping Norfolk as it is. He was always there to give a helping hand and at all community functions he was there, cheerfully working to organise the lighting. Father of young Race, Bruce has two brothers, Alan with his wife Helen and Ross with his wife Heather and son Hywel. To his son Race, to his relatives and many friends on Norfolk Island this House extends its deepest sympathy.

It is with regret that this House records the death of Clifford James Buffett of Steeles Point, only son of Claude and Beattie Buffett. Cliff was born on the 24th August 1919 at Grenfell New South Wales, but went to school on Norfolk and at the age of 17 went to sea, starting as a launch boy on the Burns Philp ship SS Morinda. He worked his way up to obtaining his Captain's Certificate and during the war years served in the Merchant Navy, carrying and evacuating troops. Practically his whole life was spent at sea, sailing to all parts of the globe. On his retirement he returned to Norfolk with his wife Jess and family and built their home at Steele's Point. However, he was often called upon to relieve and during their years on Norfolk went to sea many times. Cliff is survived by his daughter Julie and two sons, Paul Daryl and his sister Maude Buffett of Cascades. To his family and their families, to his relatives and friends this House extends its deepest sympathy.

It is with regret that this House records the death of Barbara Young who passed away on Sunday 31st May in Auckland. Barbara was born on Norfolk Island but has lived in New Zealand for the past fifty years. She was the daughter of the late Aunt Ginny and Pa Les Quintal. To Margie, Maureen, Brione, her relatives and friends this House extends its deepest sympathy. Thank you Mr President

MR PRESIDENT: Thank you Mr Christian. As a mark of respect to the memory of each of the deceased I would ask all Members to join me in standing in silence. Thank you all. Honourable Members please be free to remove your coats if you wish to

**Presentation of Petitions**

We move to Petitions. Are there any Petitions?

**Giving of Notices**

There being no Petitions we move to Notices? Are there any Notices which Members wish to give?

**Questions Without Notice**

Are there any Questions without notice?

MR ROBINSON: Thank you Mr President. My first question is addressed to Mr Sanders. Is there something that can be done to prevent people from arrogantly lighting fires in the vicinity of the Hospital and filling its interior with cinders

MR SANDERS: Mr President. Yes there is. There is section 17:11:77(e)(ii) in the Environment Act covers such matters and there is a method of dealing with it

MR ROBINSON: Thank you. I'll follow that one through. Another one to Mr Sanders if I may. Do you have any intentions or will you be prepared to ban the building of more shops on Norfolk?

MR SANDERS: Mr President, if I may there is an obvious need to look at the number of restaurants, shops and other buildings in the central development area and I believe that consideration should be given to some controls and that should be done in the very near future

MR BUFFETT: A supplementary question Mr Brown. Mr Sanders has just made his response to that earlier question. I would be interested if he could advise the House the process that he would undertake if he wanted to go through the arrangement of restricting businesses in the Burnt Pine area, or indeed, anywhere else on the Island, as to what consultative process he would undertake before such decisions were made

MR SANDERS: Mr President in the past as Mr Buffett is aware, with contentious issues such as the Environmental Act we call for submissions and we had meetings with interested parties. I would propose that if there was such a thing that it be done in the same manner

MR BUFFETT: And would he do that unilaterally or would he consult with the Membership of this Assembly

MR SANDERS: I would assume that if it is a matter of consideration it should be for the whole Assembly shouldn't it

MR SEMPLE: Mr President I put this question to you. At the first informal meeting after the General Elections where executive positions and Assembly roles were discussed I supported your nomination for position of Executive President after you made mention of your intentions to be away from the Island for only two days every fortnight. The question I asked, are these still your intentions?

MR PRESIDENT: Yes. I intend to be away for two business days a fortnight

MR BATES: Mr President I have my first question is to the Minister for Immigration and Tourism Mr Sanders and the question is, is the Minister aware of the damage being done to the hills on the commons, especially in the Cascade area by motor cyclists repeatedly using the same tracks and would the Minister endeavour to see if something can be done to minimise erosion of the affected areas

MR SANDERS: Mr President I am aware of that damage and yes I would like to do something. My understanding is most of those lands are reserved lands. I understand that Forestry has been making efforts in the Kingston area to fence off and try and rejuvenate the areas. The prohibition of such things I don't know, I would need to seek legal advise on that

MR BATES: Mr President the next one is to Mr Bennett the Minister for Finance. Would the Minister table at the next meeting of this Assembly a summary of all costs associated with lobbyists, consultants, staff and Legislative Assembly Members travel, wages, any other costs, referendums in connection with the voting issue in the Australian electorate?

MR BENNETT: Thank you Mr President. I would be delighted to do so

MR BATES: A further question to the Minister for Finance Mr President. Now that the voting issue is closed, does the Government

still intend to employ lobbyists in Canberra, and if so, how much are they likely to cost and what is the purpose of retaining them?

MR BENNETT: Mr President. There has been no formal response to a request from the company that was engaged by the Fifth Assembly to assist them with the Legal Regimes dispute, however, there has been a letter received from them offering two alternatives, one to be retained on a formal basis to which we have not addressed, and my own personal view is that we shouldn't, and the second option was to not retain them but to use them ad hoc if and when an issue arose that we required information then we would be likely to use that company but there's been no formal engagement as such

MR BATES: A further question to the Minister for Finance. According to Household Surveys in 1980, 17% of the average household income was spent on food. A similar survey in 1989 indicates that this has increased to 23%. Would the Minister advise the House if he considers this to be caused by an increase in food prices or a deterioration in the average household income?

MR BENNETT: Mr President I would like to give a qualified answer to that if I may at the next meeting because it's an important issue, but I do just at this time, draw Mr Bates' attention to the RPI movements which over the last year has reflected movement in the prices in food at an extremely low rate, particularly by comparison to such things as alcohol and tobacco, building and home improvements and one or two other categories. I don't have the data here with me now but I'm certain that Mr Bates would be able to have a look at that. I think that attests to the fact that there hasn't been a meteoric rise in food prices but as I said, it is a topical question. In recessed times people are finding it difficult to make their dollar go around so I will have a look at the question and provide a more qualified answer if I'm able to at the next meeting

MR BATES: Mr President I have a couple of questions for yourself. I don't know if you wish to take them from the Chair

MR PRESIDENT: If they're not controversial I'm happy to answer them here Mr Bates

MR BATES: Well that's up to you but the first one anyway, is that an unusual item listed under your portfolio is "Civil and Legal Proceedings by and against the Administration". Would the Minister be able to explain how he sees his role in connection with this responsibility and also if there are any current matters before the Courts that come under this category

MR PRESIDENT: Mr Bates I have not yet been briefed on that area of responsibility so I am not yet in a position to answer that question. I would be happy to attempt to do so at the next meeting but I should say at the outset that I certainly do not see that role as enabling me to play any part in the decision as to the prosecution process. I would certainly see that only relating to the civil side of the Courts

MR BATES: I did have a supplementary question to that but I think you've answered it in part anyway Mr President. A further question to yourself. Does the Minister consider two standards for the removal of names from the Electoral Roll fair, or appropriate, and in the event that he does not, does he intend to introduce legislation to amend this unsatisfactory situation.

MR PRESIDENT: Mr Bates I was quite happy with the previous system, I'm quite happy with the present system. I don't propose to initiate any changes but in the event that any of our members do wish to initiate such changes they're certainly free to do so by way of Private Members Bill, and they will definitely receive the assistance of our Draftsman if they wish to do so.

MR BATES: Thank you Mr President.

MR PRESIDENT: Any further questions without notice, Mr Buffett.

MR BUFFETT: A question to the Minister for Community Services, because I understand he handles the matter of KAVHA and if I'm misdirecting that I'm happy to direct it to another place.

MR PRESIDENT: That's quite correct.

MR BUFFETT: Okay then. There has been recently lodged a Harbour Report by Mr Bill Service who is from a Port Authority of another place and this particular question has been around in the community for a little time now and I really want to ask the appropriate Minister as to whether he will update the House about the options contained within this Harbour Report and whether he might be in a position to give the House some idea as to when the consideration process of this proposal might be complete or indeed might be able to give us some detail as to what consideration process he would wish to undertake in respect of this Report.

MR PRESIDENT: Mr King.

MR KING: Thank you Mr President. Firstly I'm not aware whether the Report by Mr Service has in fact been tabled in this House but might I say that I see no difficulty in making it readily available to any interested member, I think you all have it, but certainly any interested member in the community that might like to have a look at it. I've certainly given a lot of attention in recent, in the recent few weeks, to the matter of the harbour and focusing directly on Mr Service's Report we have sought some informal comments and some formal comments from certain people which I haven't yet brought to the notice of members but I'm happy to do so at a later time. Very pertinent comments from the Australian Construction Services tend to lean towards the conclusion that the Service Report is not an adequate document on which one would make decisions about harbours. I certainly tend to agree on that. They haven't been, the Service Report did not properly and fully examine its terms of reference and it appeared only to focus on one alternative and that is the matter of a protected harbour, or quite a lengthy breakwater. As the House will also be aware Mr President, there is the matter of the Cascade cliff face and the type, the quality, type and quantity of rock that may be necessary for the construction of a breakwater. The Reports investigation into the Cascade cliff face are not yet complete, arrangements have been put in hand to bring that matter to a head in approximately eight weeks by which time I ought to be able to bring a plan of action to the House in respect of a harbour.

MR BUFFETT: A supplementary question Mr President. To come back to the original question, could you just summarise the options that might have been contained within that Report.

MR KING: I could make reference to a document I have here David, if you can bear with me just for a moment. I'm sorry, I didn't bring the Service Report with me Mr President. As I recall the options, or Service was asked to examine three options. One was the updating of the present facilities with the, at both piers, the construction of a breakwater and the provision of berthing facilities for both cargo ships and for the possibility of passenger ships. Now, Service did not properly, in my view, examine each of those options. He focused largely on the matter of the breakwater and did not provide sufficient information on which I could put any recommendation regarding the other two alternatives to the House.

MR BUFFETT: Mr President, a further supplementary question. If in fact the Report to date about the generalities of a harbour question are thought to be inadequate, is the Government going to get about trying to have some conclusive information brought forward, so that some firm decision can be made in respect of a harbour or similar arrangements in Norfolk Island.

MR KING: Yes, I'm certainly conscious Mr President of the need to progress the matter somewhat promptly. I don't want to be hasty in progressing the matter. I certainly want to gather all the pertinent information and I've only recently sought some information from the Australian authorities which may be helpful and that was in respect of their examination of the Cascade cliff face in 1982, information which we don't have. Once all this information is together indeed I'm quite anxious to bring the matter to some conclusion so that we can head in one

direction or another. I can't, and I'm not sure at this point in time in what direction I would want to head.

MR PRESIDENT: Mr Buffett.

MR BUFFETT: A further supplementary question. The Minister has indicated that he has sought advice from other authorities. Could he be more specific. He mentioned the Australian Construction Service, are there others.

MR KING: There are David. There's, I have in recent days had some contact with a Mr Andrew Lisle, from memory, who is a specialist mining engineer and I've not yet reached a decision on whether we ought to be engaging him in a consultative capacity, but it is likely to proceed in that direction, in which case he will be providing some information in respect of breakwater and breakwater content and also to enable us to progress the Notice of Intent for the Cascade cliff face. I mentioned previously that Australian Construction Services have made some preliminary comments on the Service Report and offered their assistance in progressing the matter further.

MR PRESIDENT: Are there any further questions without notice. Mr Robinson.

MR ROBINSON: Thank you Mr President. My question is addressed to Mr Sanders once again. In the 5th Legislative Assembly you asked a lot about travelling expenses and allowances particularly in connection with the Tourist have you done, or what do you intend to do about the problem.

MR SANDERS: Mr President if I may I was expecting a question of a similar nature and you may recall on 11th December that you asked a question of my predecessor with regard to travelling allowance and it was replied that, it's very brief, if I may quote it. Mr Smith said, "Yes, that's quite easy to answer from the Tourist Bureau's point of view Mr Brown, the way travelling allowance is done with Bureau these days is it's done on actual costs, so if Mr Snell, the Executive office, travels, when he gets back he gets re-imbursed for his hotel and the associated costs. We don't as such pay an amount of \$100 per day travelling allowance". Mr President, I've recently become aware of that \$100 per day not being true, nor was the statement true. In actual fact they've been charging \$200 a day. Anyhow, to resolve the problem I only yesterday gave a direction to the Tourist Bureau so that there will be no disputes in the future that it be in line with the Public Service travelling allowance as described, I think it's in the Guideline Circular No. 21.

It's a document that the law requires that I'll table at the appropriate time.

MR BROWN: You propose to table that document at a later time in the meeting Mr Sanders.

MR SANDERS: Yes.

MR PRESIDENT: Are there any further questions without notice?

