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Honourable Members, we commence this morning with the Prayer of the Legislative Assembly

Prayer

Almighty God we humbly beseech Thee to vouchsafe Thy blessing 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, Amen

Condolences

DEPUTY SPEAKER Honourable Members I call on condolences, Mr Buffett

MR BUFFETT Madam Deputy Speaker thank you. It is with regret that this House records the passing of Harry Wesley Nicholas Quintal well known, especially to Norfolk Islanders as "Harry Bera". Harry was the son of Bera and Edith Mary Quintal and brother of the late Connie. He was born on Norfolk on 17th January 1922, attending school here and as a keen athlete achieved both success in running and Rugby Union. During World War II he joined the Army and was based on Norfolk for a while but later posted to Sydney where he remained until his return to Norfolk Island for his discharge. In 1948 he moved to New Zealand and three years later married Winifred. They enjoyed 46 years of happy marriage and had five children. Roy, Edith and Peter (deceased some ten years ago as a result of a car accident), Alex and Jeannette loved their father dearly. To that family came Kristina and Carol as daughters-in-law. Harry loved family life and was revered for his kind, gentle and dependable nature. He had a great sense of humour and his easy-going nature created a happy and secure home environment. He spent most of his working life on the waterfront, was a keen gardener and fisherman and enjoyed horse racing. Harry was held in high esteem by his family, friends and workmates and even though sickness took a lot out of Harry in the last twelve months he would always do his best to make the people around him feel comfortable. To his wife Winifred, to his family and many friends this House extends its deepest sympathy.

DEPUTY SPEAKER Thank you Mr Buffett. Honourable Members as a mark of respect in the memory of the deceased I would ask that all Members stand in silence. Thank you Honourable Members. Mr Speaker do you wish to resume?

Leave

MR SPEAKER Honourable Members this morning leave is sought for both Mr Evans and Mr Christian. Is leave granted? Yes, leave is granted thank you

Petitions

MR SPEAKER Honourable Members, are there any petitions this morning?

Notices

Are there any Notices?

Questions without Notice

Are there any Questions without Notice?

MR SMITH Thank you Mr Speaker. I direct my first question to the Minister for Transport Mr Adams, can you give us a current rundown situation of the airline services to and from Australia. I suppose I should ask whether Mr Adams will be making a statement this morning?

MR ADAMS Mr Speaker that is correct, I intend making a somewhat lengthy statement in the Statement area of this Sitting and it may be best if I make that Statement and if any Members have any questions outstanding, or indeed any debate to be developed from that Statement it may be left to that time unless of course George needs anything more specific right at this minute

MR SMITH I'm happy with that. A question to the Head of the Government in relation to the Airport Terminal. Once again the question is, is there going to be a Statement on the Airport Terminal in relation to the poll that is going to be held this weekend?

MR KING Thank you Mr Speaker. Mr Smith seems to have forgotten the events in the closing months of last year, but as I understand it there shall be some discussion in relation to that matter in the adjournment debate, not necessarily by myself but some words mentioned in relation to the forthcoming informal poll. It doesn't fall in my area of responsibility

MR SPEAKER Mr Smith if it is any assistance to you, at the conclusion of this Sitting I will make a reminder on behalf of all Members, not in a political sense. There is to be a poll on those two days and remind people of the hours, and we will do that in due course as a matter of reminder. Thank you Mr Smith. Further Questions without Notice

MR BATES Thank you Mr Speaker. My first question is to Mrs Lozzi Cuthbertson who is responsible for the Public Service. Could the Minister confirm that the Administration uses the same criteria as Government Policy demands of the rest of the community with regard to the employment of TEP's

MRS LOZZI CUTHBERTSON Thank you Mr Speaker. To the best of my knowledge, yes, I certainly confirm that and if there is any situation that doesn't fit into those guidelines and requirements, if it is brought to my notice I will do my best to ensure that it is dealt with properly and that the legalities are followed

MR BATES Thank you Mr Speaker. A question for Mr King, the Minister for Finance. Is it a policy of the Minister that funding requests should only be submitted during budget or revised budget sessions. No not at all, not at all. I have no idea what has given rise to that question but the fact of the matter is that the Public Service is able to submit budgetary expenditures any time during the course of the financial year. However, it is certainly a preference that they be confined or not necessarily confined, but it would be preferred that those submissions are brought forward at either the review time or in preparation time for the full budget

MR BATES Thank you Mr Speaker. A supplementary question please. I wonder if Mr King could confirm that probably as late as yesterday or certainly this week, he said that he had some submissions for funding in areas of the Government Business Enterprises but since they had come in after requests had been received for revised budget consideration that he wasn't going to look at them

MR KING Thank you Mr Speaker. I can't confirm that at all. That's not what I said at all. I said, or what I certainly meant, was that I would be tabling the summaries of the Government Business Enterprises which are the performance indicators for the midyear mark, and given that I had received bids only as recently as the last couple of days for further expenditure in relation to those few undertakings, three of them, that I would deal with those in isolation from budget review. In isolation. As Members know, an Appropriation Bill is not required for expenditure from the Government Business Enterprises, they are able to deal with them outside this House and I said that I would do that

in conjunction with Members

MR BATES Thank you Mr Speaker. I have another question for Mr King who is also responsible for Finance. The Minister recently received a letter claiming that the proposed 5% duty on bonded cigarettes would mean the loss of four jobs and \$500,000 per annum in Post Office revenue. Is this claim backed by any documentary evidence?

MR KING Thank you Mr Speaker. No, none whatsoever. Immediately upon receiving that it became very very clear to me where it had come from and that was confirmed by the indicator on the fax machine that had sent it. We had been faced with those sort of scare tactics before. There is absolutely no basis or justification for that and no support for the notions expressed in that document

MR BATES Thank you Mr Speaker. I have a question for Mr Adams, Minister with responsibility for Industry Development. In taking over the responsibilities for the development of an Offshore Finance Centre what progress does the Minister expect to make by the end of the term of this current Assembly

MR ADAMS Thank you Mr Speaker. Firstly may I clarify the situation as regarding the Industry Development and whose hat that area sits under as it relates to Offshore Finance. I undertook in recent times Mr Speaker as Members of the House, hopefully will remember, to canvass the situation with one proposer who came to us in recent times I think from Canada. Mr Speaker I canvassed the situation as much as is realistically possible in the time available to us and there is to be I understand, some information that is to be forthcoming arising out of that situation but it is somewhat different to Brian's appreciation that I in fact took over the Offshore Finance venture. I am given to understand that it is still under the Minister who wears the GBE hat. I guess partly answering for the relevant Minister Mr Speaker, I would assume that the amount of work that is able to be achieved on that fairly significant front between now and the end of this term would be I would say, of a fairly low level, thank you

MR BATES Another question for Mr Adams, to do with with airlines. The Government and community have had almost five months notice of Ansett's intention to withdraw its air service to Norfolk. This has led to complications in the area of forward bookings. Does the Government have any contingency plans to protect the Island against the sudden collapse or withdrawal of any new operator?

MR ADAMS Thank you Mr Speaker. I think to some degree Mr Speaker I have addressed this question prior to the Sitting of the House because in fact the situation is one that is deregulated and market forces in fact hold sway in that area, it is very difficult for any given public body to have in place any made to measure strategy where one is simply able to pull it out of the cupboard and wave a wand and the situation is alleviated. I believe the Government situation in this area is one to facilitate a good business environment where hopefully at the end of the day we can expect viable air services to continue and rather continue very much in the long term rather than have arrangements put in place where they last a short period of time and topple over and we see that situation Mr Speaker in areas such as Lord Howe Island which has had to face a number of rather unsatisfactory arrangements that have been put in place and have fallen over for one reason or another and have caused the community a great deal of, and caused their community a great deal of heartache and worry and concern but again it's a very difficult one to have for us in our situation to have in place any made to measure wonder strategy and its simply a matter of working through the situation as it occurs and do what you can to better it as it develops. Thank you.

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MR SPEAKER

Thank you.

MRS ANDERSON

Thank you Mr Speaker. My question would be more properly directed to Mr Christian but I'm hoping that perhaps Mr Adams can answer it in his absence. In recent times spraying has taken place along the road verge around the Island causing wide sways of dead grass along many of the roads. Can the Minister explain why this has happened please?

MR ADAMS

Thank you Mr Speaker. Again Mr Speaker I'll have to answer in my colleagues absence but I'm given to understand that it's a management measure for the road verges. There is a number of options available to maintain the verges of the road, one of them is simply to eradicate the grass through a chemical means, that are growing over the road and the other one, one of the other significant measures Mr Speaker is to use heavy plant to actually scrape away the accumulated earths and grass and herbage that may be growing on the edge of the road. That second process Mr Speaker has caused a great deal of, well it's accelerated the rate of erosion that one may expect on the edge of the roads from the point of view of the banks collapsing also it creates a means whereby the water velocity in the drainage area coming along those roads can seriously undermine the tar seal at an accelerated rate. Therefore I'm given to understand that the works area of the Administration has the first technique in place which involves spraying the road verge with a chemical that we've had advice that we would not expect any lingering chemical residues and in fact it is a chemical that breaks down very quickly on contact with soil. Thank you.

MR SPEAKER

Thank you.

MRS ANDERSON

Thank you Mr Speaker. Supplementary to that. Can we then expect that those areas that have been sprayed will be areas of road that will be maintained in the near future?

MR ADAMS

Thank you Mr Speaker. I wonder if Mrs Anderson could example what she means by maintained because I'm given to understand Mr Speaker, we maintain the all the roads on Norfolk Island in one formal fashion. Maybe I'd be better positioned to answer that if Mrs Anderson was more exemplified in what area.

MRS ANDERSON

Thank you Mr Speaker. Has the spraying been carried out as a preliminary measure to resealing of these areas of road?

MR ADAMS

Thank you Mr Speaker. Given that it's someone else's area I'm probably not equipped to answer that specific point at this time but I can undertake to find out prior to my colleague returning to the Island.

MR SMITH

Thank you Mr Speaker. A question to the Minister for tourism. I understand that Norfolk Island residents, due to some legislation change in Australia may have trouble getting medical cover in their travel insurance and certain circumstances. Can you advise what you intend to do about it?

MR KING

Thank you Mr Speaker. It's only in the last couple of days that Mr Smith has brought this to my attention but it appears to be the case that there has been some legislative changes in Australia which have impacted on the ability of Norfolk Island residents who travel to Australia obtaining medical type travel insurance, or travel insurance relating to medical expenses whilst they're travelling. I'm not sure of the full scope of the changes nor properly how they affect us but I've penned out a letter which has not yet gone, seeking to be informed on what those legislative changes are. So I guess that's a start. How we might deal with it will depend on the response I get to that initial

enquiry.

MR SPEAKER Thank you.

MR SMITH Thank you Mr Speaker. Another question to the Minister for Tourism. Is there any truth in the rumour that the Marketing Consultant from Australia has had his contract extended, if that's a fact. Could you tell us what the details are of that?

MR KING Thank you Mr Speaker. I'm certainly not willing to sit here and talk about the contents of an employment contract, but I am able to say as I understand it that the Bureau, not myself, the Bureau has extended the contract of the General Manager, Marketing, Mr Doyle.

MR SPEAKER Further questions?

MR BATES Thank you Mr Speaker. I have one which I want to leave as late as possible but if we're getting to the end of question time, perhaps I should ask it then.

MR SPEAKER We'll just go around the table then. Further Questions Without Notice?

MR SMITH Thank you Mr Speaker. A question to Mr Adams actually. Last year some time we passed a moratorium on bores and wells to prevent people digging new wells and bores. I think that was supposed to be a short term measure. Is there anything happening in relation to bores and wells. Are people going to be able to do some work on those particular projects?

MR ADAMS Thank you Mr Speaker. The moratorium that I sort approval from the House to put in place some time ago did a range of things. It qualified and quantified the area between 1990 and 1996 which was covered loosely, the Public Service and the Administration had understanding that that areas was covered through those years by some of the workings of the old Environment Act. What the wells and bores moratorium sought to do was as I said a range of things and one was because that the Environment Act and the workings of the Environment Act over of that period were in some doubt. The wells and bores moratorium approved or thought to put on a better platform and approveable standing or the movements in the area of digging bores and wells throughout that time. At the same time it also put in place a freeze, it converted a formal standing to an in house understanding that a freeze in fact was in the area of digging further wells and bores because at that time Mr Speaker, as Members will recall there was a, we were in period of drought, extensive drought which was very severe and we were concerned that in fact there might be a break out, because of the lack of rainfall, there might be break out on the amount of water that's been drawn from the ground resources. The wells and bores moratorium did those things and as well as that the life span of that particular formal legislation was to take it up to a point where it ran into the Public Health Act 1996 and under that new Act is where all approval or doing in the areas of wells and bores will be actioned. Thank you.

MR SPEAKER Thank you.

MR SMITH Thank you Mr Speaker. A question to the Minister for Tourism. I understand recently a group of young people formed a roadshow which did a trip through New Zealand and from what I understand it's had immediate success or the results are proving to be quite successful. Is there any follow up to this sort of a roadshow or can you give us some advice on what marketing is going on in New Zealand to back up that sort of thing that's happened there.

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MR KING Thank you Mr Speaker. The roadshow did take place in New Zealand. It was one of a number, not terribly regular, roadshows that take place in our market places. The Bureau discussed at its meeting on Monday which I wasn't present for the entire meeting but they discussed a report, in fact two reports, one which was delivered by the Bureau's representative on that roadshow and another which was submitted to the Bureau from the ATA representative. It's really up to the Bureau to discuss now the ramifications of those reports and decide which way they're going to go ahead. The Bureau is well aware that New Zealand requires some additional attention. In fact in recent times it has agreed to the appointment of a public relations team in New Zealand to try and lift the profile a little, but beyond that I can't say precisely what the Board's deliberations were on Monday but they're well aware of the need for some attention there and I'm sure that they will be able to specify that more clearly in the future.