MR BUFFETT: A question to Mr Sanders, Minister for Immigration and Tourism about Tourism Mr President. Within recent times, I suppose within the last two months there has been a report lodged in respect of tourism provided to the Norfolk Island Government Tourist Board as I understand it and I recall that that Report was distributed to Members of the previous Assembly and no doubt has been distributed to Members of the existing Assembly and it addressed the matter of long term planning at the Tourist Board and in a Tourism sense for Norfolk Island and my question to the Minister is this. Given the desirability of many components within that Report, is he able to advise the House that that particular plan is in place or is about to be in place or in fact if it is neither of those if he has an intent to do otherwise than is within that report would he equally advise the House

MR SANDERS: Happily Mr President. Mr Buffett would be well aware that we have held office for approximately two weeks. He would be well aware that considerations and deliberations in effect could not possible have happened. I do believe that the Tourist Bureau has been

considering long term planning, the full extent of which I don't know. The full consideration of that Report I don't know but I have personally found a couple of errors in it right from the start. I think on the very front page it indicates that the person who did the reporting thinks that it's the Tourist Bureau's prerogative to arrive at numbers for Norfolk Island. Well that is obviously incorrect. The Assembly does that. There's a few suggestions through the thing that need to be considered and I need to seek advise from those that are more qualified in these matters than I am about some of the large extent of having consultants in various areas. There are a number of matters that need to be considered and at this stage of the game I am not ready to give any report on such things

MR BUFFETT: Supplementary question Mr President. Thank you for that. What sort of time frame would you put upon the fate of that report

MR SANDERS: I..possibly.. I have no idea it will be done as soon as possible as soon as those that advise me are in a position to do so

MR BUFFETT: Would you expect it to be complete within three months

MR SANDERS: I am not at liberty to put a time frame on it. You yourself would understand that there's a number of things that you didn't achieve in thirteen years so I just propose to just progress it to ...

MR PRESIDENT: Mr Sanders I would ask that you be careful with your words. In this Assembly I propose to rather strictly enforce the Standing Orders to ensure that proper decorum is maintained in the House

MR SANDERS: My apologies

MR BUFFETT: I wish you well Mr President

MR SANDERS: I give an undertaking to do it as fast as we are able

MR ROBINSON: Thank you Mr President. This one is addressed to yourself. Is it true that the cost of the Hospital and Healthcare Review is in the vicinity of \$20,000. If so, did the previous Government budget for it, if not, how do we intend to pay for it

MR PRESIDENT: Mr Robinson I propose to make a statement later in respect of the review being conducted by Dr Salmond but it is a fact that two reviews were commissioned by the last Assembly, one related to the Accounting System at the Hospital and the other related to the Hospital generally and the total cost of those reviews is expected to be in the region of \$20,000. Hopefully a little under that figure. I understand that the Finance Minister in the previous Assembly had made certain plans for the funding of those Reports but he had not done so by way of Supply Bill and when Mr Bennett introduces a Supply Bill later in todays meeting the \$20,000 to meet the payment of those Reports will be included in that

#### **Questions on Notice**

MR PRESIDENT: Are there any further Questions Without Notice? We move then to Questions on Notice. There are no Questions on Notice.

#### **Presentation of Papers**

MR PRESIDENT: Are there any Papers Honourable Members?

MR SANDERS: Mr President I wish to table in accordance with the Norfolk Island Government Tourist Bureau Act a Direction that I have given to the Tourist Bureau with regard to the Travel Allowance

MR PRESIDENT: Honourable Members we normally have a small table just in front of me. It's not there today and we are going to use the table across to the left. If any of you wish to peruse any of these Papers during the course of the meeting you are free to go and grab the

papers and do so

MR BENNETT: Thank you Mr President. I table the Monthly Financial Indicators for the month of April and move that the Paper be noted

MR PRESIDENT: The question is that the Paper be noted

MR BENNETT: Mr President this relates to April of course. Members have been circulated with the Indicator sheet and I just want to make a couple of brief comments. I will refer more to the position of the Island's finances during the first ten months of this financial year when we come to the budget but suffice to say that in the ten months to the end of April out of revenue raised of approximately \$M6.2 we have expended just on \$M6 so that the revenue is still after ten months ahead of expenditure and that's quite good. In relation to how each of those are performing against budget I can advise that the revenue to the ten months end of April is 98% of budget and the expenditure is a little less at 95%. I don't have any specific comments about the particular earnings, I haven't really had time to go into it. Suffice to say that most of them appear to be right on target, the earnings from Services are very much that way with the possibility of a slight increase over budget in one or two of those service earning areas

MR PRESIDENT: Thank you Mr Bennett. Is there any further debate? The question is that the paper be noted?

MR SANDERS: Mr President I have a paper here on the Tourist Arrival Figures for May of 1992 which I..

Could we vote on that earlier Paper Mr President

MR PRESIDENT: We have a motion before the House and that is that the Paper be noted, that is, the Paper of Financial Indicators. If there is no further debate on that question I'll put the question

QUESTION PUT  
AGREED

MR SANDERS: Thank you Mr President. I have a paper on the tourist Arrival Figures for May of 1992 which have been circulated to all the Members. The main comment I have to make is that there appears to be a small plus from the visitors from Australia which is an additional 144 to what there was for this period in 1991 but from New Zealand there continues to be a small decline. There was a minus 33 for that same period. I wish to table that document

MR PRESIDENT: Thank you Mr Sanders. Are there any further Papers? Mr Bennett

MR BENNETT: Thank you Mr President. I table an indication of virements that have been made from the Revenue Fund. Mr President these virements were made prior to the election of this Assembly and it behoves me to table the document in accordance with the responsibility to do so. In the past Mr President there's been some chatter in the community about virements, hearing many virements at many meetings and people not quite understanding where the money's going. They hear a series of numbers, a dollar value and another series of numbers. I've given it some consideration as to how they might be more easily informed. Some have a particular interest in knowing what money goes from which account and for what reason. I haven't devised a system but suffice to say for this particular paper that I've tabled there are four virements only and I'll just briefly describe what they are. There was a need to provide some Consultancy expenses for the Museum and also some additional subsidy. That combined amount of \$15,000 was made by shifting funds from un-used moneys in the revaluation of Crown Lands vote of 9/3/03 so the \$15,000 came from that one vote that was un-used. And in the Radio and Broadcasting area there was a slight shift from a Plant and Equipment vote to a Requisite vote, there was a slight shift - Plant and Equipment means more of a capital item, Requisites are the bits and pieces, repairs and maintenance and replacement parts so there was a slight shift of \$2,000 there and there was some additional costs incurred with the December 1991 referendum and the May 1992 elections and we required another \$2,500 apparently and this was taken from the travel vote. Mr

President just before I wind up from that I will say that in the life of this Assembly there has been just the one virement thus far, I signed it yesterday, but wasn't able to have the paper prepared for tabling today but that simply involves the shifting of money to provide for the costs of the relocation of the Secretary to Government to this compound and I'll table that at the next meeting

MR PRESIDENT: Thank you Mr Bennett. Are there any further papers? Honourable Members I wish to table three papers. Firstly a letter which I have received from the Norfolk Island Hospital Board asking that the Assembly allocate a site on which the Board can commence making plans to erect a new Hospital. I table that letter in that it is a letter of significant public interest. I also table a copy of a letter which I have sent this morning to the Remuneration Tribunal in Canberra advising them of our executive arrangements consequent upon the election of this Sixth Norfolk Island Legislative Assembly and I have also advised the Remuneration Tribunal that having regard to the fact that the question of remuneration for Members of the Legislative Assembly is about to be transferred to the local Tribunal, for the moment and unless there is some significant delay in that transfer it is not proposed to make a submission on behalf of this Assembly to the Canberra Tribunal in relation to such remuneration. And finally Honourable Members, I table a document signed by myself being a nomination of Acting Deputy President. During this Assembly I propose to try to introduce a number of our Members to the Chair by way of appointment as Acting Deputy Presidents. That will enable both Mr Buffett as Deputy President and myself to spend the maximum amount of time on the floor rather than here in the Chair and it will hopefully familiarise those Members with the role of sitting here in the Chair and the first of the Acting Deputy Presidents I have appointed is Ric Robinson and I table that. Are there any further Papers Honourable Members?

#### **Statements**

MR PRESIDENT: We move then to Statements. Are there any Statements?

MR KING: Thank you Mr President. Mr President I wish to make a statement about the matter of quarrying in the Island. I have in the past week or so found myself in the situation of being subjected to a certain amount of pressure from commercial quarrying interests in the Island. I don't take exception to pressure Mr President, in fact I accept that it is a useful tool in bringing about Government action. It is, however, necessary to examine both the nature of and the motive behind that pressure before responding to it. The emotional issue of unemployment has now been introduced to this matter and aired publicly in the local press. Whilst the present Government has not been blamed for this, the inference is that the Government should not get on and rectify matters and make some decisions about alternative rock supply sources. Mr President, this Government cannot and will not accept any responsibility for prolonged unemployment for those retrenched by Island Industries. I will not take any hasty decisions simply to find short term solutions and ignore the long term interests of the Island generally. The published statement by one Director of the Company that the retrenchments were a direct result of the previous Governments failure to ensure a continued supply of rock is totally at odds with another Directors' statement that the retrenchments occurred because of a drop in sales. Such inconsistencies cause me to be sceptical. One could hardly be surprised of course that there was a drop in sales when prices had all but doubled. The decision by the Company to dramatically increase its prices was a commercial one over which the Government had no control. Whether those increases could have been justified or whether they were simply part of a strategy to bring about pressure on the Government will remain a matter of conjecture. However, I will add that whilst I retain executive authority for these matters, pricing and pricing practices will be a paramount consideration in the development of any future co-operative quarrying arrangements. Mr President I would like to simply list out the salient facts behind the present state of quarrying affairs. In 1981 the Administration secured a lease of Portion 5a for rock quarrying purposes. Shortly afterwards the Administration entered into an agreement with Island Industries for that Company to quarry rock on the same portion. The Administration's obligation to rehabilitate the site was passed to Island Industries under the agreement. Both the lease and the agreement was set to expire in



February of this year. Implicit in the agreement between the Administration and Island Industries was a programme of rehabilitation to be carried out by the Company. During the latter two or three years of the lease Island Industries brought considerable pressure to bear on the government and the Administration to either secure a further lease of 5a or locate an alternative site. The Government's attention was refocussed on the Cascade Cliff face as an alternative site but as the site was listed on the Register of National Estate it required complex investigations and applications to Commonwealth Authorities. At the same time efforts were made to renegotiate a further lease over Portion 5a. Rehabilitation - none of which had been carried out - became an issue. During all this Island Industries were at complete liberty to investigate and negotiate for alternative sites in the knowledge that the existing lease was due to expire in February 1992. At or about the time of the lease expiry Island Industries entered into direct negotiations with the owner of Portion 5a thereby excluding the Administration from re-negotiating further. In recent weeks the negotiations between Island Industries and the owners of Portion 5a broke down completely. The precise reasons for the breakdown in negotiations are not clear but include the question of rehabilitation. Mr President, these facts suggest two things to me. Firstly, that the former government was made a scapegoat and secondly, that there appear an expectation that the Governments actions and decisions should revolve around securing the long term financial interests of the Company by finding it another quarry. This is a false expectations This Governments decisions will turn on the question of the best interests of the Island not the commercial interests of any company, firm or individual. I will pursue the general question of quarrying vigorously. Specifically I will progress without delay a plan of action to meet the short term needs of the Island. Investigations into the Cascade Cliff face will be completed promptly. The related question of the port facility will be addressed further in relations to ascertaining the type and quantity of rock that may be required and I intend at an early opportunity to seek expressions of interest from all parties interested in quarrying and crushing rock in Norfolk Island. Thank you Mr President.

MR PRESIDENT: Any further Statements Honourable Members

MR BATES: I move that the Statement be noted Mr President

MR PRESIDENT: The question is that the Statement be noted

MR BATES: Mr President I thank the Minister for his informative Statement and support him in his endeavours to reach a satisfactory solution. I have been concerned about the cost of crusher material for some time. Unfortunately where monopolies exist suspicion of fair play can also exist. Crusher products in the main bear little or no import costs. They are a local product. The company does not pay tax on profits or wages of mainland standards and yet we pay more for this product than small operations on the mainland charge. I trust the Minister will leave no stone unturned in his efforts to ensure a solution in reached and to make sure that we are not forced into paying unrealistic prices for this commodity

MR SANDERS: Could I ask Mr Bates Mr President if his statement about leaving no stone unturned was a pun?

MR ROBINSON: When you compare the price on crushed rock here on Norfolk with that on Lord Howe I think you will find that it's not so terrible bad after all

MR CHRISTIAN: Mr President I would like to point out that the rock on Lord Howe is all brought in from overseas

MR PRESIDENT: Is there any further debate: The question is that the Statement be noted. If there is no further debate I'll put the question

QUESTION PUT  
AGREED

MR SANDERS: Thank you Mr President. I have a Statement that is to do with the Tourism Minister's Council that was just of recent date and it's in relation to my attendance at that Tourism Ministers Council

which was held here on the 23rd May 1992. Co-inciding with this meeting on the Island was the launch of the ABC Holiday programme. The Norfolk Island has reported on events associated with the launching of this successful programme which took place at a dinner at Mariah Heaps on Friday evening the 22nd May. I will not repeat comments already made except to acknowledge and thank the ABC for once again including Norfolk in this extremely popular television show. It could only benefit our tourist industry, particularly visitors from Australia. Just a brief background Mr President, the Tourist Ministers Council was established in 1959. It's main function is to provide policy matters of mutual interest to the Commonwealth and State Territory Governments. Membership comprises the Commonwealth Minister for Tourism and each state plus the Northern Territory and Australian Capital Territory. Norfolk Island and the Australian Tourist Commission have observer status. The effects of moves to create common customs and aviation border between Australia and New Zealand was a matter that received attention at the Tourism Minister's Council meeting and we on Norfolk need to monitor developments in this area. On this particular subject Mr President the issue of concern to the Ministers was implications as regards collection of international passenger movements data for passenger arrivals/departures to and from Australia. Whilst recognising significant market benefits to Australia which would be expected to flow from proposed changes, concern was expressed that any changes would adequately provide for the needs of the tourism industry and the Government users of relevant market research data. The Norfolk Island Government has made a submission on the matter of a common border concept between Australia and New Zealand and at this stage has sought exclusion of Norfolk from the proposal. To date, no firm proposal has been put forward by the Australian Government but the situation is being watched closely to ensure Norfolk's interest are taken into account. Among other items Mr President the meeting discussed reform of the Australian aviation industry as part of its one nation statement released on 26 February 1992. The Australian Government announced further major reforms to the aviation industry which are of importance to tourism. These include allowing additional Australian carriers to operate international air services, allowing Qantas to operate domestic air services and measures aimed at merging Australia and New Zealand aviation markets. The question Mr President to be answered is how these changes in time will benefit tourism here in Norfolk Island. The matter is being examined closely. It was a good opportunity for us in Norfolk to experience first hand the meeting involving all the key Government players in the tourist industry in Australia. I found the meeting very interesting. I am mindful Mr President of the cost to send Norfolk Island residents to such meetings and will give the matter a great deal of thought before a decision is made to attend the next one which will probably not be for a further twelve to fifteen months. The Council decided to have their next meeting in Canberra and if we do attend it would be essential to do other meaningful Government business whilst over there. Thank you Mr President

MR PRESIDENT: Thank you Mr Sanders. Are there any further Statements?