MR BATES Thank you Mr Speaker. This question is to Mr Adams in the absence of Mr Christian and I think Mr Adams is waiting for perhaps some information before he answers this and I'm not sure if he's got that information but the question is as the recently arrived paper wasp multiplies rapidly and the incidence of people being stung increases, what is being done to try to control this pest or to advise the community on appropriate precautions to minimise the risk and the spread of this pest?

MR ADAMS Thank you Mr Speaker. Mr Speaker to date, again because I'm wearing somebody else's hat in this instance I've been unable to, given the time frame to fully equate myself with the doings in this area but I shall answer the question as best I understand it from a peripheral range. It's certainly a Mr Speaker, it's certainly an area of concern to us and we see over time anecdotally that the numbers of the Asian paper wasps have increased and it's been one of my concerns for some time but these numbers may be increasing exponentially and it appears that whether or not exponentially the numbers certainly are increasing. I'm given to understand Mr Speaker that information on the management of this pest has been sought and I believe it is still forthcoming and if it has arrived I'm not aware of the impact of that information. I understand also Mr Speaker that a strategy is being developed. However, again given the situation that's under Neville's hat I'm not quite sure at which point that strategy is developed to. I'm not in a position at this time to quote chapter and verse on it. I would think though Mr Speaker that in that process of developing a strategy and indeed adopting best practices to ways of managing this pest all the relevant strategies as they are developed will be put in the local paper and people will be kept informed of the doings and also at the same time I mean people, if they have specific and direct concerns, should be or should contact the Health and Building Section of the Administration who will be in a position to advise on it on a case by case and day to day basis. Thank you.

MR SPEAKER Thank you. Any further Questions without Notice this morning Honourable Members? Then we have concluded Questions Without Notice. Papers, are there any Papers to present this morning?

PAPERS

MR KING Thank you Mr Speaker. I table in terms of the Public Monies Act the funds virements which I have approved in recent times.

MR SPEAKER Thank you. Further Papers?

MR SMITH Thank you Mr Speaker. Can I move that that be noted.

MR SPEAKER The question is that the Paper be noted.

MR SMITH Thank you Mr Speaker. Can I ask the Minister if he can tell us what some of these virements are, if there's any large amounts, I'm not too worried about little ones?

MR KING Yes certainly Mr Speaker. The largest amount was an amount of \$6,800 which was transferred from the Executive Members discretionary fund to Assembly travel to provide for the increased travel in relation to the air services issue. Also an amount of \$5,000 transferred from the same vote to the same vote, next highest one, \$2,500 transferred from vote 1267 which is what vote, I'm sorry Mr Speaker you'll just have to bear with me for a minute, \$2,500 transferred from Norfolk Island Assembly area to the GST project expenses and those are expenses in relation to travel through to New Zealand by the GST group. An amount of \$1,600 transferred from works general to a capital account for furniture and fittings and a range of miscellaneous \$750 amounts. I guess I'm a bit remiss Mr Speaker, I could well have copied all these and succeeded in cutting down another couple of trees but they're tabled there. If Mr Smith would care to adjourn the debate and he can have a closer look at them and remark on them further in the next meeting if he wishes.

MR SPEAKER Did you want to go to that extent or did you just really want to have an undertaking to have an opportunity to look at it in detail?

MR SMITH I think Mike's explained it reasonably to me the major amounts.

MR SPEAKER Any other participation? The question is that that paper be noted.

QUESTION PUT
AGREED

The ayes have it thank you.

MR ADAMS Thank you Mr Speaker. Mr Speaker in the absence of the Minister for the Environment I table in accordance with subsection 10 (1) of the Planning Act 1996 and subsection 19 (1) of the Subdivision Act 1996 and I table the following documents. 1) the copy of the Norfolk Island Draft Plan, 2) the report about the public consultation undertaking in relation to that draft 3) copies of submissions received in the course of the public consultation and 4) a response from the Administrator in respect of the planning subdivision code under section 18 of the Subdivision Act 1996 and I table those documents.

MR SPEAKER Thank you Mr Adams. Further Papers?

MRS CUTHBERTSON Thank you Mr Speaker. In accordance with paragraph 41 (2) A of the Interpretation Ordinance 1979 I table the Companies Amendment Regulation 1997.

MR SPEAKER Thank you. Further Papers. No further Papers this morning. Statements, are there any Statements?

STATEMENTS

MR ADAMS Thank you Mr Speaker. Mr Speaker as I alluded to before in the course of this sitting I'll be making a statement on the airtransport and the airline situation. Mr Speaker the situation has been a very great concern to us as we all understand and appreciate, particularly in the early stages when an airline future or our airline future was unknown and certainly unclear to us.

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Things have progressed from that point to one where a number of players have thrown their hats into the ring and given indicative start dates and indeed Mr Speaker varied transport arrangements and a good idea of their scheduling. In summary there are 3 organizations which are firmed as definite carriers to Norfolk and in the background, closely in the background is another one who's doing there numbers. Mr Speaker these organisations are the Tamworth based airlines "Tamair" which intends to pick up the Sydney to Norfolk Island route using the Canadair regional jet which as Members may recall came to Norfolk on a demonstration flight some weekends ago. We've been informed that pilot training and other necessary processes have commenced and the company is looking forward to commencing operations around the end of June and the beginning of July with the perspective schedule of nine flights per week from the Sydney area, from the Sydney gateway to Norfolk Island. Saturday past I held discussions with the locally based Norfolk Express group and was briefed on their position to the effect of that Norfolk Express expect to commence operations late May from both the Sydney and Brisbane gateways using as Members will recall the BAE 146 100 series aircraft. Norfolk Express has indicated to me in the process of that meeting that they expect to be hosted in the queued reservation system and with all the relevant details and their hoped time frame for that will be this week. They expect to be making an announcement this week regarding their hosting in that reservation system and all relevant details also include details of their fare arrangement. Mr Speaker there has been some debate in the community about the possible scenario of Qantas being a player in this situation as well and I would suggest that that was seen as a player, Qantas being a player in its own right. However Mr Speaker in recent times Qantas has confirmed that they are not interested in their own right or not willing at this time to participate in this arena in their own right but however would be willing to assist other players and naturally I would assume Mr Speaker the word "suitable" hangs in the air immediately prior to the word "players". I'm also given to understand that Norfolk Express and Qantas are having ongoing talks about some degree of potential co-operative arrangement and I also understand Mr Speaker that those discussions are not concluded and are ongoing and no doubt may form part of their announcement perhaps this week as their situation becomes clearer. From Brisbane Flightwest will be operating to Norfolk Island using recently purchased F28's and I received a FAX from Flightwest Airlines at 6.20pm last evening to the effect of that the route proving and the training flights will be operating in June leading to Flightwest's first revenue service on 1 July this year. There has been a level of concern that although Flightwest was hosted in the reservations system they indeed being Ansett's preferred carrier from the Brisbane gateway that the fare structure was not available in the res. system and therefore relevant people were not able to simply access the Flightwest arrangements and see what indicative airfare arrangement was in place. In relation to this point I and regarding the FAX I received last evening, Flightwest have indicated the situation has remedied and the fares were loaded into the reservation system last night and broadcast messages will be sent to relevant agencies today and I imagine that will clarify the situation at least from the Flightwest angle as concerns Brisbane from the point of view of people wishing to know exactly what the dollars and cents figures are regarding travel to Norfolk Island from Brisbane on a Flightwest aircraft. Mr Speaker in closing I'd like to mention that myself and Mike as Head of Government put together in recent times a letter to the federal arena seeking their position on a range of issues relevant to Norfolk and indeed to their transport situation, including such points as Norfolk being able to implement its own air legislation in a bid amongst other things to give Norfolk a greater say in the who, what, where, why of any airlines running into Norfolk and Mr Speaker I think that's quite an important point that Norfolk needs to have a realistic input into airlines, or airtransport arrangements given the fact that as we all know airlines carry our economy, there's no two ways around it. That letter Mr Speaker was sent I think rattling the old memory bank somewhere in the order of a month ago and I's be speaking from my own behalf here Mr Speaker would be very keen to see a reply to that letter

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before much more time lapses. Over the next few days I shall also be seeking to contact the consultative group that was put together in the early days of this dilemma to further canvass issues that are about in this developing airline situation. Mr Speaker just before I close off this one I'd like to record this House's appreciation of the members of the Airtransport Working Group and I shall name those members. Gary Robertson, Warren Langman, Duncan Evans, Lisle Snell, Roz Partridge, Joe Adams for their ongoing assistance and invaluable expert advice on airline matters surrounding our recent situation, and ongoing situation. I'd also like to at this time Mr Speaker record this House's thank you to the Acting Secretary to Government, Mr Rod McAlpine for his untiring and most commendable efforts in assisting in particular the Minister's in this particular dilemma. Thank you.

MR SPEAKER Thank you Mr Adams. Further Statements.

MRS CUTHBERTSON Thank you Mr Speaker. Members will recall that some time ago I wrote to both Air New Zealand and Ansett requesting a reduced fare for people having to travel for medical reasons. Unfortunately Ansett is no longer on the scene and they never did answer but Air New Zealand has replied and they have advised that although they cannot see their way clear for reducing fares for people travelling for medical reasons, they have made the suggestion that people who do have to travel for this reason, but anyone else as well should consider joining Air New Zealand's frequent flyer program which allows people who do so to collect point towards reducing airfares or in fact in due course actually getting free tickets or getting upgrade in tickets. Unfortunately this is not quite as good a proposition as I hoped would come forward but it certainly is something. I have been in touch with the Hospital and advised the Hospital to make sure that anybody that has to travel for medical reasons is aware of this possibility, but I would like to draw it to the attention of everyone else as well. In due course if, when we have very definite airlines in place I shall write to those airlines and see if they will also consider some sort of arrangement to reduce fares for people having to travel for medical reasons. Thank you Mr Speaker.

MR SPEAKER Thank you. Further Statements.

MR SMITH Can I move that that Statement be noted?

MR SPEAKER The question is that Statement be noted.

MR SMITH Can I make a suggestion to the Minister that maybe or maybe it already happens but perhaps we could help in the reduction of costs of travel like with the airport tax that we charge, departure tax or maybe other ways. Has that been looked at, or is it an option?

MRS CUTHBERTSON Thank you Mr Speaker. I certainly think it is an option and it's something that the Government should consider. Healthcare does contribute \$200 towards airfares for people who have gone over their \$3,000 limit which is not a lot of money unfortunately but yes certainly we, I think the Government should consider the possibility of reducing things like departure taxes for people travelling for medical reasons.

MR SPEAKER Thank you.

MR BATES Mr Speaker I think that both Mr Smith and Mrs Cuthbertson should know that people travelling for medical purposes and those accompanying them are exempt from departure fee under the Act.

MRS CUTHBERTSON I stand corrected Mr Speaker.

MR SMITH Yes, I'm referring more specifically to the airport tax and maybe there are some other ways that we can help at the other end. I just, the airlines always had a funny thing about the medical fares and resident fares and I think they do their best but maybe we need to look at what we're doing in the first instance.

MR SPEAKER Thank you. Further debate? The question is that that Statement be noted.

QUESTION PUT
AGREED

The ayes have it thank you. Further Statements.

MR ADAMS Thank you Mr Speaker. I just want to add something to my former statement regarding the airline situation. I did mention at one point in my Statement that there was 3 active players at this stage with one in the background I neglected Mr Speaker to name the arrangement or the proposal from the group who's just in the background behind the other 3. Mr Speaker that group is Active Management, they're a New Zealand based organisation and at the moment as I alluded to in my Statement earlier, they are at the present time doing their numbers from the point of view of a full and complete operational and economical analysis regarding the route and regarding their preferred choice of aircraft. I'm given to understand Mr Speaker that their preferred choice of aircraft is a Macdonald Douglas 80 series aircraft. I understand that process is ongoing and no doubt we will be informed in due course as their deliberations on that analysis is finished off.

MR SPEAKER Thank you. Further Statements?

MR ADAMS Thank you Mr Speaker. I wish to make another Statement in another area of my portfolio responsibilities Mr Speaker and that is in the activities in the rural development area, or certainly in the administrative area that relate to the rural development scene. Mr Speaker as Members will recall we've put in place a rural development strategy in recent times and as part of that strategy the Administration has acquired the services of a qualified part-time Agricultural Officer who commenced duty in January of this year. Members may also recall that Mr Ernie Friend is indeed that person, and I'd like at this stage Mr Speaker to present a summarised version of the doings in that area to date. Part of the concept that's been furthered by Mr Friend is the objective of developing a broader base for Norfolk Island's economy avenues for the development of exports in the area of fruit and vegetable and that area is certainly one that's been strongly canvassed by Mr Friend and as part of that canvassing there has been a visit arranged by a Horticultural Consultant from New Zealand, Dr Michael Nicols, who will be arriving on the Island today fro the period of one week. Mr Nicols background is involvement in developing export trades in a number of pacific and Asian countries. We expect very much that Norfolk may be able to profit from, certainly our favourable climate as regards to early cropping and also indeed our disease status, our healthy disease status as it relates to pests and diseases that may be a disincentive from other areas but Norfolk appears in that respect to have a very good plant and health status and we see very much as part of Dr Nichols work as being able to build onto that on that good plant status with a view to developing our exports. Other facets of that Mr Speaker a process is put in place by Mr Friend which include the soil sampling and indeed as part of that the next step of the soil sampling is the fertilizer recommendation. To that end the analysis of soil samples of people desiring to have soil samples undertaken have been called for and there has been an arrangement put in place with a Queensland company where a full scientific soil analysis of samples from Norfolk Island is being undertaken and as part of that process as I alluded to

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that there's an interpretation of that soil analysis is furthered in recommendations as to ways of properly providing nutrients to the soil as regards to requirements and also indeed as requirements of growers as it relates to their preferred crop option and also under this the roof of the rural development area is conducted by the Administration Mr Friend in conjunction with other relevant areas in the Public Service is developing, or canvassing and developing the area of using irrigation, wastewater from our water assurance scheme and as Members are aware a significant amount of that water at the minute is effectively pumped to waste and we're looking in house at ways of redirecting that water and putting it to much better use. In recent times we've had a problem on the Island regarding chemical damaged seed potatoes. As part of this strategy now we're looking at ways of assuring better supplies to the Island in a bid to avoiding a rerun of that unfortunate and concerning scenario which occurred some time ago and also as part of that, investigations have been carried out as we speak to find for instance a less drastic quarantine procedure than the one's that are undertaken at present in regards to a particular chemical substance that's used for fumigation.

There's a number of new crops being investigated to see whether or not they hold any potential value to Norfolk and some of these crops include flax, hemp, insecticide producing need trees, are just typical of those which are being looked at and reviewed at this time for their potential to us. As well as that the Agricultural Officer is conducting a range of extension activities to the community with a view for assistance to assisting people in the rural area with a range of problems they may have before them including pests and weed control, such things as pastural improvement, Kentia palm maintenance and care and crops in general. Thank you Mr Speaker.

MR SPEAKER Thank you. Further Statements? I think we've concluded Statements this morning.

MESSAGES FROM THE OFFICE OF THE ADMINISTRATOR

MR SPEAKER I have the following Message from the Office of the Administrator. It is Message No 108. On the 25th February, 1997 pursuant to subsection 21 of the Norfolk Island Act 1979 A) I declare my assent to the Road Traffic Amendment Act 1997 which is Act No 2 of 1997 and B) I reserve the following proposed laws for the pleasure of the Governor General. The Public Reserves Bill 1997, the Public Reserves (consequential provisions) Bill 1997, dated the 25th February, 1997, Alan Kerr, Administrator.

NOTICES

NO 1 - TOURIST ACCOMMODATION (OWNERSHIP) ACT 1989

MR KING Mr Speaker having received some representations from the solicitor to the applicant to whom this motion refers just yesterday, I am happy to seek the Leave of the House to withdraw that motion

MR SPEAKER Is Leave granted? Yes. Leave is granted Mr King, that matter is so withdrawn

NO 2 - CUSTOMS ACT 1913 - EXEMPTION FROM DUTY

MR KING Thank you Mr Speaker. I move that for the purposes of Section 2(b) of the Customs Act 1913, this House recommends to the Administrator that -

- a) the specified goods that have been imported by, or on behalf of, the Norfolk Island Hospital Enterprise since 31 May 1993; and
- b) the specified goods that are to be imported by, or on behalf of, the Norfolk Island Hospital Enterprise,

be exempted from duty.

The goods referred to are all goods other than goods imported for sale in the pharmacy at the Norfolk Island Hospital. Mr Speaker this is a motion which is designed to tidy up an unsatisfactory situation which basically developed when the hospital was created as a separate statutory entity in 1993. The basis for exemption of duty of goods imported by the hospital has been standing and in place, supported by successive Assembly's for many years. Those approvals were interrupted when the hospital became a separate statutory entity in 1993. Since that time there's been an effort to identify the goods. The same situation has continued so this motion would be retrospectively exempting from duty those goods which have been imported since 1993 and re-establish the basis for future exemptions, so it's a tidy up motion Mr Speaker which simply restores the long standing basis for exemption of hospital imported goods.

MRS LOZZI CUTHBERTSON Thank you Mr Speaker. I support the motion but I would like Mr King to please clarify the statement of "goods for sale at the Norfolk Island pharmacy". I presume he means those goods which are in fact on sale in other places, not prescription drugs that are not for sale in other places on the Island. Prescription drugs I am certainly, clearly of the understanding that we reached an agreement that those would not be subjected to duty so that the extra costs would not be passed on to the consumers

MR SPEAKER Mr King did you want to respond at this stage

MR KING Well I think that was more a statement from the Minister with responsibility for the Hospital, rather than a question. What she said is quite accurate. There's nothing in the motion which suggests that we are going to compete favourable or establish favourable terms for competing with other people in the community. I imagine that there are satisfactory means and processes in place to identify the goods when they come in as being goods which are not for sale in a retail sense in the pharmacy and which are separated into dutiable and non dutiable items. I don't precisely know what those processes are but I am happy with the advise given to me that those processes are in place

MRS LOZZI CUTHBERTSON Yes, those processes are in place and in fact they've been working quite well for some time

MR SPEAKER Further debate. The question before us is that this motion be agreed to

QUESTION PUT
AGREED

The ayes have it thank you the motion is agreed

NO 3 - STABILISATION OF CASCADE CLIFF FACE

MR KING Thank you Mr Speaker. I move that this House -

1. Acknowledges that the Cascade cliff face is unstable and potentially dangerous to both life and property as a result of rockfalls; and
2. Acknowledges the Cascade cliff is a public safety issue; and
3. Acknowledges that whilst the Cascade cliff face is a source of basalt rock, public safety is the primary consideration in addressing the issue; and
4. Consistent with the need to address the primary objective to make the Cascade cliff safe, agrees that the method used to bench the cliff should be professionally planned and executed; and
5. Agrees that the process to make the cliff safe should be achieved over the shortest practicable time, ensuring minimal disruption to the Cascade jetty and surrounds.

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Mr Speaker this motion says nothing new in respect of the dangers posed by the Cascade Cliff face. Everyone in the community knows that it is simply a bad accident just waiting to happen. What a lot in the community wouldn't know is that the liability for any damages or lawsuit which might result from any accident falls squarely at the feet of the Norfolk Island Government and that is the Norfolk Island community. Even less people would know Mr Speaker that the liability for criminal culpability in the event of an accident rests with the responsible Minister in the Government who recognises the danger and does nothing.

Now the difficulty of course, and one which has complicated matters in recent times, is that the Cascade Cliff Face is a valuable source of basalt rock. The point I've tried to impress on Members Mr Speaker is that irrespective of whether the cliff contains a useable resource or not, it must be stabilised. We simply can't deny our duty and obligation to make the cliff face safe to protect our community from financial ruin which could result in a damages claim. Unfortunately Mr Speaker there appears to have been a change in some Members attitude in more recent times with a shift in focus from public safety to the commercial supply of basalt rock. This motion is an attempt and perhaps Mr Speaker a late attempt to put the House's stamp of approval on a process which was put in place some eighteen months ago. At that time Members agreed out of session and unanimously to each of the points contained in the motion. Members examined a draft Management Plan of the cliff face prepared by a local engineer. Members also examined in an assessment of the draft done by a specialist mining engineer and quarry consultant. Members examined as well a range of options in relation to the benching of the cliff face. As a result of those considerations Members agreed the planning, planning I emphasise Mr Speaker, should be towards benching the cliff face in a certain fashion with a primary objective of public safety in mind. It was a secondary, but of course welcome objective that the exercise would yield enough basalt rock for the Island's needs for twentyfive or thirty years. Consistent with the desire to remove the hazard as quickly as possible and to minimise disruption to the Island, particularly the pier or jetty area, the agreed plan of action included the requirement to complete the benching as quickly as possible and to stockpile the rock which was won from the cliff and progressively draw from that stockpile as the Island required or needed it. The only difficulty Mr Speaker which Members raised at that time was in relation to the funding and Mr Bates made a series of comments and delivered some options in relation to funding.

Indicative costs were high Mr Speaker, in fact they were a bit scary. Around the \$3m mark but I explained at that time, I thought successfully that the potential damages bill could be much much higher. I advised Members that I was confident that a number of funding options could be set out but in any event, that the absence of firm funding options at that time should not prevent the planning exercise from being pursued as far as possible. Mr Speaker, for one reason or another the planning process has slowed considerably and some Members have become concerned, justifiably about the ongoing supply of basalt rock products, and those concerns have brought about the change in attitude earlier mentioned. The proposal now from one Member is that we should simply chip away at the cliff face over a prolonged period of time simply to win rock, basically, forgetting the public safety aspect, forgetting the increased instability which would be caused by blasting on the cliff face and apparently forgetting the continued disruption to the jetty working area which would need to be endured for some five to thirty years, or perhaps not that long, maybe twenty-twentyfive years or however long it would take to get down to get down into that working area. Mr Speaker it is no secret that I strongly oppose the proposal to chip away at the cliff face. It ignores reality and ignores our responsibilities and duties. I'm well aware that basalt rock supplies are very much depleted at the existing source. Not exhausted, but depleted but Mr Speaker there are other answers to that problem. There may have to be some hard decisions to be made and we must be prepared to take those hard decisions in the interests of the community. Mr Speaker, even the proposal to chip away at the cliff face will not immediately increase the supply of rock. That proposal requires resubmission to the Australian Heritage

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Commission and submission to the Commonwealth Environmental Planning Authority. In fact Mr Speaker, I'm not sure that the AHE would even be comfortable with the proposal to chip away, given that they had waived certain statutory requirements because we had placed a major focus on public safety. Mr Speaker this motion simply seeks to not interrupt the process that was put in place some eighteen months ago. I know in a rather heated discussion just yesterday in our Committee Room. There was a number of exchanges between myself and Mr Christian in relation to the manner in which he wants to approach it and obviously we are nine individuals and we all have different attitudes and approaches to different things. I have kept firmly in mind the primary focus of public safety here. Sooner or later someone is going to get hurt. I don't want to wait twentyfive-thirty years for that danger or hazard to be removed but I acknowledge the desire of Mr Christian and others, that we have to have rock. Crushed rock products for the Island. So I propose at an appropriate time to move, or seek leave to move an amendment by adding a further clause to the motion which addresses the requirement for a paper, put before all Members setting out all the options regarding the ongoing supply, that is, the short and medium term, of crushed rock products for the Island. You might give me a lead Mr Speaker that at the appropriate time for that amendment to be moved thank you

MR ADAMS Thank you Mr Speaker. This is an interesting motion. While I certainly acknowledge personally that there are a number of concerns regarding the Cascade cliff face and of those concerns, naturally we all understand that safety and resource access are and always will be key concerns in this area and efficiency and progress in this area will always be a priority. With regard to our doings yesterday and indeed the statements Mike has made just at this minute regarding this issue, leaves me still rather unclear as to how this motion effectively gets to the situation in a progressive manner. I frankly am a little unclear Mr Speaker on what the difference is between today and yesterday if we agree to this motion, amended or otherwise. I fail to see how we've progressed over and above the situation that we, say for arguments sake, had yesterday. In our Committee Meeting yesterday Mr Speaker, as we are all aware, there were a number of exchanges and from my view all it effectively flushed out on this matter is that we have two members who are shall we say butting heads on this matter, and I feel that probably Mr Speaker, this motion contributes more to that issue rather than accelerating the already agreed platform on the key issue surrounding the Cascade cliff. As Mike has alluded to, there certainly is a benching proposal. It's a very expensive benching proposal and it does certainly address the key issues of safety and resource access but again I reiterate, one of the things that Mike has said, and that is Brian in the past was very concerned about where in fact the dollars were coming from to fund this very expensive benching arrangement and I believe we were given a clear indication that those areas where the financial resources would be coming from would be clearly identified before agreement was given to proceed on the benching process. Mr Speaker I still don't see a clear identification of where at this stage, the financial resource is coming from. We continually hear from a range of sources, of potential damages bill. I find that we always automatically assume liability falls at our feet and always I have personally found that assumption interesting given the fact that the Commonwealth is the owner of the cliff and yet the legal advise that we have had or has been shown to us regarding where liability falls has been provided by the Attorney General. One would have thought that in this process a more independent legal source advise would indeed help the situation. There has been some suggestion and I think this goes under the heading of hard decisions, that the import of gravel and crushed products might well be a solution in the short term. I've been informed in recent times Mr Speaker that Lord Howe, I'm given to understand, adopted very much the same procedure. Out of that shipment of gravel they now have sand flies that has been brought into Lord Howe, sand flies all through their beaches and is indeed a pest that's been brought in and which they are unable to get rid of. I would advise strong caution from the

point of view of automatically assuming that we would just ship it in and make a quick fix in an interim manner. Mr Speaker I will be voting against this motion, not because I dispute safety and resource matters. I already accept and understand these areas, but I'm effectively voting against circular motions. Motions that go around in circles, state the obvious and seem to add little to accelerating the progress. I think Mr Speaker I time would be better spent in other ways thank you

MRS ANDERSON Thank you Mr Speaker. I agree with Mr King that the matter of public safety is a matter of prime concern to us. Also I believe that the winning of rock for projects that we have in the pipeline at the present time is very important. My concern with the motion as it stands at the present time is contained in paragraph 4. We are asked to agree that the method used to bench the cliff face should be professionally planned and executed. Professionally planned and executed. What does that mean? Does that mean another \$40,000? Does that mean another eighteen months wait? It's essential that we should progress in this matter. The amendment that Mr King proposes to put forward at a later time does I think progress it in some way, but again, it is only requesting that a paper be set out. There's no time frame, there's no time limit, there's no sense of urgency in any of this. I would be happier if Mr King's motion could be amended in some way to reflect the urgency that we all feel is required in this matter, thank you