MR BUFFETT: No. Just a question in respect of the Statement made by Mr Sanders. The airline arrangements Mr Sanders and the one nation status that was being talked about at this meeting, did Norfolk Island make a contribution in respect of that debate

MR SANDERS: We were observers Mr Buffett

MR BUFFETT: I see

MR PRESIDENT: Honourable Members, I wish to make a statement about employment. This subject has become a significant community concern. The chills of the Australian recession, the recession that they had to have, are starting to be felt here in Norfolk Island. Each week our numbers of unemployed residents seem to be increasing. I use the term residents deliberately. One local business to which Mike King referred a moment ago which had been trading for twenty years or more last week retrenched five staff of whom four were residents and one had been employed by that business for over ten years. There is little that the Norfolk Island Government can responsibly do to create employment in the short term. At this stage there is not the ability to quickly introduce an expanded capital works programme as the funds are simply not available to do so without increasing the quantum of taxes and Government

charges. Certainly the economy could be stimulated by increasing immigration but that would require significant changes to long standing immigration policies. It could also be stimulated by increasing tourism, but until such time as the present policy's desired level is achieved it is totally meaningless to contemplate an increase in that desired level. No doubt all of these things will be considered as we develop our plans for Norfolk Island through to the year 2000 but they don't provide a quick solution today. That's not to say that we should just shrug our shoulders and cry into our scotch. I have the executive responsibility for employment and during the next week I will arrange for an employment register to be set up by the Administration. It will be cared for by Mrs Sue Sharkey who has responsibility in the Administration for the Employment Act. The Register is intended to enable people to notify their wish to obtain employment. Hopefully it will have an expanded role later at which stage it might be able to help with resume preparation, training and vocational guidance but for now it is intended to just be a register. An employer will be able to consult that register when he wishes to recruit an employee. In the event that an employer is contemplating the employment of a TEP holder. It's possible that immigration policies will require the employer to first consult the register and if a suitable local person is available then I expect that the employer will probably need to justify any decision to pass over that suitable local person in favour of a TEP. A similar procedure might well be necessary in the case of renewal of TEP permits at least until the economy returns to a more normal state. I hope that this will be seen as a positive step and once the register has been created, details of its operation will be publicised in the Norfolk Islander.

MR PRESIDENT: Are there any further statements?

MR BUFFETT: May I move that that Statement be noted Mr President?

MR PRESIDENT: Certainly. The question is that the Statement be noted. Mr Buffett

MR BUFFETT: This has a bit of delicacy attached to it but nevertheless I feel that I should raise it. You've made that Statement Mr President as the appropriate executive member the Minister for Health and Education and with responsibility for employment but we are also aware that you are a participant in the company, director or whatever, that this week you referred to in the Statement that has put off a number of people, some of them with you know, ten years standing and that no doubt relates to the crushing plant situation. I'm really just wondering whether there is any nexus between that activity and the Statement that you have just made

MR PRESIDENT: If you are asking Mr Buffett whether that Statement was made solely for the benefit of those persons the answer is most definitely no. It is something that Members will be aware I've been discussing for several weeks now and it is intended to be a long standing contribution to ensure that we maximise local employment wherever that is possible

MR KING: Mr President, I look forward in fact to working with you on that project if I may and I agree with David that it is a somewhat delicate situation because you've got to be careful how such a register might be used. For example, it is not only unemployment which is at issue here, it is also a wider degree of under employment or inadequate employment and those people who are inadequately employed ought also to have access to this register. Now I suggest as food for thought that it may not be appropriate for an employer to look at such a register and find that his current employee is not terribly satisfied. It's something to keep in mind and I look forward to progressing that matter with you

MR PRESIDENT: Thank you Mr King. Are there any further Statements. Honourable Members I would like to make a brief...

MR ROBINSON: Mr President did the House not move that the previous Statement be noted?

MR PRESIDENT: I'm sorry. The question is that the Statement be noted. Is there any further debate on that question? In that event

I'll put the question

QUESTION PUT  
AGREED

MR PRESIDENT: Are there any further Statements Honourable Members. Honourable Members, I would like to bring you up to date with a few developments at the Hospital. Last week Dr George Salmond commenced a substantial review of the Norfolk Island Hospital and the Healthcare Scheme. The Review had been commissioned by the last Assembly and it is expected to be completed by the end of June. As we develop our future planning it is essential that the operations at the Hospital and the Healthcare Scheme be as professional and as cost efficient as possible and it was with that aim that the Salmond report was commissioned. Reports of this nature are not cheap. I mentioned earlier that the cost of the report will be just under \$20,000 together with the report on the accounting system which has already been completed. I spent a considerable time, as did a number of Members with Dr Salmond while he was here last week and I am confident that we will receive sound value for our dollars when his report is delivered. At the same time I have been concerned that difficulties have been experienced with the accounting system at the Hospital and with compliance with the reporting requirements of the Healthcare re-insurance. To overcome those problems I have engaged Messrs Ernst & Young who are Chartered Accountants through their Brisbane Office and I advise Members that their work was commenced yesterday and that the initial stage is aimed at putting systems in place in order to ensure that each of the Hospital and the Healthcare fund are able to produce reliable monthly management accounts and reports. It is expected that by the end of June that initial task, I'm sorry, the accounting component of that task will be completed to the extent that we will have delivered to us management accounts for the month of May and for the year to date up until the end of May and it is expected that at that stage the system will be working sufficiently well for monthly accounts to be continually produced on a timely basis. The Managing Partner of Ernst & Young's Brisbane office is in our Chamber today and I take this opportunity to welcome him. Are there any further Statements?

MR BUFFETT: What is the cost of that project?

MR PRESIDENT: The interim Supply Bill which is intended to go through the House today contains a provision which is not expected to be totally expended of \$7,500 for the accounting component but the reporting component for the Healthcare of tourists is a separate project as to which the definition of the work has not yet been completed and therefore no assessment can be made as yet of what it is likely to cost

MR BUFFETT: Is there some ceiling Mr President in respect of the activity? It is not in total open chequebook is it?

MR PRESIDENT: In respect of the reporting aspect it is intended to define the task and to then establish a ceiling but there's certainly no open cheque book and unless everyone is happy with what it's likely to cost we certainly won't go further. Are there any further Statements?

**NOTICES**

In that event we move to Notices Honourable Members.

**NO 1 - APPOINTMENT OF STANDING ORDERS COMMITTEE**

MR BENNETT: THAT, this House, pursuant to Standing Order No 17, in addition to Mr President and the Deputy President (ex officio), appoint -

- (a) Brian George Bates;
- (b) Michael William King; and
- (c) Lester Reid Semple,

to be members of the Standing Orders Committee.

MR BATES: Mr President, I accept this nomination but I must register my annoyance that the first knowledge I had of it was when I read about it in the local paper last Saturday morning. The Notice

Paper was not available to me at mid-day of Friday when even a simple phone call could have sufficed. The same applies to my nomination to the House Committee. I hope we're not getting into the situation where executive members consider the opinions of non-executives to be not worth seeking or consider themselves too busy to extend to them the simple courtesies

MR PRESIDENT: Mr Bates you may recall that I did speak with you yesterday in relation to this matter and I'm surprised that you felt it necessary in light of that discussion yesterday to utter the words that you have uttered but nevertheless they are noted. Is there any further debate Honourable Members? In that event I put the question

QUESTION PUT  
AGREED

**NO 2 - NON-APPOINTMENT OF COMMITTEE OF PRIVILEGES**

MR PRESIDENT: We move to Notice No 2 the question of non-appointment of a Committee of Privileges and Honourable Members I would ask your indulgence to allow me to move from the Chair that so much as required of Standing Orders be suspended in order that a Committee of Privileges is not appointed pursuant to Standing Order No 18. Honourable Members this tradition has been followed by the bulk of our Assembly's in recent years and I don't propose to say anything further than that in relation to it but is there any debate? As there is no debate I'll put the question

QUESTION PUT  
AGREED

**NO 3 - APPOINTMENT OF HOUSE COMMITTEE**

MR KING: I move that this House, pursuant to Standing Order No 19, in addition to Mr President (**ex officio**), appoint -

- (a) Brian George Bates; and
- (b) Lester Reid Semple,

to be Members of the House Committee.

MR PRESIDENT: Thank you Mr King. Is there any debate? Being no debate I put the question

QUESTION PUT

- 14 -  
AGREED

**NO 4 - APPOINTMENT OF A BUSINESS COMMITTEE**

MR SANDERS: Thank you Mr President. I move that this House, pursuant to Standing Order No 20, in addition to Mr President (ex officio), appoint -

- (a) Geoffrey James Bennett; and
- (b) Michael William King,

to be Members of the Business Committee.

MR PRESIDENT: Thank you Mr Sanders. Is there any debate? I put the question

QUESTION PUT  
AGREED

**NO 5 - NORFOLK ISLAND BUILDING BOARD - APPOINTMENT OF MEMBER**

MR SANDERS: Thank you Mr President. I move that for the purposes of paragraph 6(2)(a) of the Building Ordinance 1967, this House elects Cedric Newton Ion-Robinson, a member of this House, to be a member of the Norfolk Island Building Board for a period of two years.

MR PRESIDENT: Thank you Mr Sanders. Is there any debate? There being no debate I put the question

QUESTION PUT  
AGREED

**NO 6 - IMMIGRATION COMMITTEE - APPOINTMENT OF MEMBER**

MR SANDERS: Thank you Mr President. I move that for the purposes of subsection 6(4) of the Immigration Act 1980, this House recommends to the Minister for Immigration and Tourism that Brian George Bates, a member of this House, be appointed to be a member of the Immigration Committee.

MR PRESIDENT: Thank you Mr Sanders. Is there any debate Honourable Members? There being no debate I put the question

QUESTION PUT  
AGREED

**NO 7 - NORFOLK ISLAND SOCIAL SERVICES BOARD - APPOINTMENT OF MEMBERS**

MR KING: Mr President I seek leave of the Chair to propose the motion standing in my name in an amended form

MR PRESIDENT: Thank you Mr King. Leave is granted

MR KING: And that motion would now read that for the purposes of subsection 5(1) of the Social Services Act 1980, this House resolves to choose Ernest Christian and Lester Reid Semple, members of this House, to be members of the Norfolk Island Social Services Board, and Ernest Christian to be the Chairman of the Board

MR PRESIDENT: Thank you Mr King. Is there any debate Honourable Members?

MR KING: Thank you Mr President. This shouldn't be seen Mr President as reflecting adversely on Mr Robinson. He's performed I am sure an admirable task previously on the Social Services Board. It is a matter of

the participation of all Members of this House in matters of Statutory Boards and the like

MR PRESIDENT: Thank you Mr King. Is there any debate Honourable Members? There being no debate I put the question

QUESTION PUT  
AGREED

**NO 8 - HEALTHCARE CLAIMS COMMITTEE - APPOINTMENT OF MEMBER**

MR PRESIDENT: We move to Notice No 8 and Honourable Members I seek your indulgence to allow me to move from the Chair the motion appearing in my name on the Notice Paper that is, that for the purposes of paragraph 22(2)(c) of the Healthcare Act 1989, this House resolves to choose Lester Reid Semple to be a member of the Claims Committee. Is there any debate Honourable Members? I put the question

QUESTION PUT  
AGREED

**NO 9 - KAVHA MANAGEMENT BOARD - APPOINTMENT OF MEMBERS**

MR PRESIDENT: Again I seek your indulgence Honourable Members to allow me to move this motion whilst sitting in the Chair. It is that in accordance with paragraphs 8 and 9 of the Memorandum of Understanding between the Commonwealth and Norfolk Island Governments on the Kingston and Arthur's Vale Historic Area, this House -

(a) revokes previous resolutions of the Legislative Assembly made under those paragraphs; and



(b) resolves that the Norfolk Island representatives on the KAVHA Management Board be -

John Terence Brown (alternate - Donald Rae Wright);  
David Ernest Buffett (alternate - Patrick Neathway Brown);  
and  
Cedric Newton Ion-Robinson (alternate - Ivens Francois Buffett).

Is there any debate Honourable Members?

MR BATES: Mr President, an opinion has been expressed to me that another Member of this House may be interested in serving on that Board. I am not too sure about the understanding between the Governments as to whether we have the exact numbers there or not, but I find it a little bit top heavy with MLA's but another MLA has mentioned his interest in it and I see some wisdom in that approach, especially in the areas of education and children coming on in the school and I would like to move an amendment at the appropriate time if that is now, that the last part of the motion after the last "and" the words be deleted and the words substituted "Lester Reid Semple (alternate - Ivens Francois Buffett)". I move that as an amendment if I may Mr President

MR PRESIDENT: To such extent as I need to grant leave to enable you to do so Mr Bates I grant that leave. Is there any debate?