MRS LOZZI CUTHBERTSON Thank you Mr Speaker. I support what Mrs Anderson has said, in fact I propose to move an amendment to Mr King's amendment when it comes in due course. I've gone over the paper that he has circulated about benching of the cliff face and where the situation is at, and particularly the letter by Mr Andrew Lyle, the Consultant Engineer who suggested the benching of the Cascade cliff and put forward proposals for the expensive programme of action and in the paper that Mr King has circulated, Mr Lyle finds fault with another report that was commissioned earlier by Mr Christian from another engineer, Glencross Grant, and that plan proposed certain action which could have been initiated fairly quickly which would have been somewhat less expensive. In fact, considerably less expensive than the Andrew Lyle proposal. Accordingly to Andrew Lyle the main argument he sees as dangerous in the Glencross Grant proposal is the angle of the battening for the removal of the overburden on the cliff face before we can actually get to the new strata of rock. He suggests a minimum safe angle of 45%. From my very limited experience that makes sense, but I see no problem, again from my limited experience, to taking that advise into consideration and expediting action on the Glencross Grant proposal which would give us access to a strata of rock that would certainly fill our needs for some considerable time to come. Years to come in fact, and what I propose to do in due course is to move an amendment to Mr King's amendment to the effect that we should move on the Glencross Grant proposal as quickly as possible taking into consideration this advise on the safety angle, thank you Mr Speaker

MR BATES Thank you Mr Speaker. The dangers of the Cascade cliff face has been recognised for years and like Mr Adams, the purpose of the motion does escape me a little. It certainly makes a little more sense by adding Mr King's proposed amendment but I agree with Mr Adams on the fact that we've been going around in circles for a long time. Some eighteen months ago we discussed the Lyle option. One of the other proposals as alluded to by Mrs Cuthbertson have come before us fairly regularly. In the past attempts have been made to deal with the problem of safety, we've had army teams crawling over the cliff face, blasting it, unable to get it to fall, but crawling all over it and letting of charges which probably only made it less safe. We had a time here when we had a local person contracted to crawl all over the cliff face, abseil over the cliff face several times a year, prying out loose rocks with a pick. We've had gates erected over the entrance to the danger area in an attempt to keep unnecessary movement of

the public away from there, all these things have happened but the focus suddenly seems to be on the danger. The facts are that the supply of rocks is becoming critical and its the apparent lack of activity which concerns me. I've got a feeling that we'll still be sitting here in eighteen months time discussing our way forward and we certainly need a more positive approach. I'll support the motion because I can't see it doing any harm but we need action, we need a positive approach. We shouldn't be sitting around talking about it much longer because nobody wants to see a disaster down there. It would be detrimental to us in more ways than one, thank you Mr Speaker

MR SMITH Thank you Mr Speaker. I think the cliff is going to erode away before anything gets done to it. This has been going on for years and years and years. I can't help but support this motion because of the words that are in it, but I think there just needs to be some decisions made pretty quick. Obviously our times running out, we haven't got that much longer to go. Maybe we can get some sort of co-operation between all Members of the Government and the Assembly and the players in this game. I mean, there's different players. The people who operate the crusher, the people who operate the quarry, the people who use the equipment to do all these work. Has there been a meeting of all parties concerned. The Administrator. Has that happened? If it hasn't then get on with it and do it

MR SPEAKER Any debate? Mr King I think we are at the stage of looking at your amendment. Well, leave is granted for you to bring forward this amendment

MR KING Thank you Mr Speaker. I will do so, not knowing where it's going to end up. Here we go. Mr Speaker I propose to amend the motion presently on the table by the addition of clause 6 which reads "Agrees that in the interests of the ongoing supply of crushed rock products for the Island a paper setting out all known options be developed and placed before Assembly Members as soon as possible". Mr Speaker, I don't know whether this is going to satisfy the concerns of Members. I guess that if this motion goes down I will have done one thing. I will have made my position adequately clear. I deliberately put together a bundle of papers setting out the history of this matter over the eighteen months. It has been committed to record. My position is very clear, it remains unchanged, so I will have achieved that at least if this motion is down and the Assembly agrees to head off in a direction other than that which it agreed. Not the Assembly but Members of the Assembly agreed eighteen months ago and I'll take my instructions obviously from the House. That is most particularly important. There are two Ministers of Government, both of whom have some portfolio responsibility in the issue, are in conflict about the matter. I think it is appropriate that guidance be taken from the House, but make no mistake about it, the proposal from Mr Christian is totally different from the proposal from me. Mr Adams apparently can't see the difference. The difference is very very clear and that is why I submitted the papers to each of you. The Lyle proposal is to address the public safety issue, bring the cliff down within six months or eight, stockpile the rock and draw from that progressively to satisfy the Islands ongoing needs. Mr Christian's proposal is to use the same block of land where the Lyle proposal proposes to store the rock to place the overburden from the cliff face, progressively, and chip away at the cliff face over a period of twentyfive to thirty years. Now that's the basic difference. Before we even start on either of those proposals, you need approval from the Commonwealth authorities. You've got to put your plan to them and let them know what's happening. Mr Christian says Public Service do a plan in this fashion. Mr King, Muggins, says do a plan in this fashion. Now what's the Public Service going to do. Now if the motion goes down it clearly means to me that we proceed with the Glencross Grant plan with focus being, not on public safety but on retrieval of rock. Commercial interest. Now I don't agree with that but be clear in your

minds that that is what it means if the motion goes down. I know that there was an undertaking given, more confidence expressed by me eighteen months ago, that satisfactory funding would be found for the project. I still stand by that and certainly I did say that funding proposals would be agreed and set out before any benching took place. No benching is taking place. This is a planning motion. It does not constitute agreement to bring the cliff face down in one fashion or another. It is a planning motion, it is a directional motion, it makes it clear to the Public Service how they ought to apply their resources in progressing the matter and it makes it very clear that we have retained public safety as a major focus of the issue. So, whilst it appears to be a nothing motion to a couple of members around the table, there are public acknowledgements contained in that in my view to be made and those public acknowledgements will determine the basis on which we should plan to attack the safety hazard or the hazard of the cliff face.

I guess that's it. People are talking about progress around the table but it just can't be had when there are conflicting directions given to the members of the Public Service. It simply won't happen. The resources up there are waiting, so whilst you are critical of me for being tardy over the matter for the last eighteen months, to vote against the motion is just going to prolong that wait or that progress in relation to the matter. I don't have anything more to say. I've moved my motion have I not Mr Speaker? I have and I've spoken to it, thank you very much

MR BATES Thank you Mr Speaker. I think Mr King has alluded to some of the issues that are causing certainly myself a lot of frustration. He's had eighteen months to bring forward funding proposals for this. He keeps telling us they'll be coming, there's ways and methods of doing certain things but eighteen months have gone by since I first tried to put pressure on him to come up with some funding proposals. This motion is not bringing any of those funding proposals forward for serious consideration. No wonder people are getting frustrated with the issue. I don't see a big conflict in the matter of starting to chip away at the rock face in order to get a supply of rock for immediate users and I don't see that that's a big conflict in the overall plan of going forward with the Andy Lyle proposal of benching the cliff face and spending something like \$4m to do it. I just can't see that there's a big conflict. We need rock in probably six months time, it's probably better if we have that sooner but whilst we sit around talking about ways of funding it and Ministers fighting with one another we are still not going anywhere and that's the frustration that is coming out certainly from me and I think from other Members around this table.

MRS LOZZI CUTHBERTSON Thank you Mr Speaker. I would seek Leave of the House to move an amendment to Mr King's amendment which hopefully will address this question of a need for action as soon as possible. If I have the Leave Mr Speaker

MR SPEAKER Could I hear the amendment please

MRS LOZZI CUTHBERTSON Certainly. I suggest the new words after the words "Island" in the amendment proposed by Mr King so that the new version of that amendment will read "No. 6 'Agrees that in the interests of the ongoing supply of crushed rock products for the Island that action should be taken as quickly as possible to seek appropriate permission to give access to the new sources of basalt rock in line with that portion of the Glencross Grant Plan which does not endanger public safety'". I agree with Mr King that public safety is paramount and should be always kept well in mind in whatever we do around Cascade and that cliff. But also the reality is that the Glencross Grant Plan did provide for the benching of the cliff, did start in some direction towards the proper benching of the cliff in due course. Yes the crushed rock and the overburden will be heaped on some of the land that the Andy Lyle proposal plans to use for other purposes but that can be looked at and can be discussed when we start work on the cliff. It's not a major problem. We don't have to stock the overburden on the portion of

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the land that needs to be used by the Andy Lyle proposal when eventually the funds are found to put it into action. All those things can be taken care of when we actually get going but to put into action the Glencross Grant Plan gives us fairly swift access to a new source of basalt rock which is badly needed for all sorts of projects that are planned and are almost in train around the Island and we need that basalt rock within six months at the very latest, not earliest, latest from the evidence before us. The Glencross Grant plan can be a step back at a 45% angle as suggested by Andy Lyle so we in fact do the right thing for safety. We can do all sorts of things but lets get moving on it. Good sense can prevail. We can get all the right advise when we start moving on this project but I don't think it should be allowed to just sit there any longer

MR SPEAKER Okay. Leave is granted for the amendment to the amendment to be brought in, and if you would be kind enough to let me have a written copy of the amendment

MR ADAMS Thank you Mr Speaker. I'm in agreement with a number of other Members around the table and feel that given there are two major proposals in front of us regarding activity on the Cascade cliff face of Andy Lyle and Glencross Grant, I similarly don't see a clash between the doings of those two proposals. Nadia's amendment I believe now for my point of view now gives this motion direction. The motion therefore will underline all the things we already know and understand but at the end of that motion it definately gives it direction and a time frame, or expectation of a time frame that you would expect to commence operations down there with a view to tackling the joint key concerns at approximately the same time. We would be able to access rock from the main resource while at the same time attending to the safety issue and I am now inclined to support the motion Mr Speaker if indeed Nadia's amendment gets up because it certainly gives it direction

MR KING I wonder if Mrs Cuthbertson's motion could be read for me please, the amendment

MR SPEAKER Yes, I would like to secure a copy

MRS LOZZI CUTHBERTSON I'm trying to write it in a legible manner Mr Speaker.

MR KING Well while Mrs Cuthbertson is writing out the motion I want to say that there has been a suggestion that the Glencross Grant report has been ignored. That is certainly not the case. It formed the basis, the initial basis of consideration that referred to a specialist engineer and a quarry specialist for examination and it formed the basis of the Lyle proposal. The matter of the angle of the batter is not at issue at all, it had already been accepted that a 60% batter is unacceptable and that issue had been addressed so let's not cloud the issue too much my dwelling on that so I want to say that that hasn't been ignored. It provided the basis for the measurements, the yield of rock, the amount of overburden to be shifted etc. so I mean it hasn't been shelved, it is still there as part and parcel of the documentation into the matter. The motion I think in its end form, am I able to hear that now Mr Speaker may I ask

MR SPEAKER You continue talking for a moment

MR KING I think that the motion we are about to hear, the amendment doesn't rule out the Glencross Grant proposal to keep chipping away from the eastern end is it, where-ever they are chipping away from at the moment and that clearly is an option for the short and medium term supply and ought to be considered while the planning for the benching goes ahead in the option that was originally agreed and that's part of the intention of my point No 6 of my

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amendment that all known options be addressed. I mean, there are all sorts of options around. You could start carving up Poprock or Puppy's Point. We know that there's rock lying around there. Not too far underneath the surface, but no-one's going to agree to that. There are other options. The western wall of the existing quarry if satisfactory negotiations could be concluded with the landowner. There is undoubtedly rock under the quarry floor but we can't access that because we don't have completed and satisfactory negotiations with the landowners so there is also the continuation of quarrying along that spur and I think it would be more likely to get the short term approval for that from the Commonwealth authorities if they know that we are looking at removing the hazard and addressing the issue in the shortest practicable term. So I want to make it clear that I think that motion does not rule out the Glencross Grant proposal as one of the options that can be considered and as quickly as possible

MR SPEAKER Let me just read to you Honourable Members, the amendment to the amendment or really No 6 as it would sit if Mrs Cuthbertson's amendment to the amendment is inserted, it would say this - "Agrees that in the interests of the ongoing supply of crushed rock products for the Island that action be taken as quickly as possible to seek appropriate permissions to give access to new sources of basalt rock in line with that portion of the Glencross Grant Plan which does not endanger public safety". That's encompassing the amendment to the amendment. To measure it against yours Mr King, after "Island" first occurring it inserts a new set of words

MR KING Well I'm not unhappy about that amendment provided Members understand that the options I've put on the table will not only be related to that portion of the Glencross-Grant Report but I think we are entitled to have all the other options laid out in front of us as well, but I'm not unhappy about that thank you

MRS ANDERSON Thank you Mr Speaker. I'm happy with the amendments that Mrs Cuthbertson has proposed but I also agree with Mr King, in that we do need to look at all options. One of the options that I believe was proposed is the use of the overburden to extend our existing airport runway and I think that that is an option that has only been floated at the present time but should certainly be canvassed. It would certainly overcome any problem of storing the overburden at a position where we would likely want to quarry rock in the future

MR KING Well if it all hinges on extending the runway we might as well shelve everything because that is an issue that will take a long time to resolve

MR ADAMS Thank you Mr Speaker. On that last point by Mrs Anderson I believe that the Airport Manager has done some work in that area and that his conclusions in that area were to the effect that realistically there is little option for using the fill to extend the runway in any meaningful manner. There is simply not the distance to do it so that option has been canvassed and I don't think it holds any joy for us

MR SPEAKER If we have exhausted debate at this moment I put to you the amendment to the amendment. The question before us is that the amendment to the amendment be agreed

QUESTION PUT
AGREED

The ayes have it thank you. The amendment to the amendment is agreed. I will now put to you that the amendment as amended be agreed. Do you want to talk about that. This is Mr King's No 6 amended by Mrs Cuthbertson's

MRS ANDERSON Thank you Mr Speaker. I would seek an assurance from Mr King that in the time remaining of this Assembly that he please get his skates out and get something done, not just give us more statistics thank you

MR KING As I was saying, there was some assistance offered me by Members of this House in removing some of the obstacles that were in place to progressing this matter. That assistance did not come forward. Now in addition to that there are a whole host of other reasons as to why this matter hasn't progressed satisfactorily. One is the unwillingness of the Members of this Assembly to take hard decisions in relation to the land so don't lay it all at my feet and say that I've been totally tardy and totally at fault for the situation we find ourselves in. I reject that

MR ADAMS Mr Speaker I wonder if Mr King could define what he meant by hard decisions in relation to land. Does he in fact refer to resumption

MR KING Absolutely. Absolutely and categorically. And let's not all bow our heads and say we are going to hide from those hard decisions. You are sitting here addressing the wider interests of the community and if those wider interests of the community are met by taking hard decisions in relation to land resumption then those are the decisions that we have got to take. Yes. It cannot be excluded as a consideration

MRS LOZZI CUTHBERTSON Thank you Mr Speaker. But we have never had any proposals to resume land. It has never been put to us so what basis could we have made such decisions on or even considered them

MR ADAMS Mr Speaker I think there is an unhealthy situation when as a number of people have alluded to in this process, and as we all know, the efficiency and success of all of these projects that we talk about with regard to the Cascade cliff face involves negotiations with owners. One would have thought that in a manner to achieve better progress and with all hands on side one would have appreciated the fact that the pick stick of land resumption not even be considered. I am personally appalled by this twelfth hour statement that that certainly is an option because I certainly am not in favour of it thank you

MR BUFFETT I just wanted to inject one word only and it is only occasionally for me to want to do that. Mr King has mentioned the prospect of resumption of land. I will be voting for this motion on an amended basis, that is my attitude to the overall situation. That doesn't necessarily mean that I agree with all that has been said around the table. I particularly want to say that I am not voting in favour of this motion with a thought of resumption of land. And so I want that to be quite clear as my attitude about the situation. I don't see that this is a licence to enter into a resumption basis, but I do see it as a licence to negotiate for appropriate uses as has been done in the past with particular areas of Norfolk Island but I think we need to be very clear, if we want to do that, yes it should be clearly stated. I want to clearly state that that is not the course that I agree with

DEPUTY SPEAKER Thank you Mr Buffett. Further participation?

MR KING And I want to state Madam Deputy Speaker that this is not a licence for resumption of land nor a proposal to resume land but it would be most inappropriate of me, improper of me, to not include that as an option for consideration. We can all play a part in it. It is not a decision that I would make at the appropriate time but don't hide from the fact that it is an option. Let's not want to score a few political points of me because I dared to say those horrible words

MRS LOZZI CUTHBERTSON Thank you. I'm glad Mr Buffett's and Mr King's clarification. I certainly am not in favour of resumption of land, although I must say that if in any situation that is the only option then it certainly has to be looked at but there are so many other options that we can consider before the resumption of land becomes the only way to go in this regard and I think we should be looking at those and taking action on those

DEPUTY SPEAKER Further debate. The question before us is that this amendment as amended be agreed to

QUESTION PUT
AGREED

The ayes have it thank you Honourable Members.

The question now before us is that this motion as amended be agreed to

QUESTION PUT
AGREED

The ayes have it thank you.

If there's no further debate Honourable Members I put the question that the Motion as amended be agreed to.

QUESTION PUT
AGREED

The ayes have it thank you.

NOTICE NO 4 - THE HEALTHCARE AMENDMENTS BILL

MRS CUTHBERTSON Thank you Madam Deputy Speaker. I present the Healthcare Amendment Bill 1997 and move that the Bill be agreed to in principle, and I table the explanatory memorandum to the Bill.

DEPUTY SPEAKER Thank you Mrs Cuthbertson.

MRS CUTHBERTSON Thank you Madam Deputy Speaker. The purpose of this Bill is to amend the Healthcare Act 1989 to provide the Executive Member with limited discretionary power in relation to the approval of the payment of reasonable costs associated with medical treatment of eligible people. In a number of recent cases Madam Deputy Speaker, a situation has arisen where a person otherwise eligible for healthcare payments has incurred expenses associated with medical treatment outside of the hospital but not in Norfolk Island but because the definition of medical services in the Healthcare Act says that that person, as a result of those definitions the person has not able to be paid for that kind of treatment. In each case, the payment of those costs was associated with alternative and cheaper treatment to that treatment that did come within the definition and if the Executive Member had had the discretion to allow this cheaper treatment which was necessary and would have been approved under normal circumstances if delivered in the hospital, that people would not have incurred the extra costs. In some cases for example people did require to continue their treatment but it wasn't necessary for them to remain in hospital. That treatment was not available here on Norfolk Island, it had to be provided on the Mainland. It would have been considerably cheaper if the Healthcare service had paid for the accommodation of those people to stay close to the hospital where the treatment was available instead of keeping those people as inpatients in the hospital, so that we are in a situation of

spending more money if we insist on that person remaining in hospital in order to provide that person with free of charge treatment as covered by the Healthcare Act and in fact requiring for the Healthcare Fund to be built for much larger amounts of money than if we allowed that person to take accommodation outside a hospital and we paid for their accommodation instead of requiring them to be in the hospital. As it reads at the moment the Healthcare Act does not have that discretion for the Executive Member. Also I propose that in this amendment that rehabilitation services should be included amongst the medical services to be provided free under the healthcare provisions. Rehabilitation services cover a number of services, not covered at present by the Act, particularly speech therapy and occupational therapy and those services are essential for people injured in accidents or who incur strokes. It seems inappropriate for those services to be excluded by the Act specifically. I admit and I'm well aware of the fact that including those services it may in fact add to the bill of the Healthcare fund and I have requested that the Risk Manager be asked to advise as to what kind of additional burden this amendment is likely to impose on the Healthcare Fund. I'm hopeful that that advice will be forthcoming very soon and as I clearly indicate to all Members and to the public outside, it is very obvious that the Healthcare Levy, the level of the Healthcare Levy will have to be reviewed before the next Healthcare Levy period in September. I propose that whatever increase will be caused by changing the Healthcare Bill to provide for rehabilitation services to be included amongst the free services should be taken into consideration at that time and if it is found necessary that the Healthcare Levy has to be raised from \$130 per six monthly period, that it would be well worthwhile for the community to in fact fund this increase in free services and factor it in the increased Healthcare Levy, so I commend the Bill to the House as an important additional benefit to the community which of course will have to be funded but which will benefit many people in the community who will need help from time to time. Thank you.

DEPUTY SPEAKER Thank you Mrs Lozzi-Cuthbertson. Participation Honourable Members?

MR KING Well I'm happy Madam Deputy Speaker that this Bill is going to remain on the table for a month, that there's no urgency in relation to the matter because I really need to have a look at a paper from the Risk Manager so that, which assesses the cost implications of this. Laws are supposed to narrow down discretions of Executive Members so they act in a certain fashion and I don't like giving wide discretions. Wide discretions are reasonably ok for reasonable people but it can't be said that we're all reasonable down here all the time. You know I have a general attitude towards widening discretions without clearly looking at the full implications of it. I mean maybe it's better to better to be left on an adhoc exgratia basis rather than enshrining it in law but I welcome a look at the Risk Managers paper before the next sitting.

DEPUTY SPEAKER Thank you Mr King. Further participation?

MR SMITH Thank you Madam Deputy Speaker. I have a problem with this Bill but I'm pleased to see that it will be on the table until the next meeting. I agree with what Mr King said about Ministers having wide discretionary powers and especially as it reads in this Bill where that is going to be such a thing. I'd certainly like the time to find out more about it before the next meeting.

MRS CUTHBERTSON I certainly hear what my colleagues are saying and I would not normally suggest that such a amendment should be made except that we have been faced with a number of situations where in fact we're requiring our people to incur greater costs than if we went another way which made more sense and I consulted with the Legislative Counsel as to how else we could allow for

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this discretion and unfortunately the suggestion was that we put it in these terms and that in the directions and the guidelines issued by the Minister that the terms and conditions of that discretion be defined a little more clearly but certainly still rests with the Minister once the discretionary power is included.

I can't think of any Minister that would want to increase the burdens on the Healthcare Fund without some good reason like for example allowing a person to pay the rent for a person to stay in an apartment would only cost a few hundred dollars a week to require a person to stay in a hospital to have the same treatment costs hundreds of dollars a day. So that kind of choice is just insane.

We should be doing the things that are more sensible and that's why I'm suggesting this.

DEPUTY SPEAKER Further participation? Mrs Lozzi-Cuthbertson would you care to move an adjournment?

MRS CUTHBERTSON Thank you Madam Deputy Speaker. I move that the Bill be adjourned and made an Order of the Day for debate at the next sitting.

DEPUTY SPEAKER Thank you Mrs Cuthbertson. The question is that this Bill be adjourned until a subsequent day of sitting.

QUESTION PUT
AGREED

The ayes have it thank you. The Bill is so adjourned. Thank you Honourable Members. Honourable Members, with regard to the Supplementary Appropriation Bill 1997 I have to report that I have received Message No. 109 dated 14th March, 1997 from His Honour the Administrator recommending to the Legislative Assembly the enactment of a proposed law entitled an Act to authorise expenditure from the public account to the year ending on 30th June 1997. Honourable Members I have to advise that the Business Committee has met and under Standing Order No 158 (b) declared the Supplementary Appropriation Bill 1997 to be an urgent Bill.

NOTICE NO 5 - SUPPLEMENTARY APPROPRIATION BILL 1997

MR KING Thank you Madam Deputy Speaker. I present the Supplementary Appropriation Bill 1997 and move that the Bill be agreed to in principle. I table the explanatory memorandum to the Bill.

MR KING Thank you Madam Deputy Speaker. I don't table an explanatory memorandum because I don't have one. Nevertheless, thank you for the call. Madam Deputy Speaker this Bill seeks to appropriate \$668,300 from the public account for expenditure through the general revenue fund during the remainder of this financial year. It proposes additional operational expenditure of some \$461,000 and additional capital expenditure of \$207,000. The proposed revised total expenditure from the revenue fund Madam Deputy Speaker will be \$9.3m. Some of the major operational expenditure items contained in the Bill are \$150,000 as a subsidy to the Healthcare Fund. It was anticipated at the beginning of the financial year that a subsidy would be required but the performance of the fund was not clear at that time. No subsidy was made earlier, so this amount is not an increased amount Mrs Lozzi-Cuthbertson may care to comment in her contribution to the debate on that particular item. An additional \$25,000 is being provided for staff training to satisfy our commitments in those areas to a total of \$55,000 for the year, the bulk of which of course Members will recall was expended on training in relation to the Administrative Review Tribunal processes, etc. An additional \$26,500 is provided for army worm, fruit fly, and rat management programmes. An increase of \$24,000 in welfare funding which includes a provision of \$12,000 for a telephone counselling link up, and again I invite Mrs Lozzi-Cuthbertson as a responsible Minister to make some further comment in

relation to that matter. Ports and Lands Department has requested a further \$32,000, \$25,000 of which will be used in the ongoing land review and that is likely to be non-recurrent. A provision of \$10,000 has had to be made to cover the possible expenses in relation to the implementation of Periodic Detention legislation. Members travel is replenished by \$10,000 to a large extent made necessary by a lot of travel in relation to the air services issue. Additional funding of \$25,000 is directed to the roads area to compensate for the land, the large expenses that were incurred through storm water damage earlier in the financial year. Madam Deputy Speaker, increased capital funding of \$207,000 is a deliberate and hopefully meaningful attempt to maintain economic stimulus to the building industry in related sectors, as mentioned in the local newspaper, a couple of issues ago. This money will fund capital projects which are expected to be progressively tendered out to the private sector over the remainder of the financial year. Madam Deputy Speaker the proposed additional expenditure is more than adequately compensated by increased revenue throughout virtually all areas of public sector activity. By way of summarising the revenue result, total revenue is 14% up on the same period last year which at the same time is 9.5% over forecast, or over expectations. Taxes are up 12.4% on last year without having increased taxes, basic taxes and 11.2% over forecast. Let me just clarify what I just said. General taxes were not increased. There was a new tax introduced in relation to what was known as the "Tobacco Industry" and some \$45,000 I think, or up to the mid year mark, some \$40,000 had been collected in relation to that activity. That is not expected to continue at that same rate unfortunately. Madam Deputy Speaker the results of public sector activity are very pleasing and I'm sure Members will join me in that and I'm happy also to say that they clearly reflect the level of increased confidence throughout the business community manifested in imports to the Island and indeed the increased amount of deposits to the local banks which is reflected in turn in Financial Institutions Levy receipts. At this point, after the additional expenditure and the revised revenue estimates we're budgeting for a surplus of \$362,000 however I remind Members and the community that the impact of public sector salaries and wages claims is not expected to be clear for, I don't know I guess a couple of months yet, and there is probably some backdating component in that so there will be an impact, it's not expected to any where near that surplus amount. Turning finally Madam Deputy Speaker to the performance of the business undertakings as part of my discussion here I table the Budget Progression Report Indicators dated 31st December and make a few comments. It is expected that the GBE's the business enterprises will provide fees and dividends for the revenue fund totalling \$3.16m this financial year. That's an increase of some 12% over what was expected this same time last year. It's achievable Madam Deputy Speaker because without exception each of the businesses has performed in excess of some cases well in excess of forecasts. All of the businesses reflect the improvement in the economy generally. Relative to the same period last year, liquor sales are up by 12%, electricity consumption 6.4%, lighterage charges 15.5%, airport landing charges 5.4% to give a few indicators. I make special mention Madam Deputy Speaker of the Postal Service, which has a recorded a 63% increase in sales overall, achieved without any increase in wages which is a reflection of excellent productivity improvements. The Postal Service is the only one of the business undertakings from which we expect to take an increase dividend and that will rise from \$345,000 to \$500,000, that is \$345,000 which was set at the beginning of the financial year, we've now recast that to and to expect \$500,000. In all cases Madam Deputy Speaker expenditure has been reasonably well controlled, certainly within acceptable limits and I thank the business managers for these efforts. Those businesses which have improved sales but will not be making an increased dividend will of course benefit from a stronger retained funds position at the end of the year. Madam Deputy Speaker with a passage of the Bill, the mid year budget review process will be complete and I thank officers and managers of the Public Service for their contribution to the positive outcome. I commend the Bill to the House and I would seek to move it through all stages today.