MR BENNETT: Mr President not wishing to undermine the other Boards that have had appointments made to it but the KAVHA Board is particularly important and I think that that's one that perhaps there might well have been more

discussion about. I think that the shift from the old days of having observer status only to a fifty percent representation in the Kingston and Arthurs Vale area was a giant step. What went with it was a much greater degree of responsibility in terms of funding but there are other issues arising in the area and it's one that I think that I would have at least liked to have had some input into it, having had some involvement in it in the past I'm sure that Mr Bates will quickly remind me that it's probably not appropriate that I be on that Committee and I wasn't suggesting that for a moment but I think that... I don't know how important it is for example to conclude the discussion on that today. I note that the KAVHA Board has just met and it's probably not going to be meeting for some months and it would be my wish to see the conclusion of that held over so that we can have a little more discussion

MR PRESIDENT: Certainly there is no requirement that that be dealt with to finalisation today Mr Bennett. The reason the names were put in the motion is those were the two members that had expressed to me an interest. I'm surprised to hear Mr Bates say there is another Member interested in being a Member of it because he certainly had not expressed that to me but now that I have heard that I'm more than happy to move the adjournment of that motion so that it could be given more careful and more detailed consideration. So if Members will grant me the indulgence I move that the debate on this question be adjourned and I put that question

QUESTION PUT  
AGREED

MR SANDERS: Are you referring to that whole motion Mr President

MR PRESIDENT:                   The whole motion yes.    We move to  
Notice No 10

**NO 10 - SEA INSTALLATIONS ACT - APPOINTMENT OF REPRESENTATIVE**

The question of the appointment of a representative.

MR SANDERS:                    Thank you Mr President.   I move that  
for the purposes of paragraph (d) of the definition of  
"representative" in subsection 4(1) of the Sea Installations  
Act 1987 of the Commonwealth, this House nominates Michael  
William King to represent Norfolk Island for the purposes of  
the Act.

MR PRESIDENT:                 Thank you Mr Sanders.    Is there any  
debate?

MR SANDERS:                    Thank you Mr President.   This motion  
probably requires just a word of explanation.    The  
Commonwealth Sea Installations Act deals with the erection of  
oil rigs and sea platforms in various kinds.   When the Act  
was passed by the Federal Parliament the then Norfolk Island  
Government sought the inclusion of some consultative  
machinery with the Norfolk Island Legislative Assembly.   The  
Act therefore includes provisions designed to ensure that in  
dealing with any future application there may be to place a  
sea installation in the waters surrounding Norfolk Island the  
Commonwealth is to consult with the representative of the  
Norfolk Island Community chosen by the Legislative Assembly.  
As Mr King is the Minister responsible for these matters it  
is appropriate that he be appointed to be that representative  
in the event that any sea installation is ever planned.   The  
Commonwealth would need to consult with out executive member  
responsible for such matters, Mr King.   I hope that that

explains what this motion is about thank you

MR PRESIDENT: Thank you Mr Sanders. Is there any further debate

MR BENNETT: I note that the budget doesn't include any expenditure for snorkels, flippers and scuba tank for Mr King if there is an opportunity to add it to the budget when we get to the budget debate, I'm not sure how he's going to examine these sea installations without going under the sea but perhaps he has got some ability to walk across the top of water

MR PRESIDENT: Mr Bennett I'm sure that your offer of co-operation has been greatly appreciated. Is there any further debate. I put the question

QUESTION PUT  
AGREED

**NO 11 - NORFOLK ISLAND GOVERNMENT TOURIST BUREAU -  
APPOINTMENT OF AUDITORS**

MR SANDERS: Thank you Mr President. That, for the purposes of subsection 18(1) of the Norfolk Island Government Tourist Bureau Act 1980, this House resolves -

(a) that previous appointments made under the subsection be revoked;

(b) that Graeme Peter Donaldson be appointed to be the auditor for the purposes of the Act in respect of the financial year ending on 30 June 1991 and all previous financial years; and

(c) that any partner of the accountancy firm Ernst and Young be appointed to be the auditor for the purposes of the Act in respect of the financial year ending on 30 June 1992 and subsequent financial years.

MR PRESIDENT: Thank you Mr Sanders. Is there any further debate?

MR SANDERS: Thank you Mr President. It is thought desirable that the same firm that does the Administration and I understand now the Hospital, that it be appropriate that the same firm of Auditors at this time be those that do all of the Government undertakings

MR BATES: Mr President I support the motion. I did not have the opportunity to talk to Mr Sanders about that aspect of it but I do see here that for some years now Ernst & Young have been our external auditors and I see alot of sense in continuing these assignments to them but normally you would seek two or three showings of interest and we get prices for some of these jobs and we select the best. It seems that we are developing into a situation where we no longer go through that process that we just appoint somebody because they happen to be handy. I think we need to be careful that we're not getting ourselves into a situation and I think we should give consideration to going back to the tender process or calling for other showings of interesting in such matters which usually run into many thousands of dollars before they're finished

MR PRESIDENT: Thank you Mr Bates. Is there any debate Honourable Members? There being no further debate I put the question

QUESTION PUT

AGREED

**NO 12 - IMMIGRATION POLICIES**

MR SANDERS: Thank you Mr President. I move that this House -

(a) adopts and incorporates into policy the recommendation of the Immigration Review Group that the length of time for which temporary entry permits may be granted be increased from three years to four years, with extensions to five years in special circumstances as specified in the report of the Group;

(b) adopts and incorporates into policy the recommendations of the Group with respect to the administration of the compensating departure scheme, until this House has had an opportunity to consider and debate the Group's recommendation that the scheme be discontinued; and

(c) save as set out above, adopts the immigration policies of the Fifth Legislative Assembly.

In moving this motion I seek the approval of this House for me to direct those involved in the administration of our immigration legislation and policy to adopt the recommendation of the Immigration Review Group relating to Temporary Entry Permit stay and to administer the provisions relating to the Compensating Departure Declaration Scheme in the manner recommended by the group. I seek the approval of this House to amend the publicly available guide booklet entitled Immigration into Norfolk Island, a General Guide by incorporating these policies. Mr President I must say that I was also a Member of that Immigration Review Group and while I am moving the motion that four years be the accepted length

of time for a TEP I in actual fact opposed it as a Member of the group but I am recommending it in this motion as it was a group's recommendation not an individual recommendation

MR KING: Mr President I seek leave of the Chair to move an amendment

MR PRESIDENT: Leave is granted Mr King

MR KING: Mr President I move that the motion be amended by omitting paragraph a. Mr President if I were to deal with Mr Sanders motion as it presently stands I feel I would have to oppose it yet there are aspects of it which I would support. There are three elements to Mr Sanders original motion, that is, the length of stay of a Temporary Entry Permit holder and whether it ought to be four years with an option to five instead of three years with an option to four and that matter arose out of the examination of the Immigration Review Group as did the second element to his motion, the tightening up as it were of the Compensating Departure Declaration Scheme. Mr Sanders motion deals with in effect putting into place some Administrative procedures and policies which will effectively tighten up his administration of that scheme with a view to recommending to reviewing the recommendation of the review group that the scheme be finally be abolished and the third element deals with Mr Sanders adoption, or indeed the House's adoption of the Immigration Policies of the former Assembly, in other words the working codes for Mr Sanders to carry on with pending a review. In respect to the second part I certainly agree that it is necessary to tighten up the Administration of the CDD scheme. Indeed if a Bill were now before the House to bring about its abolition I would support it wholeheartedly. Unfortunately the mechanics of doing that are somewhat lengthy and I can only hope that the interim

arrangements enable Mr Sanders to reduce the incidents of abuse and misuse pending the dismantling of the scheme. The third part of Mr Sanders motion seeks the blessing of the House on the Immigration policies of the Fifth Legislative Assembly. Well Mr Sanders believes that it is essential that he has agreed policies to work with or the blessings of the House. Others don't share that view. Mr Sanders really ought to reflect on the proper exercise of executive authority. He ought to be aware that he is not subject to the dictates of this House however, I can understand to a certain extent his reasons for bringing this forward. That's fine, except that it should be understood by all Members that matters such as immigration should be subject to an ongoing review. There are a number of questions within the area of immigration policy and the law in fact which centre on the objectives and the effectiveness of those policies and sections of the law. However, I am happy to adopt the previous Assembly's policies for the time being. It's the first part of Mr Sanders motion that I am not happy with. As Members would be aware I was a Member of the Immigration Review Group which completed its tasks some few months ago and I agreed along with other Members of the Group that the general limit on Temporary Entry Permit stay should increase from three to four years and that decision took account of some of the difficulties experienced by some employers in attracting and retaining suitable staff. However, in recent times its become increasingly apparent that the unemployment and inadequate employment problems are rising in the Island and I believe it would be a dreadful slap in the face of those effected by those problems if we were now to adjust a mechanism which in theory at least is a protective measure against local unemployment and you will appreciate Mr President that by moving an amendment to delete that section of Mr Sanders motion the matter can freely come before the House at another time and perhaps the appropriate time for



that to come before the House is when the House examines the recommendations of the review group in their entirety. Simply my conscience wouldn't allow me to support Mr Sanders entire motion I therefore commend my amended motion to the House

MR ROBINSON: Mr King would perhaps the use of the words "in special circumstances" if we applied it to the extension to four years as well, only because I see no point in selecting a Committee of people who would be fairly considered to be the most knowledgeable on Immigration on Norfolk Island and then ignore the report. So if we use those words "in special circumstances" to the four years would that solve your dilemma

MR KING: Let me put Mr Robinson's specific question aside just for a moment Mr President. This matter really turns on the proper exercise of executive discretion. Mr Sanders of course has a discretion within present policy to deal with applications for extension beyond the three years as he sees fit. He has a ... that discretion includes his examination of any special circumstances and the merits of each particular application so that in fact he retains some authority to deal with matters in some flexible manner. If that flexible manner in which he deals with those things becomes a difficulty to the House then we have recourse to take other action in respect of that but I recognise at least and I ask the House to recognise that he does have that discretion concerning flexibility to deal with these matters

MR ROBINSON: Mr President in that case I have no problems with Mr Kings amendment

MR BENNETT: Mr President, obviously I have an interest in the first part by virtue of being an employer so

that to such extent that I have to declare my interest I will do so but just simply to make the comment that the Immigration Review Committee was asked to consider things; they met on a great number of occasions, they came up with the recommendations which I think were soundly made, I don't see any reason at all for departing from their recommendation in that respect. In respect of (b) I don't have any difficulty with the motion, it's ironical that when this whole issue arose back in 1989, in fact July 1989, the very problems that arose out of that Compensating Departure Scheme would seem to have been covered...

MR KING: Point of Order Mr Chairman please. With respect Geoff we are addressing now the motion to amend by deleting paragraph (a)? Is it not wise or better use of time to focus attention on that particular issue?

MR PRESIDENT: Are you suggesting Mr King that debate is irrelevant?

MR KING: It appears to be irrelevant to my motion to amend which focuses on section (a)

MR PRESIDENT: It appears to at this stage Mr King

MR BENNETT: Mr President I hear what Mr King says and I can confine my comments to three particular areas and if it is felt that by running through the whole three it will confuse the issue that is the issue of the amendment well I'll stop speaking now until after that particular issue

MR PRESIDENT: Thank you Mr Bennett. Is there any further debate?

MR BUFFETT: I just wanted to clarify one or two

things in respect of the amendment which addresses part (a) of this motion. Mr Robinson was saying that an expert group had considered this matter and had come forward with recommendations. I am assuming that (a) is in terms of the groups report?

MR PRESIDENT: Quite

MR BUFFETT: Yes. And both Mr Sanders and Mr King were on that group and so they tossed it around and came up with a majority view?

MR SANDERS: Yes

MR BUFFETT: So it's a majority view that's expressed here? OK

MR SANDERS: Mr President I should also point out if Mr Christian was Chairman of the Group so there are three of us that were on that Committee. I was surprised that Mr King at any time thought that I was not aware of the discretion that I should exercise and that shouldn't be directed or fettered, bearing in mind that he in previous Assembly's was the Authorised Officer in relation to when I was the Immigration Officer and that discretion was exercised

MR BUFFETT: Taking into account previous Assembly's I think there certainly should be guidelines for exercise of executive authority

MR SANDERS: I agree totally. Because of what's happened in previous Assembly's, that there should be guidelines

MR PRESIDENT: Thank you Mr Sanders. If there is no

further debate I will put the question and the question is that the amendment be agreed to. We are voting only on the amendment and that is that paragraph (a) of Mr Sanders motion be deleted. We are not voting in relation to paragraphs (b) or (c) at this stage

QUESTION PUT

MR BROWN	NO
MR BUFFETT	NO
MR BATES	AYE
MR SEMPLE	AYE
MR BENNETT	NO
MR ROBINSON	AYE
MR CHRISTIAN	AYE
MR KING	AYE
MR SANDERS	AYE

The result of the voting Honourable Members the ayes six the noes three the ayes have it. Is there any debate now on the motion as amended?

MR BENNETT: That is the motion that deals with (b) and (c), not (a)?