DEPUTY SPEAKER: Thank you Mr King. Participation Honourable Members?

MRS CUTHBERTSON Thank you Madam Deputy Speaker. As Mr King has indicated a number of these provisions are referred to areas with which I am concerned. First and foremost the Healthcare Fund, the subsidy of \$150,000 provided in this Bill corrects or revisits a situation we clearly thought might come up when we set the budget in June last year and a decision was made at that time because of the performance of the Healthcare Fund to that time from the year before, not to provide a subsidy and see how it performed. A number of very serious operations that were incurred by our residents earlier this year, and late last year have made it necessary to in fact provide this subsidy but it's not an excessive subsidy and the Healthcare Fund is still performing reasonably within expectations. There are indications though, that should we continue to have a run of very expensive treatments overseas, then the year levy will have to be revisited as I've indicated before. The question of providing \$15,000 here for education, that is a one off grant to the Banyan Park Playcentre for capital works and the purchase of educational aids. It is a most important aspect of providing early education for children of the Island for the Playcentre to be conducted more in line with other early childhood services in other parts of Australia and to ensure that children are stimulated to learn and to prepare them for school and I would like to acknowledge their excellent work done by the voluntary committees which over the years have conducted the Banyan Park Playcentre and made it operate to the benefit of the children of the Island. All work done on a voluntary basis to ensure that the best possible situation and services are provided to the children. This injection of capital funds should ensure that the centre will go on operating at a better, if at all possible level than has been the case at the moment. With regard to the provision of \$12,000 for telephone counselling services, I'm glad to advise that we are in the final stages of negotiating with the Sydney Lifeline Counselling Service to be able to take telephone calls free of charge to Norfolk Island residents to the Lifeline service. Lifeline is the oldest and the best established and widely recognised telephone counselling service in Australia. It has built a wonderful reputation for service to people who are distressed, a professional level of service, caring level of service to people who are going through crisis and cannot get to advisors or carers at that particular time and unfortunately crisis occur at all times of day and night and it is very important that people on Norfolk Island should also have such access to a service like that. We do not know how much it will cost to run this service so it is a purely notional figure but I shall be announcing the start of the service in the very near future, it is suffice to say that the service will be free of charge to Norfolk Islanders, and finally I'd like to refer to the fact that amongst these figures there is no extra subsidy for the Hospital. I envisage that such an extra subsidy may have to be found before the end of the year. Unfortunately we were not able to include it in these figures because of sickness in key personnel at the Hospital, we were not able to get end of the year figures until yesterday but Mr King and other Members are advised that we may very well have to consider the matter at the next sitting of this House. Thank you Madam Deputy Speaker.

DEPUTY SPEAKER Thank you Mrs Lozzi-Cuthbertson.

MR ADAMS Thank you Madam Deputy Speaker. A few comments on some of the movements in an area under my portfolio of responsibilities. Certainly I have made, I would say a fairly small financial impact on the Public Reserves Fund. Probably the greatest movement in my specific area Madam Deputy Chair is the implementation of a rat management program. There's been \$15,000 sort and allocated towards that objective. It's in fact a trial rat management program in various selected areas in some of the reserves, the crown reserve areas around. To that end Madam Deputy Speaker a program strategy is being developed in the

relevant areas of Administration. I had alluded to the fact that I would be seeking funding at the commencement of this process to actually implement it, it's now commencing, it's a flag fall initiative and general objectives are the trial techniques in the area of rat management and to the view of not only commencing management but as a joint objective to begin to develop a data base on this issue.

The rodent situation has been one of great concern to us over the years. Frankly one of the things that has frightened us away is the sheer cost of for instance a total eradication program, we're now of the view that the best processes to undertake a management initiative and in that process to gain a relevant amount of data that relates to the issue, and to put in place that general program and to review it as we go along and as I said to put together a data base on the matter so down the track planning on this issue is a site easier because there's a great deal more data that will be available to us. There's another \$10,000 that's been allocated to rehabilitation of reserves, crown reserves. It's a similar amount that was sought at the budget time last year and the \$10,000 has been put to extremely good use, and members of the community and indeed of this House who are travelling on the road toward Anson Bay can notice the change in for example the Selwyn Reserve where a great deal of noxious weeds and imported noxious trees for instance have been removed and it's a much clearer area. This \$10,000 is sought and allocated toward those objectives. In association with that there's a noxious weed sum of \$2,000 sought which is a small sum, it's essentially a follow up to follow the program that was commenced at the last budget time and as well as that Madam Deputy Speaker I, with the concurrence of the relevant Minister for Tourism, which is Mike sought an appropriation of a sum of money of \$25,000 to be put toward a New Caledonian tourism strategy. The general objectives of that Madam Deputy Speaker are effectively to raise Norfolk Island's tourism profile in New Caledonia through a range of means, and I see that process commencing with this fund assisting to doing the doings in that area, the people who will be assisting in the development implementation of such an appropriate scheme would obviously be the Minister for Tourism, myself, the Tourism Board and its outlying people, and as I've said that's got a range of general objectives, loosely underlined by the raising of Norfolk's profile in New Caledonia. Thank you.

DEPUTY SPEAKER

Thank you Mr Adams. Further participation Honourable

Members?

MR SMITH

Thank you Madam Deputy Speaker. On principle I should oppose this Bill. The one thing I hate is when there's a lot of money starts to be around that people immediately find ways to spend. I think to a point we're doing this. Certainly there has been some good revenue raised in the last six months and it looks very good for the 12 months as Mr King has said, but I wonder, I wonder what Members would be doing if we were in the opposite situation and the funds were declining, would we still be looking at all these projects that we've got here and particularly in the capital works area, would we be looking at it with the same, in the same way. One of the problems we always face is when these things, at the review time come up, they get added into the budget and then at the end of the budget year they can be added on in the next year, in the recurrent costs in certain areas but obviously there's some things like the Healthcare Fund that has to be propped up, once again, and some of the other things that the Ministers have said like Mr Adams' programs and Mrs Cuthbertson's things that she wants to do, but on principle I should oppose it because of the fact that just because there is money in excess of the budget that we should spend it. I won't be opposing it, though I must say that I do query the Ministers with the projects in the capital works area. Are these projects going to be able to be finished, like the Burnt Pine beatification carpark? There's funds there for \$75,000 to do that. Is there going to be metal available to do that, or the rock that is needed to do it? If its not, we should take it out and from discussions that have been going on this morning, I would say there's not going to be any metal to be doing this project the school carpark and the road configuration is the same thing.

Maybe some of the Ministers can give me some advice on that.

DEPUTY SPEAKER

Thank you. Participation Honourable Members?

MR BATES

Thank you Madam Deputy Speaker. Like George, I think when the public hears that this Bill approves an additional \$668,000 in expenditure they're going to be asking similar questions to what George has. However from my part I think that this Bill is in keeping with issues which I've probably harped on to some extent in the past, harped on issues that Governments don't have the right to accept people's taxes and stick them away in the bank and not do anything for the benefit of the community with, harping that deficit budgets are not always bad provided those deficits do something good for the community and are not caused simply by your day to day living expenses. I think that's one of things that George is saying, if you don't do, if some of these projects don't get off the ground now, what happens? Why don't you put them in next year? Well next year it just might bring in that bogey of all things, the deficit budget, if you try to do some of these things. I think, looking through it I tried to come to grips with some of the questions that George has asked as to what really is an increase in day to day running costs which are unavoidable, and what are increases in this Bill which are really of direct benefit to the community and therefore not just housekeeping expenses, they're things which have some real benefit which we can give to the community because we are having a fairly good year, and even with this additional expenditure, it's still envisages that we will increase our reserves by \$362,000 although Mrs Cuthbertson suggests that there might be a call on that from the Hospital and as Mr King suggests there might be a call on that for salary increases. Nevertheless it does envisage that it will increase our accumulated funds and I've said in the past we should give more attention to the level of our accumulated funds and openly say, are they sufficient or do they need building up or should we be as I've said give them back to the public or if not, perhaps we should be reducing some of our taxes because you know to tax people and to just put the money aside and bank it is not what I'm about and it's not what we should be doing but looking through in more detail at some of the expenditures I can see some of them that are expenditures which are not necessary in the day to day operations we would provide without them but they are in sense giving back to the community some things that maybe they've done without in the past, or maybe things that will directly benefit the community and I'll allude to some of those in a moment. Another hobby horse of mine I think, and I'm not complaining about this but Bills come before this House, we consider them, we think they're a good idea and possibly they are but in considering those Bills we never, well I certainly ask the questions but I've had no answers as to what that Bill means in dollars and cents to the community. How much is this piece of legislation we're passing going to cost the community to administer it? It's all right to say that there's too many public servants and things like that but when you have these Bills, the cost of administrating them, and somebody has to do it and just to draw your attention to that there's an item in here that says \$10,000 provision to implement the Periodic Detention Act 1996 and I don't have a lot of problem with that. I supported the Periodic Detention Act in 1996 at the time but I don't think I gave full consideration to the fact that it was going to cost the community another \$10,000 to implement it and what about its ongoing costs? I think we need to get our act into gear and look more carefully at these things and just not pass legislation for the sake of passing it because it looks good or sounds good, because when you stack up the total expenditure of this financial year against previous financial years I don't know what the figure is, I haven't done my sums but it's going to be a substantial increase and when people look at that in isolation at the end of 2 or 3 years time and they say that was the 7th Legislative Assembly that had all that expenditure, they won't look at the good things that the Assembly might have done in spending some of that money. Just going through what makes up some of this increase and just picking out a few of the things that I think are worthy of spending the money on, the Healthcare

Fund, of course we've got to look after the health of our community and if we need to inject \$150,000 into that, I think that's better than turning around and saying, we're going to charge you greater taxes or Healthcare levies because \$150,000 had to come out of the public funds to prop it up. I think that's good management decision and I support that. We are spending a little bit of money on staff training and various areas of the Administration and it's not a lot of money but I think it certainly leads to further developing the in House work that we can do for ourselves as we progress the internal self Government process. There's money in there for army worm control and that's got to be said that's a direct benefit to the community. If we didn't have the money I guess it's something we could do without. We've done without it for some time but we have the money so now is the time to get on with that project. That's going to benefit the whole community. The Island is going to look better for our tourists in the area of primary production, it should increase the productivity in those areas. So, I certainly see that that is an essential, something that as George says that we could do without but we have the money so let's give it back to the community by some benefits to them. Welfare, well I think welfare is something that nothing needs to be said except that we do have to provide funds for welfare and we have to provide an additional \$7,000 for it. Same with medical expenses for those people that have it as additional funds. That's just a fact of life, something which is certainly supported by I think all Members of this House. Moving further down the track, we look in the area of Forestry and noxious weeds, \$10,000 to rehabilitate the reserves well a little but like George I don't know that we can spend \$10,000 between now and the end of June but if we commit some of those funds towards rehabilitating reserves everybody knows that some of those areas have been sadly neglected through a lack of funds, not through any real desire of the past Assemblies to neglect them just simply that the demands for our funds have been more importantly called for in other areas but \$10,000 in that direction at this point in time, I certainly think is a good move. There are other minor things in there which just maybe some of them are expenditure overruns. Maybe some of them could be looked at more closely, but they're fairly small amounts. Then we come to what to the total budget the real injection of community benefits and that's \$200,000 that's put in there for general works and like George I'm not sure that we'll achieve all those things this financial year. If we don't, the money will still be there, the fact that we've budgeted for it won't, I mean doesn't mean we're going to spend all this \$668,000. If we have some left, and some of these projects don't get off, if they're started commitments can be suspended and still carried out next financial year or if some of these actually caused a deficit budget in the next years budget because we had a surplus this year then I wouldn't have any great difficulty in including them in the next financial year. I guess I could go on a little bit Madam Deputy Speaker, but I think at this point in time I'm just really trying to point out that \$668,000, some of it could be avoided but now is the time to give back to the community some of the benefits which has been denied in the past through budget restrictions and which I certainly don't think we should be just banking the money, saying what a great job we've done, look at the surpluses we accumulated, we've got no plans, and we're not going to do anything with them, but we've accumulated them. Thank you Madam Deputy Speaker.