MR PRESIDENT: Correct

MR BENNETT: Mr President I was talking a little earlier about the decision to suspend the compensating departure scheme and I don't have a difficulty with its suspension I simply was making the comment that the very difficulties that arose during the administration of that departure scheme appear to have been things that the Commonwealth raised back in July 1989. They had obviously foreseen the need to properly define terms such as

"substantial asset", "reasonable period", "market value" for example. They also foresaw at that time the need for valuations or market value to be obtained by a registered valuer and anyway, we have been down that track. We went down that track without that, I'm just hoping that Mr Sanders will take all that into account. I don't think that it is the right decision just to abolish it altogether, you will just find it will build up and somewhere else along the line there is a need to deal with hardship cases. I'm sure that with a fair amount of discussion we can find a way through that. The door's been opened fairly wide in the past, it's now being closed a bit. Maybe we can find the pathway through. In respect to (c) I've always had a difficulty with the question of the policies in respect, mainly to quota, not that I want more people to come in but I think we are dealing now with a situation quite markedly different from 1986 and I think that there is a pressing need for us to examine more closely the effects of some of these immigration policies and I am meaning the financial or economical effects to the Island. Members will recall that in 1986 when the Immigration for the Select Committee on Population met and produced its report it was from that report that many of our policies arose, but Members will recall that that Select Committee was unable to adequately address section (c) and the terms of reference and that was the section that reads as follows. It was asked to address the implications of potential levels of population as it might affect 1. the Island's resources 2. the Island's character 3. the Island's services and infrastructure and 4. finances and 5. good Government. I think it's pretty important to examine in fact the effect that various policies and in particular the quota, will have on the Island's finances. I think people here have got to realise that as the costs of running Norfolk Island increase, and so help me they have, we've seen it in the last few weeks, that there has to also be a realisation by the

people out there that they are going to have to fund the increased expenditure. That means either more money out of their pay packet or...

MR SANDERS: Mr President Point of Order. I don't wish to sort of really object but this is a discussion on whether there be an immigration policy virtually until the matter can be reviewed in total. It wasn't a matter of creating a new policy today. It was intended that there be a policy for the time being. I don't think that it was intended that that debate be one binding and forever

MR BENNETT: Mr President I don't accept what Mr Sanders says otherwise he perhaps might have put the same words that are in No 13 in No 12 and No 13 is quite clear where it says the policies will be accepted but be recognised that the desirability of reviewing it. Now those words are clearly missing from 12(c). We are being asked to adopt the Immigration Policies of the 5th Assembly and so I was addressing those particular policies. Now if you would care to add those words you just mentioned well then I'll harken down and wait for it

MR SANDERS: Perhaps Mr Bennett might like to do it as an amendment. Or I'll be happy to do so. I'm not fussy

MR BENNETT: Well Mr President if it will draw a conclusion to what I say I will be happy to move an amendment that adds the words "but recognise the desirability of fully considering these policies and if necessary reviewing them as soon as practicable" be the words that follows the last word in 12(c), the word "Assembly"

MR PRESIDENT: Mr Bennett, for the sake of Members

perhaps you could repeat those slowly

MR BENNETT: Well if I could read it in its amended form (c) save as set out above adopts the Immigration policies of the Fifth Legislative Assembly, but recognise the desirability of fully considering those policies, and if necessary reviewing them, as soon as practicable

MR SANDERS: Thank you Mr President. I haven't any difficulty with such an amendment but bearing in mind that the Immigration Review Group has just done a Review and the Review hasn't been considered by this Assembly. I would assume that words to that effect would be covering the same thing. I don't have any difficulty with that at all Mr President

MR PRESIDENT: Is there any debate on Mr Bennett's proposed amendment? If there is no debate on the amendment I'll put the amendment, and we are voting purely on the amendment

QUESTION PUT  
AGREED

We now return to the motion as amended. Is there any further debate on the motion as amended? Being no further debate I put the question

QUESTION PUT  
AGREED

**NO 13 - TOURISM POLICIES**

MR SANDERS: Thank you Mr President. I move that this House adopts the tourism policies of the Fifth

Legislative Assembly, but recognise the desirability of fully considering those policies, and if necessary reviewing them, as soon as practicable.

MR KING: Mr President, once again I accept that Mr Sanders needs to be guided by some policies in this matter and it appears to be sensible and acceptable to me that he adopt these policies as have been adopted by a number of Assembly's in the past. If somewhat perfunctorily. If we do approve, if Mr Sanders motion is successful and we do approve the carry on of these policies then again it goes without saying that they are capable of being reviewed at an early time and in fact, I believe they ought to be. We ought to be realistic and review them, particularly in light of the fact that they have now been around for some nine years or so and it might serve us well just to take a quick look at a couple of them. The third one reads "that Norfolk Island's desired level of tourism as set for the time being does not exceed an average of 820 visitors on the Island each day during peak tourism months. I would put the question Mr President, how often has anyone in government addressed whether in fact those numbers have exceeded, have been exceeded. I would suggest that they have been exceeded on a great many times yet the matter has not be brought forward for discussion. Number 5 talks of the commercial benefits of tourism, that they should go mostly to Norfolk Island residents rather than to non residents. I ask myself how does that equate with Immigration Policies which have resulted in only 20% of the commercial business as being owned by Island people. Number 9 talks about all weather activities are encouraged as a legitimate means of levelling the seasonal trough. I scratch my head wondering what the blazes that means and who encourages what sort of activities. What has been done? Number 13 reads "the tourist industry be constantly monitored so that appropriate levels of public



funding for promotion may be decided". Well, again Mr President I'll bet that there have been no efforts taken in the gathering of statistics and running them through the computer for analysis purposes. I often harp on this point as does Mr Bennett that there are a wealth of statistics out there that absolutely no endeavours are made to collect these things and analyse them. Number 18 reads that any promotion or advertising material produced by the government or privately for use on or off the Island should contain only substantiated facts and that measures should be taken to prevent the publication of any misleading statements. I agree that the incidence of misleading statements in the commercial sector has somewhat diminished but there still remains one shop up there with letters two foot high emblazoned across the front of the building that they are duty free. Nine years this has been in place. I regard it really, Mr President, as being a little bit wishy washy and mealy mouthed and they do need some reviewing to determine their suitability in this day and age and perhaps to examine whether they have had any real effect. There appears little point to adopting any policies unless there's a commitment to giving proper effect to them, but I would support the motion nevertheless

MR PRESIDENT: Is there any further debate  
Honourable Members

MR SANDERS: Yes. I would just like to say, thank  
you Mr King

MR BENNETT: Mr President I had indicated that I  
would be moving an amendment to that motion but I advised you  
in the House that I do not propose to go ahead with that  
amendment at this meeting but will hold it over for a  
subsequent meeting. The amendment was to simply to add

another policy to the list and that was one that embraced the need to examine, or to have an Inquiry into a computerised reservations system or the means of enhancing Norfolk Island's case through the new information technology that's available today. That, as I said, will be held over til the next meeting

MR PRESIDENT: Thank you Mr Bennett. Is there any further debate? If there is no further debate I put the question that the motion be agreed to

QUESTION PUT  
AGREED

**NO 14 - GOALS AND OBJECTIVES FOR NORFOLK ISLAND**

MR BUFFETT: Thank you Mr President. Mr President I move that this House directs the executive members to research and bring forward for resolution by this Legislative Assembly, a Statement of Goals and Objectives into the foreseeable future for Norfolk Island, to include matters exemplified in the following Schedule. Such Goals and Objectives must be clear and visionary, to:

(a) give direction and emphasise purpose into Norfolk Island's future,

(b) provide a reference point against which strategies, progressive plans and programmes, may be devised, and

(c) provide a reference point against which this Legislative Assembly, executive members, the Public Service, statutory and non-statutory organisations and community bodies may measure their performance.

The executive members should report completion or progress on this task within a period of three months.

**THE SCHEDULE**

**Sample subjects to be recognised in the Establishment of Goals and Objective for Norfolk Island.**

1. Recognition that Norfolk Island is the home of the Descendants of the Pitcairn Islanders who settled in Norfolk Island in 1856, and those who subsequently have chosen, and been chosen, to join them as residents to share their lifestyle; and maintenance of Norfolk Island as a desirable and affordable place to live.

2. Achievement of Internal Self Government within a defined period, including adequate and affordable:

(a) governmental, administrative, legal and law enforcement machinery

(b) social infrastructure

(c) continuation and/or establishment of industry and commerce

(d) practices for use and protection of land and the environment

3. Regular definition of major projects and tasks over given periods (say ten years)

4. Maintenance of sound relationships with neighbouring authorities and countries.

If I can address that motion Mr President. This motion really is about objectives and goals for Norfolk Island Mr President. There are a variety of words that you can use. You can use the words charters, policies, aims, but no matter what the names, really the results spell out where we, that

is, Norfolk Island, want to go into the future. I do propose three steps to consider this motion Mr President. The first step, today. If Members have views, put them on the table today without necessarily making a commitment to them at that time or to the motion because at an appropriate stage today I would want to move a motion of adjournment so I don't intend that this matter be brought to its finality today. The second step, when we next meet, that we might then vote on the motion, maybe after it has been amended to acknowledge additional views if additional views wish to be put and the third step might be in a period of say three months, which is mentioned in this motion, it might come forward for final resolution by the totality of the House. Can I just turn to the contents of the motion. It's really intended to act as a brief to the executive members to prepare a statement on goals and objectives. I really think that the time might have approached us now for us to initiate our own overall plan. An all embracing plan which might have goals for this place, not just a tourism policy or plans, not just immigration policies or plans. They of course are valuable and needed but they are only part of the overall picture in Norfolk Island although obviously, indeed, both of them have endeavoured to point out that their particular policies, whether they be tourism or immigration have a much more wide ranging effect than just those two subjects. The big question is, where do we want to be when we adopt such things as tourism policies and immigration policies or other policies. Where do they fit into the much larger picture? For too long, in fact I think it's the story of our life in Norfolk Island, we have reacted to situations. Situations that probably have been thrust upon us. I really think it is now time for us to plan the way ahead that we want to follow, obviously, we want to follow, and take initiatives to make plans to reach such goals and such destinations. You might well ask, why hasn't then this been done in the past, and I

think that's an intelligent question and I think the sort of reasons are these; when we commenced self government in 1979 we had some really powerful directions given by the Ellicott announcement leading up to 1979 of where the Australian Government desired that Norfolk Island should go and the Preamble to the Norfolk Island Act spelt out some equally powerful acknowledgements of Norfolk Island's situation and much time and effort has been spent in pursuing those goals and rightly so too I might say Mr President, and indeed they would want to continue to be pursued. But with the passage of some thirteen years now, we have really experienced a wide spectrum of needs and experienced aspirations and we've progressed through an educational process on the new system of Government here on the Island. New for the community, new for we members around this table and indeed for those who perform the Governments tasks and this has led us to a situation where Norfolk Island itself should examine those earlier goals and objectives that might have been set down in the sort of documents that I have mentioned and see where we would want to go from here because obviously more things have come out of the woodwork than might have been just expressed within those earlier documents. I am sure that those earlier statements will continue to feature very largely in the preparation of such goals and objectives. The motion as it presently stands makes three points about clear visionary goals and objectives and if I might just address them. It is really asking for direction and emphasised purpose into Norfolk Island's future. Now I know that those two examples that we have just discussed in immigration in tourism endeavour to give direction and emphasise purpose in those two other areas but of course Norfolk Island's totality is far wider than just immigration and far wider than just tourism and it would be far wider than any other policy that might address important but particular areas. I am talking about the totality of Norfolk Island and where it would want

to go. In fact, it should be such that those aims and objectives would provide a reference point against which strategies, progressive plans and programmes might be devised. Programmes and plans such as immigration. Programmes and plans such as tourism. It would look to those things and see whether it is really going to achieve, for example, if self government was to be achieved within a certain period of time, whether those particular philosophies would reach that destination for us. I am also aware that the Finance Minister is preparing a forward financial plan and this is commendable and good and there's not any conflict in what I am on about here and indeed it doesn't duplicate the process but what I am endeavouring to ask members to consider is to set out the big picture against which you can devise programmes including financial ones to lead us towards the philosophical destination that should be expressed in these goals and objectives. The third part of this motion I consider is an important one. Because it is asking us to provide goals and objectives as a reference point against which a number of areas may measure their performance. This Assembly, the executives, the service that is the principal arm of the Government and Statutory Bodies, the Tourist Board has been mentioned this morning, non statutory organisations also exist and indeed maybe other community bodies. I think we have reached a stage where it's timely that if we set these things out we can point towards them and say during a period of this Assembly, next Assembly whatever, we have moved along the track to achieve those goals and objectives which we have set down as our overall aim. The Schedule in respect of this motion is not meant to be exhaustive and it's not meant to be something that can't be adjusted. It's really meant as a starting point for discussion. I consider that those are the sorts of things that in fact should be addressed if we are to set out overall goals and objectives for Norfolk Island and I would imagine other members would

have other views as well and I would welcome them being said, on this occasion or another occasion. So having given that introduction Mr President, I would be interested to hear contributions from other members and subject to the wishes of this House I would at an appropriate time seek to have that adjourned and brought forward at a later Sitting for some finality

MR KING: Mr President if I were called upon to vote on this motion today and subject of course to listening to what everyone else would have to say I think that I would be inclined to oppose the motion. Not that I disagree with Mr Buffett's, the thrust of Mr Buffett's motion, but for reasons which I'll attempt to make clear. I see it as a fairly major task that Mr Buffett wishes the executives to undertake. A task which, as David points out, has not been addressed by any of the previous Assembly's, a fairly sophisticated task. I question whether the limited resources of this Assembly or the Government should be directed to this task in preference over the more immediate pressing issues that surround each of the executive members. I am left wondering about what sacrifices I will need to make without having a statement of goals or expressed purpose as Mr Buffett puts it, how would I for example, progress matters such as harbour facilities; quarrying; third party motor vehicle insurance or no fault accident schemes and the like, just in my portfolio, without this goal, this purpose. I support the notion of forward planning and I would hope that I can make some valid contribution towards at least a five year plan. Geoff has in fact made some steps in that direction but I am not convinced that the task of forward planning requires firstly a sophisticated statement of goals and objectives especially when the job of putting that statement together would detract from my ability to progress relatively urgent matters. I wonder also how binding such a

statement of goals and objectives might be three years down the track when another Assembly comes on the scene and we all know that positions in the Assembly are somewhat tenuous. It shouldn't be overlooked either Mr President that this motion or its intent intrudes to a large extent on the tasks set for the Public Sector Reform Task Force. There is a clear overlap in the terms of reference set for that group in the terms of Mr Buffett's motion. Mr Buffett has suggested in the schedule a number of the relevant subjects, and he has said that they are not exhaustive, but it goes without saying I think that David would wish the Government to focus particularly on those things. He asks to recognise that Norfolk Island is the home of the Pitcairn descendants and I don't have any difficulty with that, in fact the more decisions we have in which that plays a prominent part the better as far as I'm concerned, but it goes without saying of course, having already been acknowledged in the governing statute which establishes this House of Assembly and that is the Preamble to the Norfolk Island Act that asks us to examine the achievement of internal self government when at least personally Mr President, I'm not convinced that we have the ability for administrative legal or governmental infrastructure support for the range of powers that we presently have. That's flying off on a tangent a little I must confess. Mr President I have a preference at this time for being guided in my responsibilities by the basic goal of peace, order and good government but I remain open to persuasion. Thank you

MR SANDERS: Thank you Mr President. I agree not in total but with a fair proportion of the comments made by Mr King. The direction that this motion aims at in some respects I think is extremely excellent but I am surprised that a number of things that are in it talks about a regular definition of major projects and tasks over given periods,



say ten years. I think that got mentioned almost in every meeting of the last Assembly but I haven't as yet seen any such thing. It refers in practise for use and protection of land and environment; Mr President I think in 1988 when the Environment Act was being considered and discussed and endeavouring to get something on the books, something that was substantial and for the benefit and protection of Norfolk Island the total comments we ever had from Mr Buffett was "awesome legislation - awesome legislation". But on no occasion did he ever attend any of the meetings to discuss it or try and guide it nor at any time did he ever offer any amendments. I find it quite strange now that we have such a motion and wants us to come to some conclusions in three months when as I have previously said Mr President it hasn't been achievable in Mr Buffett's Governments for the last thirteen years

MR CHRISTIAN: Mr President I basically support the motion as set down by Mr Buffett. I think it's time that we did some forward planning, far beyond time in setting down goals and intentions and things which the Island should achieve

MR SANDERS: Just to add one more comment Mr President. I am pleased that Mr Ernie Christian has made such a suggestion bearing in mind that he was an executive member in the last Assembly and he didn't make any proposals then

MR PRESIDENT: Any further debate Honourable Members. There being no further debate...

MR BUFFETT: Yes yes. I just want the opportunity to respond to a couple of the things that have been mentioned Mr President and some of the things that have been mentioned

are appropriate things to mention. I wouldn't necessarily say that they have been mentioned in the right context but I think that some of the factors that have been raised are important ones. For example, Mr King has mentioned that it is a major task and it is a major task, that's why I have recognised that by explaining that it might be preferable to take it on a phased basis and indeed if there needs to be some further time frame in respect of that then there is the prospect of it being extended because if you will notice the time frame that I proposed I said, report completion or progress. I didn't say it needed to be totally completed if the time frame of three months. Indeed it may take longer than that, so the matter of it being important and it taking some time is a valid point but I hope that it would not deter people from tackling the task. It has been mentioned that it is a sophisticated task. Well I think it could be a sophisticated task but it nevertheless could be more simplistic than maybe some people may have in their minds. Nevertheless it will have to address philosophical problems. That's quite so. That doesn't mean that it has to result in being a sophisticated document however. Now equally, Mr King has mentioned in this particular context that he has his priorities and he's not too sure whether he could have time to tackle this problem. I acknowledge that. That is one of the difficulties in tackling this particular task. It is equally one of the difficulties that have been confronting earlier Assembly's. You know, Mr Sanders made a, you know, probably throw away political line, well you haven't done it in the last thirteen years. He's quite right about that and there are these sort of difficulties that have assisted it not to have taken place but there are also the other factors that I mentioned that the further you get along the track the more you realise that there will come a day where this situation does need to be addressed. I wouldn't want to try to say that I am proposing this to put aside such things as

consideration of the harbour facilities, third party motor vehicle insurance and the like. They are important issues of the day. But, in achieving those, you need to be able to say I am achieving them for the long term benefit of Norfolk Island. Well what is the long term benefit of Norfolk Island? And that's what I am trying to ask Members to consider. To come to grips with where they would want to be in thirty, fifty, whatever number of years time, because doing those things of today obviously leads us somewhere and I am asking us to consider, well let's sit down during the reasonable period of time and define where we do want to be when we have a harbour, when we've introduced third party insurance etc. How binding is it? Well the better your aims are the more binding you obviously will find that it will be upon those who follow and that's probably why it is a major task and why it will take some time and I've already talked about those things. Mr King very rightly points out that it has a relationship with public sector reform but however, he uses the term intrudes, or overlaps. I've got to say that it doesn't intrude. It does overlap. It dovetails with it. It in fact is the key point in public sector reform, or in fact it's the key point in any other policies that you would want to devise because before you reform anything you've got to know where you're going and that's really what I am trying to just inject into the meeting today, not for resolution as I have mentioned but to more clearly define where at the end of the day we want to be, and if people are promoting public sector reform, I don't like the word reform I've got to say, I think if they want to make adjustments or improve something that is there, fine, that's fine, but people think when they want to change things on occasions the first thing they've got to do is totally destroy any work that has been done over previous years and I have a difficulty with that. But that's an aside. So I do say that it is an important factor in the public sector area that Mr King has referred to earlier. It

has been mentioned that one of the factors to consider in such goals and objectives may be, is, quite clearly is, that Norfolk Island is the home of the Pitcairn descendants. But may I just point out thy following phrase which also says, that it has also become the home of other residents who have chosen and been chosen to come and live in Norfolk Island so the concept is a little wider but it must recognise that this is the home of the Pitcairn descendants. Another interesting factor that has been mentioned by Mr King is his doubt about whether we are able to pursue further some aspects of self government and he mentioned that he doubted in some instances whether there might be sufficient infrastructure or whatever and correct me if I misinterpreted that but I certainly had a strong feeling about that. I'm concerned with that attitude to be quite frank and I'm concerned for this reason. It may have been thought at the outset that self government was just a matter of words and some things written on a piece of paper. Indeed, self government is more than that. It is a long hard and sometimes difficult task and it will not come easily and if it is becoming difficult now, do not let us get cold feet. Don't let's think it's getting too hard and we've got to give it away. It will require perseverance on the part of we as members and indeed the Norfolk Island community. Don't be misled about thinking that self government in its totality will be easy but just because it gets harder or is getting hard don't think that it's not worth the candle. It will be the thing that will sustain Norfolk Island into the future and I think needs to be addressed when we ask ourselves where do we want to go in the long term which is what this motion is about. Mr Sanders made some comments. I just have to get my thoughts in order for just half a minute. He made mention of major projects, big tasks and land environment and made some sort of adverse comments in respect of that particular component. I think it was really coming back to the point

that well, these things have been around for a while and maybe there hasn't been a great deal of contribution to date.

Well it is a big task and I acknowledge that. It's really something that will take a long time yet to come to grips with but I do want to highlight that maybe we should commence now to work towards setting out clearly some of the aims and objectives in respect of those things. Land and environment is an important component. If you think we are done with contributions today Mr President, I would move that we adjourn the matter as I earlier foreshadowed..

MR PRESIDENT: Mr Buffett there is one further member wishing to speak

MR ROBINSON: I just wanted to say that I basically support the intentions of Mr Buffett's motion. It would be a shame for members of this House to put the motion in the too hard drawer and file it away. Perhaps Mr Buffett could be included in the group to look at it

MR PRESIDENT: Thank you Mr Robinson. Is there any further debate before we move the adjournment

MR BUFFETT: If Mr Robinson wants to include a wider membership I have no difficulty with that. What I put on the table is to be talked about now and if there are proposals to improve it I think that's healthy but if we are at the stage of moving an amendment I will so move that this motion before us be adjourned at this time and be brought forward as a matter at our next sitting day

MR PRESIDENT: Honourable members the question is that the debate be adjourned and that the resumption of debate be made an order of the day for the next sitting

QUESTION PUT  
AGREED

**MESSAGE NO 46 FROM THE OFFICE OF THE ADMINISTRATOR**

MR PRESIDENT: Honourable Members I have to report that I have received the following message from the Office of the Administrator, it is message No 46, Appropriation No 4 Bill 1991-92. In accordance with the requirements of section 25 of the Norfolk Island Act 1979 I recommend to the Legislative Assembly the enactment of a proposed law entitled "An Act to authorise expenditure from the Public Account for the service of the year ending on 30 June 1992." Dated this 9th day of June 1992. Alan Kerr Administrator.

**SUSPENSION OF STANDING ORDERS**

MR BENNETT: Thank you Mr President. I move that so much of Standing Orders be suspended as would prevent the Appropriation No 4 Bill 1991-92 being dealt with as an urgent Bill

MR PRESIDENT: Honourable Members, Mr Bennett has moved this motion in order to enable the whole of the bill to be dealt with to finality today.

MR BUFFETT: Why do we need to do that? Why can't the Business Committee?

MR PRESIDENT: Because the Business Committee was only appointed earlier in this meeting

MR BUFFETT: Of course of course

MR PRESIDENT: Normally such a motion would not be

necessary, normally as the Deputy President has pointed out the Business Committee would meet prior to the meeting and would resolve that the bill is an urgent bill but unfortunately today it needs to be dealt with in this fashion so Honourable Members the question is that so much of Standing Orders be suspended as would prevent the Appropriation No 4 Bill 1991-92 being dealt with as an urgent bill

QUESTION PUT  
AGREED

**NO 15 - APPROPRIATION NO 4 BILL 1991-92**

MR BENNETT: Mr President I present the Appropriation No 4 Bill 1991-92 and move that the bill be agreed to in principle. Mr President this Bill proposes supplying \$395,700 to various divisions which I'll come to in a minute to correct shortfalls in some of those areas in the financial year ending 30 June 1992. By far the largest component of that \$395,000 is in the health and welfare area, some \$337,000 to be precise and there are two other divisions which I'll expand on in just a moment. Mr President the options that we had faced with the urgent need for funds for the Hospital and the Healthcare arrangement were to either create a new Supply Bill or to try and find unspent funds from the Revenue Fund and try and shift it around to meet that level of expenditure. The result is really the same. If it's expenditure out of that financial year whether you take it out of the virement, bits and pieces out of this that and the other or supply it the end result is still going to be the same. Mr President the need for funding for the Hospital is not one that we've just stumbled across, in fact it was identified back in March and I'm not absolutely certain why supply wasn't created between then and now but I

suspect it may well have had something to do with the election. It is a pressing moment. I've made the bill, I've sought the bill to be processed in an urgent fashion because we really need to supply funds to the Hospital immediately. Minutes have been circulated with a copy of the bill and the schedule attached and it's to that schedule that I now wish to address some remarks. The first item 1/2/06 Administrative Expenses, proposes the sum of \$50,400. The explanation of that is that this proposes to remove \$50,400 from the recoverable ledger and to supply funds for it. The recoverable expenditure ledger has been subject to some criticism by the internal auditor over the last few years. His comments are that this ledger should only be used for specific disbursements on behalf of the Government, disbursements that will be repaid within the next financial period. He goes on to say that two issues arise as far as the accounts is concerned, first, the accounts should reflect that the actual transactions and events for the period and second these amounts may or may not be recovered. Most of these costs appear to be costs of the Administration for the period ending 30 June and the fact that there is no specific vote for the items is no reason for putting them into recoverable and letting them remain there. The \$50,400 relates Mr President to legal costs yet uncovered. It may or may not be recovered but I would hope that it would be. It's a lot of money and the purpose of putting it in the Supply Bill is to take it out of recoverable expenditure in accordance with what the internal auditor is saying and to supply for it. The second item is division 2/2/01 and 2/2/02 a total of \$337,000 which is broken down into two sums but in actual fact I'll break that down a little bit more for you. There is the subsidy to the Norfolk Island Hospital of \$257,000 and the second item is medical and hospital expenses for approved persons of \$80,000. In amongst that first figure Mr President includes the shortfall in trading of



\$92,500 which I alluded to before which was brought to notice back in March. There is the HMA payments through to the 30 June. The Consultancies for Dr Smith to do the accounts of the Hospital and Dr Salmond whose report we still await and there is a shortfall in the salaries attributable to the medical officers but those three items total \$44,500. There's an additional amount of \$50,000 which was in fact advanced to the Hospital in March but it was not dealt with in the revenue fund and there was an additional amount to cover shortfall and includes an amount of \$45,000 which is expected to be the approximate cost of two recent Healthcare cases. Mr President the last item in there, division 13 subdivision 3/01 is an amount of \$8,300 headed up Legislative Assembly plant and equipment. This simply is the costs of the telephone system that we have downstairs. It's been in, I don't know how long, I suspect a year or two but it's never been brought to account. It's appropriate that it be dealt with and the sum total of that capital item is \$8,300. Mr President, just focusing once more on the health and welfare area, the interesting question that will arise particularly as we move towards the principle budget in a few moments is whether the poor performance in the hospital and healthcare area will continue and whether we are in fact allowing insufficient funds in the budget. That's to be discussed shortly. Mr President yourself having been involved in lengthy consultations with the hospital and the officers of the Administration in respect to both hospital and healthcare and perhaps in the debate you might care to add a little bit more to what I've said about that expenditure, the financial position generally and the plans that you have made to correct the possibility of continued poor performance. That, I might add might be more appropriate when we come to the main budget debate but I'd be happy to hear from you, I guess members would at some time during either this debate or the next. Mr President I commend the bill

MR PRESIDENT: Thank you Mr Bennett, is there any further debate? If there is no further debate I will put the question that the bill be agreed to in principle

QUESTION PUT  
AGREED

Is it the wish of the House to dispense with the detail stage. Honourable Members we will dispense with the detail stage. Mr Bennett would you care to move that the bill be agreed to

MR BENNETT: Mr President I move that the bill be agreed

MR PRESIDENT: Is there any further debate. If there is no further debate I put the question that the bill be agreed to

QUESTION PUT  
AGREED

**MESSAGE NO 47 FROM THE OFFICE OF THE ADMINISTRATOR**

MR PRESIDENT: Honourable Members we move now to Notice No 16 but before doing so I have to report that I have received the following message from the Office of the Administrator, and I will read that message, it is message No 47, Appropriation Bill 1992-93. In accordance with the requirements of section 25 of the Norfolk Island Act 1979 I recommend to the Legislative Assembly the enactment of a proposed law entitled "An Act to authorise expenditure from the Public Account for the service of the year ending on 30 June 1993." Dated this 9th day of June 1992. Alan Kerr

Administrator.