DEPUTY SPEAKER

Thank you.

MRS CUTHBERTSON

Thank you Madam Deputy Speaker. I just wish to make two small points. The Periodic Detention Bill, yes Mr Bates very properly alluded to the fact that it will cost us money but it doesn't mention that it will save us a considerable amount of money to sentence a person to prison in NSW where they usually go if they go from here costs something like \$47,000 a year. Periodic detention is a much healthier and a much cheaper option. I would like to point out that there is nothing in the budget for sending people to prison and if ever our courts do sentence someone to prison we'd have to find the money. Instead here we are making provision just in case. Hopefully we will not need to spend

the money. With regard to healthcare, when healthcare was introduced some years ago back in '89 this Assembly clearly stated that it would have to be subsidised and accepted the responsibility for subsidising the service up to a certain amount I think was \$300,000 was mentioned at the time, I'm not certain of that figure but later on when 180% duty was slapped onto cigarettes also this Assembly said that that money would go towards subsidising the hospital and the healthcare services and that's about \$400 and something thousand dollars extra a year that's collected every year through that duty, so it is and undertaking that this Assembly has given twice and it is an important service to the community which everybody has acknowledged but we need to not regard it as propping up the fund but it's something that the Assembly has undertaken to do and something we will recognise and go on doing. Thank you Madam Deputy Speaker.

DEPUTY SPEAKER Thank you Mrs Cuthbertson. Further participation Honourable Members?

MR BATES Thank you Madam Deputy Speaker. In my debate a moment ago and alluding to some of the benefits I saw for the community I did overlook at that point in time the additional \$42,000 to be spent on tourism and I guess the same scenario applies, if we didn't have the money we probably couldn't spend it there but I don't think anybody would deny injecting that particular, and especially Mr Adams has spoken about developing markets in New Caledonia and I know from my activities on the Tourist Bureau that some of those funds will go towards media consultancy in New Zealand and I think we've got to say when we look at our figures that our figures of tourists out of New Zealand are disappointing and the ones from Australia seem to be on track but the ones out of New Zealand are definitely not on track and are disappointing and to inject another, I don't know how much it is, another \$11,000 of that or something endeavouring to boost up the tourism markets in New Zealand, I think again is money well spent and can only give credit to this Assembly for making those funds available. Thank you Madam Deputy Speaker.

DEPUTY SPEAKER Thank you.

MR BUFFETT Thank you Madam Deputy Speaker. Mr King may have explained this in part of his presentation and maybe I missed it but we have talked about given the airline difficulty that we have just experienced and although we are starting to come out of that now there is still a perception out in the market place that there are not airlines flying to Norfolk Island after a certain date, and I'm just wondering whether we have funds in this budget or are there existing funds in some particular quarter that will allow us to go out and tell people quite categorically that there is an ongoing airline arrangement that services Norfolk Island and indeed once that is tidied, we need to make a very great push to ensure that the people who come to us and the people that we would want to come to us on a tourism basis do know and we get out there and advertise quite heavily, and there may be some component in the \$41,000 that Mr Bates has mentioned or indeed it may be in another quarter and I think it would be good if we could just clarify that so that we will be able to tell people a) that that is going to be done and b) there is sufficient funds to be able to undertake it.

DEPUTY SPEAKER Mr King do you wish to respond to that?

MR KING Only if there are no other queries. I'll happily respond as a last contribution.

MR SMITH Thank you Madam Deputy Speaker. I better point out that I'm not opposing, I don't know whether Brian might have thought that I'm opposing all the things that are necessary, I'm certainly not doing that. What I was referring to was the fact that when we get excess funds like we have in this last

6 months, that instead of trying to find a way of spending it that we actually find a way as Brian did touch on in reducing some perhaps, some of the taxes like Departure Tax for example, you know instead of spending \$200,000 on capital expenditure, we may be able to look at reducing the Departure Tax by \$5 which is a great investment I mean that helps encourage people to come here. Looking at those sort of things rather than things that can be put in the annual budget which comes up in June. That's the time I feel for these major projects, if a Minister wants those things put in, that's the time. Not in the budget review. But I do question the Minister if he didn't get that before, about whether these capital expenditure things can be actually achieved before the end of June. Thank you Madam Deputy Speaker

MR KING

Thank you Madam Deputy Speaker. I suppose the essential focus of this Bill has got to be the statutory obligations and economic stimulus. There are a number of areas that we could forgo this expenditure. Absolutely. We could probably get it down to a couple of hundred thousand bucks. Statutory obligations of course, we have got to meet those, welfare payments and healthcare, to prop up healthcare, that's a statutory scheme but yes, we could get it down to \$200,000 and say we are going to go into surplus of \$700-800,000. I think a \$362,000 reforecast surplus is quite conservative frankly. But we've been very deliberate as I said in my contribution, certainly in the area of capital works we've been very deliberate in wanting to maintain the stimulus that the building sector is currently experiencing and to do that, and I'm sorry but I thought I had made myself adequately clear in the budget meetings, that there wasn't an expectation on my part that these projects will be completed within the remaining two or three months, that's an absolute impossibility, but what we can do is commit the funds as Mr Bates says, and give those out there in the building industry who want to tender, some prospect of being able to plan. We would want them done, commit the funds, enter into contracts for completion of the works within a period of time, but that expense can be taken in this financial year but the physical works themselves, it is most unlikely that they'll be done. There's only two or three months to go so its a deliberate exercise in maintaining stimulus. Some of those works could be in the major part by our own Works Team and right throughout the life of this Assembly we've not shunned those people, we've ensured that they've maintained full productivity or full activity in the workplace but we have deliberately tried to push work out into the private sector and we are continuing with that exercise now as Mr Bates said, putting money back to the community. So sure, we could have waited and had a look at those as major projects at the full budget time but maybe we would have lost that stimulus too or lost that momentum. We want to keep that momentum going. Understand as well that some of us are trying to build an Airport Terminal and we think, one of the major objectives in that exercise remains that the work will go out in the large part or as large as possible, to the local building industry so we expect that to happen, and that to come up in the next period of time, again to continue with that stimulus. Statutory obligations and welfare payments, sure we know we've got to do those. We can cut out a few odd bits and pieces, stuff that was thrown into second priority at full budget time, like \$1000 for the library for books and periodicals, I haven't argued about that, not for one second, but it was put into second priority on the last occasion, just to replenish the books, have a look at them. Mrs Sanders does an excellent job up there in the library, she's entitled to a little bit of spare cash to play with and in fact at budget review time, we could have a look at sending some more money in that direction to update computers for their system and that, to make it more user friendly library. Mr Buffett raised an interesting point about the airline issue and there are two aspects in my response to that. Firstly that in addressing our revenue estimates or recasting our revenue estimates for the year we have taken into account the prospect of a slight downturn or impact from this air services issue in July or August and maybe into a bit of September so whilst we have had this major growth in this first six months of the year, we haven't anticipated in recasting our

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other areas, but because of the importance of the Tourist Industry and the importance of getting the airlines on the road the Bureau has had to spend funds in other areas, similar to the Government so I just point that out that the situation has created different pressures on Bureau funds so it shouldn't just be assumed that everything that is saved on advertising is still there. Some of those funds may have been redirected into other more important issues due to the circumstances

MRS ANDERSON Thank you Mr Speaker. I would ask that Mr King respond to the question that I posed to him a few moments ago

MR KING Thank you Mr Speaker. As I recall the question was in relation to appropriation for any successful wages claim by the Public Service Association. Yes indeed. I think I may have mentioned during my debate that that was anticipated within the next probably two months, perhaps a little earlier. I may have also mentioned that it might have an aspect of retrospectively in it. If I didn't let me say that now that it might have an element of retrospectively in it. Yes indeed, funds will have to be found this year, but an Appropriation Bill is not necessary for that so that whilst we acknowledge that there will be a call on the surplus funds that we have, we don't have to re-enter the House here for a further Appropriation Bill for salaries and wages. It is a matter of law but I can't give you what particular law or particulars of the Statute Books that say that, but indeed that is the case. It doesn't require a separate Appropriation Bill. In respect of the Hospital, that would required a separate Appropriation Bill but talking to Mrs Cuthbertson yesterday, if we have to re-enter this House somewhere in May to appropriate funds to cover the remaining one twelfth of the Hospital's activities then that is able to be done without any difficulty. At this point in time we have to look at the financial accounts that have been given us and determine whether it is in order to make a further subsidy for the Hospital. Does that adequately answer your questions

MRS LOZZI CUTHBERTSON If I could just simply add a little rider and explanation to Mrs Anderson's question. The Hospital staff also has an application for an increase before the Public Sector Remuneration Tribunal and that application will not be considered until July, as Mr Justice Morling has indicated

MR SPEAKER: Thank you Mrs Cuthbertson. I think we have concluded debate Honourable Members. And if we have done so then I put the question which is that the Bill be agreed to in principle

QUESTION PUT
AGREED

The ayes have it thank you. The Bill is agreed to in principle. Do you want to dispense with the Detail Stage? Yes, we so dispense with the Detail Stage and we look to the final motion

MR KING Mr Speaker, I so move

MR SPEAKER: The question is that that Bill be agreed to. Is there any participation in final debate? Then I put that question

QUESTION PUT
AGREED

The ayes have it thank you that Bill is agreed to.

LEAVE - PUBLIC SERVICE ACT 1979 - APPOINTMENT OF MEMBERS

MR SPEAKER Mrs Cuthbertson, you wanted to seek Leave to bring forward another matter

MRS LOZZI CUTHBERTSON Thank you Mr Speaker. I seek Leave of the House to introduce a motion with regard to appointment of Members under the Public Service Act 1979

MR SPEAKER Is Leave granted? Leave is granted

MRS LOZZI CUTHBERTSON Thank you Mr Speaker. I move that this House for the purposes of subsection 13A(1) of the Public Service Act 1979, recommends to the Administrator that Spencer Steele Saunders be appointed to be a member of the Public Service Board for the period to 15 March 1998. By way of explanation if I may, Mr Saunders has been an excellent member of the Board. His term of appointment ended on the 15th March this year and I seek Leave to have him re-appointed and he has agreed to that re-appointment. I envisage that early in its life, the new Assembly will be considering a new Public Service Act and I hope to table a draft of that Act in the House at the next meeting and therefore I am leaving the appointment only reasonably short to allow the next Assembly to decide what they want to do with regard to the future of the Public Service Board. But now I commend Mr Steele Saunder's appointment to the Board

MR BATES Thank you Mr Speaker. Service on the Public Service Board is a fairly thankless task. It receives no remuneration and it consumes alot of time and I think we have been very fortunate to have somebody with the calibre of Mr Saunders serving, I'm not just sure how long, but serving quite some time on the Board and I'm pleased to hear that he is willing to continue in that role and I certainly would like to convey my thanks to him for the time that he has put in in the past and I can't think of any more suitable appointment to this position and I certainly support the motion

MR ADAMS Thank you Mr Speaker. I agree wholeheartedly with both Nadia's comments and Brian's in relation to the quality of Steele Saunders as regards the Chairmanship of the Public Service Board. I also think we are extremely lucky to have on hand the services of such a person who makes decisions underwritten by commonsense, is available to give quality service to the workings of the PSB and I respect fully Steele's ability in that area and Mr Speaker I think it is fair to say that in recent times from our differing seats we've exchanged shots from a distance as it were, but I've got absolute confidence that we would be absolutely struggling to find a better appointment for the Public Service Board and I commend the appointment thank you

MR SPEAKER Further debate. The question before us is that this motion be agreed to

QUESTION PUT

AGREED

The ayes have it thank you the motion is agreed. We move to Orders of the Day

ORDERS OF THE DAY

NO 1 - JURIES AMENDMENT BILL 1997

We are resuming debate on the question that the Bill be agreed to in principle and Mrs Cuthbertson you have the call

MRS LOZZI CUTHBERTSON Thank you Mr Speaker. Honourable Members will recall that this Bill seeks to make some minor amendments to the Juries Act to provide

Suspension for Lunch

MR SPEAKER I'm just looking at the clock Honourable Members and I am wondering just how long you might estimate the next matter to take. Is there great participation seen on that matter?

MRS LOZZI CUTHBERTSON I think the Employment Bill might take quite some time Mr Speaker.

MR SPEAKER On that basis Honourable Members, I think we will suspend for Lunch at this hour and we will return at 2.00 o'clock and pick up at Order of the Day No 2. We will so suspend Honourable Members

Resumption

MR SPEAKER Honourable Members we resume after suspension for lunch. We are at Order of the Day No 2.