**NO 16 - APPROPRIATION BILL 1991-92**

MR BENNETT: Mr President I present the Appropriation Bill 1992-93 and move that the bill be agreed to in principle

MR PRESIDENT: Thank you Mr Bennett. The question is that the Bill be agreed to in principle

MR BENNETT: Mr President, before dealing with specifics, there I think is a need to provide some background commentaries of a general nature and I propose to do such. Firstly Mr President the following statement is about the Island's general finances, that is, the general Administration finances and I do have a copy of what I'm about to say that Members might like to follow. Mr President in the Norfolk Islander of 2nd May 1992 the Editor asked the following question, or one of a number but this was the question I'm specifically addressing and the question was "just what is the actual state of the island's finances? Not by a series of figures and percentage points but in easily understood words".

Mr President, as at the 30 April 1992 the Administration had in actual cash at the bank both Westpac and Commonwealth, the sum total of \$4.44 million. The bulk of these moneys were, and still are, invested on term deposits. \$895,000 odd of the total bank funds represented the credit balance of the Administration's cheque account at the Commonwealth Bank. The balance of the cheque account funds at the end of a trading day are invested overnight on the Bank's money market account. As I've said, as at the 30 April 1992 the cash at bank balance of \$4.44 million was apportioned as follows. Now the amount of \$4.44 million is broken down into four

items but does not include the Norfolk Island Hospital or the Norfolk Island Tourist Bureau and Members the total figure differs slightly from that which we were circulated with the other day, as simply the matter of two trust accounts have been added to bring it up from \$4.439 to \$4.444 million. The Revenue Fund stood at that time with a balance of \$1.13 million; the Island Fund \$64,000; the Government Business Enterprises \$2.34 million and the Trust Fund \$906,000.

The above balances should not be construed being the Administration's Reserve Funds. Outstanding debtors, creditors and commitments need to be taken into consideration to arrive at a reserve amount. A full set of Financial Statements would need to be done to ascertain the actual reserve monies and these statements will be done as at the 30 June 1992, and will be available to the Public when audited by the Government's Auditors. That audit is expected to take place and be completed in October 1992 however, prior to that time I will be able to advise this House and the public of the results of an unaudited version of the financial statements for the year ending 30 June a little later. That's not at this meeting, a little later will be July or so.

I find it suffice to say that as at the 30 April and even now the Administration has a healthy balance, the Government Business Enterprises are operating profitably and the Revenue Fund had at that time an operating surplus of \$195,000.

Mr President I trust that the information which I have just supplied allays the fear by some in the Community in respect to the Administration's financial status.

Secondly Mr President, a word about economic conditions prevailing in Norfolk Island. Generally speaking the tourist industry which drives our economy remains fickle. It therefore behoves those in authority to remain ever mindful of this fickleness and approach budgeting with cautious optimism, never venturing to throw caution to the wind. This

should in no way be interpreted as negative or inverted thinking for it does not necessarily inhibit capital development projects but is designed or perhaps a discipline to ensure that careful consideration be given to firstly the need and secondly but importantly our ability to adequately fund projects without overburdening the residents or the visitors with greater imposts than can be reasonably born by them.

Surplus's in the budgeting process, or more correctly, that arise at year's end, should be generally applied to the Reserve Fund and not re-voted to late expenditure bids. Some have an opposite view to this but I believe in having a sound cash reserve to cope with the inevitable busts that historically tend to plague this economy. Adequate reserves provide the opportunity to continue with capital development projects and other major capital expenditure needs particularly when times are tough. By doing so and having that cash reserve it avoids stagnated or stop-start programmes.

Thirdly and to focus more directly on the Appropriation Bill before us let me set the scene so to speak to provide some background to this budget process in particular and to provide some of the philosophy or thinking that went into the preparation of this budget bill.

Mr President it was felt important to:

first of all, live within the Island's means. I mean by that that we should not spend more than the level of funds or revenue received. Now earlier I outlined the healthy state of the bank balance but this state should never tempt one to spend that little bit extra. In this case it has not, we have not been tempted.

A second consideration was to maintain activity in all sections of the Administration and thus fully utilise the resources available.

Thirdly to maintain a reasonable capital works programme and

in particular to the Works and Forestry areas.

Four to adequately fund Health, Education and Social Service areas.

Five to provide sufficient funds for an aggressive approach to Tourism marketing

Six to honour present and imminent financial commitments made with the Commonwealth, and

Seven to pair back unnecessary, inappropriate or any wasted expenditure in all areas.

Mr President faced with a revenue forecast down on last year by almost half a million dollars we had but two options, either we could raise more revenue, or we could decide to spend less. In this case we chose the latter, that is, to spend less. To expand a little, it should be said that expenditure cuts were made across the Board in every section.

Most cuts or deleted expenditure bids were made after consultation with section heads and others. It should be said Mr President that we received utmost co-operation from the Service during the budget process and in most cases, an understanding of the need to prune back expenditure.

As I have said, in the time available the widest and fullest consultation could not be achieved. Executive Members will be asked to closely monitor the expenditure in their various areas of responsibility. We are not yet satisfied that every expenditure bid has been satisfactorily explained or justified and this exercise by the executives Mr President will not be designed to starve sections of necessary expenditure but simply to establish or distinguish between items that are absolutely essential and those that are simply desirable.

We are also on about containing expenditure in areas by reviewing the way in which some of the bids are made in some areas and examples of these are: furniture requirements, desks chairs etc., travel and training, uniforms and protective clothing to cite but a few. The Chief

Administrative Officer has already been directed to review several of the above in addition to instituting policy reviews and management planning of expenditure in these areas, overtime in all areas, vehicle replacement, vehicle usage, training programmes, EDP, this is the computerisation programme, other building works, telecommunication costs and usage and many others. The Chief Administrative Officer is also working, or has begun work, on the preparation, together with Members, of the five year plan referred to earlier.

As an aside Mr President, but of course, directly related to budgeting generally, I hope that this budget represents the last of the wish list type or line item philosophy is budget and that we can move towards controlled, planned, project and programme type budgeting. The latter form, that is the line item or wish list does produce ambit type bids in some instances and as well it does in some instances produce the Christmas time and June attitude in some areas.

Mr President, having said all that I am pleased to report that the 1992-93 budget is a balanced budget. Given the forecasted drop in revenue sufficient cuts were achieved to bring this about. Most of the budget process to date dealt with expenditure however, it's appropriate now for me to say a few words about the revenue side even though the revenue side doesn't form part of the bill, it will help to focus on a couple of issues that I alluded to earlier. Little change occurred in the individual estimates of revenue for the major items, except for a couple of fairly large ones. Interest on investments was down some \$250,000 over the previous year and the dividend from Telecom was down about \$340,000. Now to briefly explain that, obviously the interest on investments will be greater the more money we've got in the bank and in some of the undertakings we've spent money on major capital items, for example, the new telephone exchange in Telecom and there's been the airport acquisition and upgrade in that area so the bigger bank balance that we had which was earning nice

lots of interest has been diminished somewhat and also another factor is the level of interest that we now enjoy a year or so ago we were getting quite fat on 16 and 17%. We're now down to 6 or 7% and the reason for the drop in the dividend from Telecom is not that they are trading any worse, it's just that they are cash starved from the point of view that they will all their capital left in the undertaking to fund the final stages of the new telephone exchange installation.

Having said all that I believe that the estimates for all revenue items to be reasonable.

Mr President, significantly, no new taxes or levies have been proposed and no addition to existing charges have been recommended. There has been of course a fair case for adjustment consideration in several areas, notably the Healthcare levy and some of the fees which have remained unchanged for four or five years or more, however, we are seeking a full review of these and recommendations about them will undoubtedly follow later in this term. In the specific instance of Healthcare levy the information has been far from clear. This is being attended to at this very time. Earlier Mr President you spoke of the financial investigation going on up there now and you also mentioned Dr Salmond's report. These two components are very significant in terms of understanding the hospital and healthcare expenditure areas more clearly so before making a judgement on the level of a levy we will await the report of the consultant Dr Salmond and examine the review of the hospital and healthcare arrangement. In this process he will be recommending appropriate restructure in terms of both human resources and importantly clearer principles of management and accountability and from that we may well be in a position to more accurately assess the true costs of healthcare and we will need to address the question of the Healthcare levy once we've got those facts together. There are lots of other



reasons for considering an adjustments to the Healthcare levy and that is that inflation has meant that the cost of services or the component parts to services, be they drugs or whatever have increased to the \$2,000 threshold isn't going as far as it ought to in terms of the Administration's perspective.

Mr Brown will have lots to say about healthcare I would imagine over the next few months so I won't steal any more of his thunder on that.

Let me now turn to the Appropriation Bill and make just a few specific remarks in relation it and highlight some of the key points contained in it. Mr President just by way of clarity, this Bill covers expenditure in the Revenue Fund only and does not include expenditure in any of the Government Business Enterprises or the Undertakings, as we know them. Whilst the total expenditure for the Administration including the Government Business Enterprises totals in excess of \$12.5 million this bill seeks to appropriate expenditure of \$7.097 million being the expenditure required in the Revenue Fund only. This level of expenditure, \$7.097 million compares to expenditure for the same period as revised of 91/92 of \$7,548,000. Some of the key expenditure areas are :-

the subsidy to the Hospital and Healthcare. It stands in this bill at \$340,000. Substantially less than for the same period in the last fiscal year. Mr Brown will no doubt explain this in more detail, suffice to say that a very close scrutiny of expenditure in this area occurred in full consultation and co-operation with the Hospital Manager, the Administration staff and many others and we remain confident that there can be a re-arrangement of their expenditure needs which will bring about that sort of saving.

Education has a record high of \$1,276,000

Welfare and HMA payments are in the bill of \$485,000

Tourism, the highest ever subsidy of \$443,900

Roads area the total expenditure for maintenance and

reconstruction of \$395,000

Forestry and Tanalith \$180,000. This does represent a fairly heavy increase in this area and I'd like to in just a moment come back to that and explain a little bit more the reason behind that

Kingston and Arthurs Vale area including the Museum expenditure of \$254,000,

and there are a couple of smaller but important items, for example the Youth Sport Fund Trust has, whilst you won't see it actually in the bill, does appear in there somewhere and has been funded with a modest \$5,000 to allow that trust to continue its very good work funding youth sporting projects, particularly in training and coaching.

Not entirely obvious in the bill Mr President is the level of constraint indeed the cuts, to things like travel, contingency funds, furniture etc., that were dealt with across the Board and including the Legislative Assembly area for that matter.

Just before summarising I would like to back to Forestry because I believe it to be one of the divisions that's showing, or is likely to show some promise for us this year and I think Mr Sanders will agree with that. Forestry have benefited by the consideration of their activities and this section holds, as I said, alot of promise. The Tanalith Plant has been subjected over the years to scrutiny with strong views held by many that it is simply not paying and should be disposed of. I must admit that I held that view myself for some time but however, there have been changes and these have been quite positive and should ensure that we develop the plant into a fairly profitable section. The new parts upgrading have permitted greater throughput in material and added to this is the harnessing by the Forestry section of their hardwood resource into useful products and I'm told that they are flat out keeping up with demand with some items and the new addition of a wood chipper. This piece of

equipment will produce a product which should be in big demand in Norfolk Island, bark or wood chips. Most will be aware that that has been, I think or I understand it to be a prohibited import and its a marvellous addition to anybody's garden to contain weeds, it's very decorative and I would suggest that they'll be selling it by the truckload which then will provide some very good revenue. Altogether Mr President we are looking forward to the fruits of their labour and to a very viable operation.

In summary Mr President, I repeat that the budget is balanced. From expected revenues in the year of just over \$7,000,000 we are committing expenditure of just over \$7,000,000. We achieved this by identifying expenditure bids that could be pruned and without raising any further revenue by either raising levies, taxes or introducing any new revenue measure.

Mr President, I commend the bill

MR PRESIDENT: Thank you Mr Bennett. Is there any further debate Honourable Members? Honourable Members I would draw your attention to the Standing Orders in relation to a Finance Bill and in particular to Standing Order No 177 the basic effect of which is that if you wish to move to reduce to a figure or to nil any part of the Supply Bill you are able to do that, but if you wish to shift funds from one part of the Bill to another part of the Bill, or if you wish an increase in funds it is necessary to seek a further message from the Administrator before we are able to deal with that so I would ask you to just be careful of that in the debate. Is there any further debate Honourable Members?

MR BATES: Mr President firstly I would like to acknowledge the time and effort that the Minister has spent in order to bring before this House in such a short time a balanced budget. It fits very comfortably into what is

generally acknowledged within the community with understandable pride as to how we do it better than anyone else. I strongly support the Minister's assurance that there are to be no increases in taxes. In the present economic climate that is essential. However, I guess you could call it a political budget and the Minister has done well politically. Just as we progress in other areas towards internal self government, responsible financial management must mature beyond the balanced budget concept on a year by year basis. Historically, balanced budgets almost always produce a surplus unless as we have seen earlier today additional supply bills unbalance it. I don't wish to labour that issue now Mr President but in the past Governments have used ways of spending surpluses without admitting they have a deficit. In fact, the only real and honest way you can spend a surplus is by way of a deficit. If through balanced budgets we have surpluses, there is something wrong unless we have a use or a plan for the surplus. We have simply overtaxed the people because we have kept their money and congratulated ourselves at the same time. Many underestimate the importance Government taxes and expenditure have on the economy. If you look upon the economy broadly as a pool of money out there in the community that grows in good times and dries up or shrinks a little in hard times you may begin to understand what I am saying. To a limited extent, and I express limited, the Government can stabilise that pool by draining a little out of it in good times for surpluses or balanced budgets in good times, top up the pool a bit with deficits in hard times. There are ways of doing this but unfortunately apart from no increases in taxes there is nothing in the budget that will top up that pool, that pool being our economy. We have a little ray of hope in that the Australian economy is showing slight signs of recovery and low interest rates mean a little more staying here in our pool. Mr President we must get away from the balance the

budget concept at any cost and learn to use surpluses and deficit budgeting to overall benefit and stabilise the Island economy and the people of this Island. I support the budget before the House Mr President, I only wish that we had more positive aspects to it to inject some confidence of early economic recovery. You, yourself Mr President, mentioned earlier the difficulties of employment. We have a million dollars in our reserves, if we only spend a hundred thousand of that and we're creating employment for only six families in the next twelve months we would at least be trying to do something to assist the economy. Mr Bennett seems to want to keep the surpluses for the next bust time. The bust time is here Mr President. One million dollars won't save us if it really hits. We should try to do something now to make sure it doesn't

MR PRESIDENT: Thank you Mr Bates. Is there any further debate Honourable Members? I propose at our next meeting to speak at some length in relation to the Hospital question and Education but I don't propose to do that today

MR KING: Thank you Mr President. Just some short words. I also commend Geoff for bringing forward a balanced budget, particularly in that short time that was available to him. In my view it is an austere budget by necessity. It represents a reduction by some 10 1/2% in forecast expenditure from the Revenue Fund. I say by necessity because he's forecast Revenue is also down by some 6%. He has achieved his balanced situation by careful and in most cases realistic pruning and to his credit he proposes no increases in fees or imposts and the provision of \$7,000,000 from the public purse represents a substantial injection into the Island economy and some major items are worth mentioning; salaries and wages of some \$3,500,000; social welfare payments of some half million; \$440,000 odd to assist the

Tourist Bureau in its operations and it's proposed to spend around about half a million dollars on roads. The multiplier effect of these dollars on the economy is obviously very vast and meaningful. In all this, however Mr President, I have some reservations about containing expenditure in some areas, social welfare and Healthcare come to mind. However, I offset this pessimism with some confidence that revenue will perform better than Mr Bennett has projected. I believe that revenue estimates are too conservative and could bear some reasonable revision upwards at the half yearly review. I may regret having said that at a later time, but I'll stick by it at this point. Mr President let me repeat my belief that the budget process places far too much emphasis on the Revenue Fund. The Revenue Fund represents only 55% of the Administration's income base. The remaining 45% exists within the Business Undertakings and that represents a considerable proportion of our income, some five and a half million dollars and as the Undertakings are of course owned 100% by the community it is appropriate that they also get the same amount of scrutiny and investigation or examination as the Revenue Fund. In closing Mr President let me say that again I seriously question the wisdom of depleting almost the entire funds of the Telecom Business Undertaking in the acquisition of the new exchange. I mentioned previously that I would have preferred at least further in depth consideration by this Assembly to the question of borrowing money and retaining some of the surplus funds in what is a very tight economic times. I pointed out at a couple of meetings that we had that the Telecom undertaking is operating quite profitably, it carries a 40% net return, it has far reaching possibilities of generating a great deal more income with the acquisition of the new exchange, yet this Government has chosen to pick up the decision of the former Assembly to expend all its capital funds on this project. Nevertheless that's done and I can live with it and

that's all that I have to say at this point in time Mr President

MR BENNETT: Thank you Mr President. A couple of things that I didn't do. I wanted to table the approved budget for 1992/93, that's the Revenue and Expenditure estimates and in doing so I want to acknowledge the efforts of the Finance Section, particularly the Finance Manager who was here until about 11.00 o'clock last night trying to get that together. It has been a little bit of a struggle getting it together but we've had the co-operation of that side of it and that's really great. Mr President I will have a few words to say on the GBE's, the Government Business Enterprises. I've left it out of the principle debate simply because it's really not part of the Revenue Fund but it is significant and a couple of comments should be made about those but before I do so I acknowledge the remarks that Mike King made in respect to revenue. Yes, it is possible that they could be seen as being conservative but quite frankly I just never had the time to give it a thorough examination. I've already seen in recent days that one or two of them are performing a little better than their expectations but we I think took a decision to concentrate on the expenditure side, we are very conscious of the need to do reviews and if we have to do a review before December well so be it, we'll do a review then. Nothing would please me more than to be able to spend some of the increased revenue on some of the projects or capital equipment items that we deleted from the budget so I'm ready to review as soon as anybody else is. Mr President I had hoped to day to present some detail about the Government Business Enterprises and the budgets that they will be asked to perform to but that simply wasn't possible. It will be done in time for the next meeting, in fact it will be done over the week I would imagine and I'll make sure that Members get copies of them because it is something

that I'de like our Members input into. I'm more conscious of the responsibilities that I have in the area but I'm also mindful of the wisdom of consulting others on it. As I said, in the Government Business Enterprises there is much work yet to be done. Whilst they all are trading profitably, and that's important, we believe that some expenditure constraints can and will be introduced to enhance the trading performance. Most of the Undertakings are cash starved. In both the Electricity and Telecom areas, the cash reserve position is fairly tight, and it would behove this Government to refrain from seeking larger dividends for a year or two until both have built up reserves comfortable enough to cope with both, in the case of Electricity a full maintenance programme and properly planned cash reserve to cope with future and major capital expenditure. Mr President, traditionally the Undertakings have been a fairly good source of revenue for the Revenue Fund, and I'll just highlight a couple of matters out of the Undertakings just to give Members and indeed the Public an idea of the level of funding that comes from the Undertakings and the reasons that we are getting less this year than we did last year, I think we've been over that a number of times. They are cash starved and they need few of their reserves to build up, that's the option I'm taking, I've heard the words from Mike who suggests that we could take the pressure off by borrowing to free up some of that cash for other projects, I'm reluctant at this stage to walk down that path but I am quite open to suggestions as we go on. Just briefly Mr President there are seven undertakings listed here. They're income totals \$7,536,000 of which Telecom produces the highest \$2,200,00; Electricity \$1,600,000; and the Airport has an income base of nearly \$1,500,000. Expenditure against that income of \$7,500,000 odd is \$5,390,000. The Revenue Fund earns from that by way of Management Fees and each of those Undertakings pay to the Administration a Management Fee, the total of



those are \$306,000 and by way of dividends to the Revenue Fund including in some cases the interest that they earn on funds invested is just a bit over \$1,500,000 so that's quite a healthy injection to the Revenue Fund. Now obviously, the difference between the \$7,536,000 income and their expenditure of \$5,390,000 of a little over \$2,000,000 hasn't all been passed to the Revenue Fund and there's a residual amount of about half a million dollars which is being held in the undertakings for the very purpose I mentioned before, but I repeat again that hopefully by the end of a working week I will have the revised budgets for the undertakings for Members perusal and I will bring something to the House at the next meeting

MR PRESIDENT: Thank you Mr Bennett, is there any further debate Honourable Members? Mr Bennett would you care to move that the debate be adjourned?

MR BENNETT: Mr President I move that debate be adjourned and resumption of debate be made an Order of the Day for the next Sitting

MR PRESIDENT: That is the question Honourable Members that the debate be adjourned and the resumption of debate be made an Order of the Day for the next Sitting

QUESTION PUT  
AGREED

MR PRESIDENT: Mr Deputy President the next motion stands in my name

**NO 17 - STATUTE LAW REVISION (MINISTERIAL POWERS) BILL 1992**

MR BROWN: Thank you Mr Deputy President. I

present the Statute Law Revision (Ministerial Powers) Bill 1992 and move that the Bill be agreed to in principle. Thank you Mr Deputy President. This bill seeks to amend the Conveyancing Ordinance, the Court of Petty Sessions Ordinance and the Justices of the Peace Ordinance in order to empower the Federal Minister to delegate to the Administrator the Minister's powers or functions under those Ordinances. The bill arises from a request made by the Commonwealth during the life of the Fifth Assembly. The aim was to reduce the range of matters which the Federal Minister had to deal with personally. During the life of the fifth Assembly there was some complications with the proposal as it then included a proposal to delegate powers under the Land Subdivision Ordinance which in turn brought into play aspects of the Transfer of Powers negotiations. However, in officer level discussions in late April of this year DASET narrowed the proposal so that it only related to the Ordinances I have mentioned. On that basis the measure from the Norfolk Island perspective is a routine one. It will as I have said reduce the range of matters which the Federal Minister has to deal with personally and it will enable the handling of appointments and so forth under the Ordinances in a more speedy manner because it will be done by the Administrator locally. As is stated in the summary which has been circulated to Members the principle powers or functions that will be able to be delegated to the Administrator are the appointment of the Registrar of Lands and appointments of Magistrates and officers of the Court of Petty Sessions and Justices of the Peace. Further particulars are given in the summary which I now table and I commend the bill to the House Mr Deputy President

MR DEPUTY PRESIDENT: Thank you. Any further debate in respect to this proposal before the House. No further debate. You are seeking to adjourn this Mr Brown?

MR BROWN: Yes Mr Deputy President. I move that the debate be adjourned and the resumption of the debate be made an Order of the Day for the next Sitting

MR DEPUTY PRESIDENT: The question before the House is debate be adjourned and resumption of debate be an Order of the Day for the next Sitting

QUESTION PUT  
AGREED

**FIXING OF THE NEXT SITTING DAY**

MR PRESIDENT: Honourable Members we now move to the fixing of the next Sitting day and I call on Mr Buffett

MR BUFFETT: Mr President I move that the House at its rising adjourn until Monday 29 June 1992 at 10 am. Mr President if I could just provide some explanation for the proposal that's before the House. It is a Monday that is proposed which is not the normal Wednesday Mr President and that is proposed in this particular instance only for two reasons, one it will allow maximum time for consideration of the budget which is today presented by Mr Bennett and it will be finalised hopefully, that is the aim, on the 29th and it gives that time frame and it will be appropriately done before the 30 June which it needs to achieve and secondly of course for movement of Members early in the life of this Assembly. I do take the point that you have mentioned to me earlier Mr President that you would want to achieve a Wednesday, normal Wednesday sitting and I assume that that will be the aim of the House for other Sittings

MR PRESIDENT: Thank you Mr Buffett. Is there any

further debate Honourable Members

QUESTION PUT

PUT

**ADJOURNMENT**

MR BATES: Mr President I move that the House do now adjourn

MR PRESIDENT: The question is Honourable Members that the motion be agreed to, is there any debate

MR BATES: Yes Mr President. The Norfolk Island Act of 1979 provides the election of the Legislative Assembly consisting of nine members all with equal rights. Those nine choose their executives who are appointed by the Administrator. There are no guidelines in the Act for selection of executives, it is disappointing therefore that the order of polling was put forward by some members as a criteria for this selection of our executives and not their ability. Having said that, no-one can deny the ability of our four executives. Three of them have already proven their ability as successful businessmen and I know the fourth has the knowledge and ability and will work hard at his portfolio. The time of truth has nevertheless arrived. Already there have been some unsatisfactory developments and I briefly refer to Mr Brown having within his portfolio responsibility for civil and legal proceedings for and against the Administration when there is a possibility that a conflict could arise personally or professionally. I also refer to Mr Bennett having within his portfolio the RPI index when he controls the largest supermarket on the Island whose prices affect that index. There is also a known instance...

MR PRESIDENT: Mr Bates I would ask you to bear in mind the provisions of Standing Order No 64 and Standings Orders Nos 61 and 62 and I would certainly ask that you ensure that you do not infringe any of those in your debate

MR BATES: Well thank you Mr President. There is also a known instance that three executive members and one MLA carrying out an inspection of a major Administration facility and claiming there was not time to contact or invite the other MLA's to accompany them. There are also some communication breakdowns evident already. There is no doubt Mr President alot of hard work lies ahead of this Assembly and especially for the four executive members who make up the Government and therefore must shoulder the additional responsibility such office demands. I wish them well and look forward to working with them over the life of this the Sixth Legislative Assembly of Norfolk Island. Thank you Mr President

MR PRESIDENT: Thank you Mr Bates. Is there any further debate Honourable Members to the question. If there is no further debate I'll put the question, the question is that the House do now adjourn

QUESTION PUT  
AGREED

This House stands adjourned until Monday the 29th June 1992 at 10 am

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