NO 2 - REPORT OF COMMITTEE APPOINTED TO DEFINE THE ROLES AND RESPONSIBILITIES OF MEMBERS OF THE LEGISLATIVE ASSEMBLY OF NORFOLK ISLAND - ESTABLISHMENT OF STEERING COMMITTEE TO PROGRESS CONSTITUTIONAL CONVENTIONS

We are resuming debate and Mrs Cuthbertson you have the call to resume

MRS LOZZI CUTHBERTSON Thank you Mr Speaker. First of all may I make a correction in the wording of the motion before the House. I inadvertently called it a "Select Committee". Of course I should have called it a "Steering Committee" so if the House will permit me that amendment

MR SPEAKER Thank you. It will now read "that a Steering Committee be appointed" thank you

MRS LOZZI CUTHBERTSON I believe we went into some detail on the last occasion on the need to canvas the issues raised by the Committee appointed to define the roles and responsibilities of Members of the Legislative Assembly and their Report which was presented to the House on the last occasion we met. Those issues are important. They deserve full and proper consideration. Much fuller and much more thoughtful consideration with the input of all interested Members in the community then we could possibly give in this House at this late stage in this Assembly's life. Therefore I am suggesting that a Steering Committee of yourself Mr Speaker, Mr Smith and Mr Evans should be appointed to oversight and ensure that this Report is prepared for a series of Constitutional Conventions and that these Conventions be conducted as envisaged in the previous motion that I mentioned. Perhaps I should outline them again. I would see that this is not at all prescriptive. It's to be very much up to the Committee. I would see a total of say, six conventions held every six weeks or every two months at which every member of the Norfolk Island community be invited and made aware of what was being discussed and that discussion papers be prepared, brief and to the point, and printed in the Norfolk Islander on the Saturday before the meetings. It would be nice if the meetings could be broadcast so that people who could not attend could hear them. I would suggest that it might be useful to consider well informed and respected outsiders or one outsider to Chair the series of conventions and make sure that discussion is kept on the point, that people have the option to contribute and in fact are encouraged to contribute and not just people who are able to speak and express themselves well but people who have ideas and perhaps may not be so fluent in how they express those ideas. It also would be useful I think to have a final meeting to bring together the issues and perhaps come forward with definite recommendations or motions for example, for referendum.

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what that was about. However, we are at the situation where we have the suggestion of a Steering Committee, I do have a problem with the Steering Committee in the fact that we only have a few weeks to run, Mr King is right. There may be Members who won't get re-elected into the Eighth Assembly so at that time I don't know whether the Steering Committee would be of any use but I spoke to Mr Evans yesterday who said he is not interested in going any further with it.

For which I don't blame him. We spent quite a lot of time on this report and to get to the point of the Assembly, where it was directed to, didn't take any notice of it, Mr Buffett I hope is going to come down and say how he feels about the Committee in a few moments, but I too like Mr Evans have a hesitation in putting my hand up for it because I think the major part is missing, and that's this Assembly has not discussed this Report

MRS LOZZI CUTHBERTSON If I could just answer a couple of the comments. I think one of the hesitations that is certainly on my part, spending a lot of time in discussing this report in the Assembly, is that there is no way, what we decide today, what we feel about is right or wrong today or any other time, is going to be binding on future Assembly's. I certainly have very definite ideas about what would make any future Assembly more workable but there's no way I can pass them on to the next Assembly. I certainly have different and perhaps quite strong opinions about some of the recommendations you put there. In the course of discussions I might change my mind but just changing my mind is not going to affect what is going to happen in the future. We will just go on arguing about things here for another day and it is not going to affect the future at all. Frankly as I see it, the only way of making some sort of inroad into the future of making things happen according to one way or another is to take it to the people and for the people to speak. And to give them an opportunity to speak. We want an Assembly that works corporately, no, we want an Assembly that works by Executive Government. What are the differences between the two systems? What are the consequences of the two systems? That kind of thing. I see no problem with a Steering Committee of completely separate people from the Assembly taking such issues to the Community. It's a democratic Island and everybody has the right to take such issues. Maybe they need some money to fund the whole series of conventions, but again, that is not going to be particularly expensive exercise. The only way that I could see any of your suggestions modified or as they are, becoming binding, is by some method that involves the community. I think it would be a terrible pity to waste all the effort that you have made, to just talk about it for a little while here, to agree and disagree or whatever, and leave it at that. I think they deserve a better forum, if they have other ideas of making sure the issues are canvassed and people become involved in looking at the issues. I'm certainly prepared to listen.

MRS ANDERSON I suppose the initial reaction to Mrs Cuthbertson's motion is "Oh no, not another Committee!", but I've been down the same path that Mr Smith is going down at the moment with Mr Adams and Mrs Sampson. I spent a lot of time preparing a report which was tabled in the House and the easy options were adopted and were debated. The hard options were all referred to the Public Service, never to be seen again. I would hate to think that the same fate is going to await Mr Smith's report. I think that by setting up a Steering Committee, and I don't believe that the Steering Committee has to be a Standing Committee of the House, Mr Buffett, Mr Smith and Mr Evans are all upstanding Members of our community whether they are politicians or not so I don't see why they shouldn't comprise a Steering Committee. I would like to see these matters taken to the community and debated. The community are interested in these matters. Unfortunately you have to spoon feed them a bit to get them to actually give you their opinions, except at the moment everybody is concerned with the voting system but I can assure you that on the 1st May nobody will give a tuppenny whoop. So by setting up a Steering Committee and having these conventions we can take the matters to the public, to the community and have them give their

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particular matters to have found the best way yet. Indeed one could also say that some people are at it for decades and still don't find the best way. I understand that to but you will see from our point of view the spectrum that we are yet to experience has not yet quite run its course. That's some of the complexities in preparing a set of guidelines but the document that we're talking about here in the Roles and Responsibilities is endeavouring to come to grips with that and to invite people, as I say again, the key players in the Assembly and the wider community to come to grips with some of those. It has gone much further than that however, it is recognised that if Members in this Assembly are to reflect what the community wants, both the Members and the community need to fairly promptly, up front indicate where we're all going. Now when we commenced in 1979 we knew where the prime aim, the prime was clearly that we wanted self-government and other things would develop as it came along but we were clear on that path and that is still the path that we're on I've got to say but the more you get on, the more you will see that there are additional and wider things that you've got to tackle and find guidelines as to how to tackle them but that's where the charter comes in as Mr Smith has mentioned this. Because it is invited that we should determine quite clearly where we want to go, including self-government of course, but there may be other things as the 18 years have rolled on that we equally want to achieve. They should be clearly stated and that should be in the charter arrangement, or there should be a facility for that to be stated, for example in the charter arrangement and that's inviting people to participate in whether that's a good way to go. I think it is a good way to go. So here we are with that background, with this report and we're coming to the end of the life of this Assembly. What do we do? Well the first thing I think is that we should say, let's recognise the sort of things that I've mentioned, because whether we like it or no, there will have to be an answer to that. We will have to come to grips with those things and it may be best for other people to build upon what is being done now, than them going through the same, going along the same track and suddenly finding that yes they need one of those too and have to start again and so I think that there is some wisdom in not trying to dictate what others might do in the future but at least laying down some foundation in which, we can say, this is the work that has been done to date, we think that there is some good stuff in all of that, please for the benefit of the community and the way ahead, grab hold of that and try and do some building upon it. Obviously there will be things in that that you don't like, so be it, and you might want to put those aside but there is some good work also that you might want to build upon and there is an invitation to so build upon that. That leads us to this Motion. I'm sure that there are a number of ways that we can do that, in other words, not lose this document and the thoughts that are expressed in it and the input that has already been put into it. There is a suggestion by Mrs Cuthbertson that we institute a committee and give them a brief to move it onto the next stage and to be quite frank, in the absence of another proposal, I think that's a quite acceptable one. Let me make a couple of comments about it. There has been hesitancy because a new Assembly may not a) want the same players or maybe want to handle it a bit differently. Let me say that that's quite open an option to the incoming Assembly and I would not be offended if they said, I'd like you to not be a part of it, we'd like to do it a bit differently. The concern I would have is that they would not want to build upon it. That would be my main concern and so I rather think that we should try and put something in place that invites an incoming Assembly to build upon the collation of this bit of information, well let me amend that, it's more than a bit of information, it's significant information and if an incoming Assembly wants to change the composition of the group, change the brief to the group so that the factors can be collated and considered in another way that is open to them and I'm sure that they will, without a doubt, they will be the representatives of the Norfolk Island community and would be at liberty to do just that. So I don't see it as totally binding, but it is a method to ensure that there is some continuity of consideration of this matter that's in front of us. On that basis, I'd be prepared to support this Motion and equally I would be prepared, because none of

us know the outcome of what the 30th April will be for an incoming Assembly to want to adjust that or change that to suit its needs as the 8th Assembly.

DEPUTY SPEAKER Thank you. Further participation Honourable Members?

MR SMITH A question to Mr Buffett. Mr Buffett are you suggesting that the original committee carry on through to the end of the term. Is that what you're, is that the line you're following?

MR BUFFETT Yes, I'd be comfortable with that. Even if it's seen as a caretaker to ensure that the matter moves on to the next phase and if those who command the next phase want to handle it differently they are at liberty to do so. I'm keen to find the machinery, and this is the one that's offering to us at this moment, the machinery for it to move to the next phase. You see that's much better in my view than the matter been consigned to some dusty shelf, because without a doubt this matter will not will go away. It will arise again and let it not be just a repetitious arrangement.

MR BATES Thank you Madam Deputy Speaker. I can be convinced to support the Motion. I have some apprehension about it but I think I'll leave it there, but I can be persuaded to support it but perhaps Mr Smith could just clarify something which I think I heard earlier and I think he said that Mr Evans wants no further part in it and if Mr Evans wants no further part in it then I think it would be a little bit rude of us to put this Motion through with his name on it. Can you clarify that a little bit more Mr Smith?

MR SMITH Thank you Madam Deputy Speaker. I can't speak for Mr Evans in this forum here but when we were talking about it yesterday, he did indicate that he wasn't really interested in going through the process again but I think under the, what Mr Buffett has said if we care for it in a caretaking role until the end of our term, maybe he could be convinced of that but on top of that maybe we should add an extra member, maybe an Executive Member to help caretake it to, I was looking at you Mr King but I wasn't going to nominate you. I would make that suggestion that an Executive Member, and maybe Mrs Lozzi-Cuthbertson might like to join in the caretaking role of what we're talking about.

MRS CUTHBERTSON I don't mind. I would be prepared to accept, if Mr Evans is not, or if they want me as well. If Mr Evans wants to withdraw and they want an additional person.

MR BUFFETT I propose that Mrs Nadia Cuthbertson join the group that we continue to include Mr Evans. If at some subsequent time Mr Evans does wish to withdraw then we have a respectable number within the group and we do have a member of the Ministry To be quite frank I would be welcoming of anybody else who would want to be a part of, a caretaker through to its next stage. So in saying that I don't want to be exclusive of others who might want to participate but I do make the suggestion of continuing to include Mr Evans at this time.

DEPUTY SPEAKER Mr Buffett can I take that as a move to amend the Motion on your part to include Mrs Lozzi-Cuthbertson's name?

MR BUFFETT Yes, I'm happy to make that proposal.

DEPUTY SPEAKER Thank you. Perhaps we could vote on that amendment to Mrs Lozzi-Cuthbertson's. Was there any debate on that before I put it to the vote. We're therefore moving on Mr Buffett's amendment to Mrs Lozzi-Cuthbertson's Motion.

QUESTION PUT

AGREED

The ayes have it thank you. The Motion is therefore amended. Is there further debate before I put the question? The question before us then is that the Motion as amended be agreed to.

QUESTION PUT

DEPUTY SPEAKER Mr King would you like the House to be called?

MR KING That's not necessary, thank you.

DEPUTY SPEAKER Thank you. We note that Mr King has voted in the negative. Are there any abstentions? The ayes therefore have it. Thank you Honourable Members. That Motion is passed. Mr Evans is not with us today so we will move on to Order of the Day No 4.

ORDER OF THE DAY NO 4 - PUBLIC SERVICE AMENDMENT BILL 1996

MR ADAMS Thank you Madam Deputy Speaker. Just to go over this again. This is a fairly simple amendment to the Public Service Act. It seeks to change the signatory to the appointment of the Head of our Public Service, the Chief Administrative Officer to shift the power of the pen from the Administrator to the relevant Executive Member under direction of the House. I don't think there's a lot more I can really add to it, I mean Members understand the intention there, the concept and I'll leave it open to at this stage to any other Members who may care to comment on the Motion. Thank you.

MR BUFFETT Thank you Madam Deputy Speaker. With this amendment which is the Public Service Amendment Bill which really deletes, it proposes the deletion of the Administrator as being the person who would make the formal appointment of the Chief Administrative Officer and the proposal is that a Minister would do that in lieu of the Administrator. The first thing I want to say about that is that I do applaud the thrust, that is the intent of this particular Bill which as I say, my interpretation is that Norfolk Island should be the appointing authority for the Chief Administrative Officer consistent with the self-governmental process. Having said that I do want to make the point and it is this that that particular thrust has already been made and has already been achieved in this particular instance and it really doesn't require an amendment to this piece of legislation for that thrust and achievement to be done and to come to grips with what I'm saying I just invite greater recognition that when the Administrator is exercising authority in Schedule 2 matters, Schedule 2 matters are those that have been transferred to the Norfolk Island sphere of authority. When he is exercising authority and Schedule 2 matters, he is a creature of the Norfolk Island authorities. He's not a creature of the Australian authorities. With the advancement of self-government here on the Island there has been a delicate change in the role of the Administrator in that as more areas of authority are transferred from the Commonwealth to Norfolk Island so does the Administrator's authority transfer from being derived from his Commonwealth advisors to his Norfolk Island advisors and those Norfolk Island advisors of course are the Members of the Norfolk Island Executive Council. They are the Ministers in Norfolk Island or in some specific circumstances he is advised by this legislature and the areas that have been transferred since we commenced in 1979 are considerable. So really the bulk of the Administrator's handling of matters would probably now be upon the advice of his Norfolk Island Ministers. Now the CAO's appointment is one of those matters. The CAO's appointment is one of those matters and it's relevant to point out that when the Administrator is advised to act on Schedule 2 matters for example the appointment of the CAO, then he is obliged to accept that advice and act accordingly. He is not able to in

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Schedule 2 matters go to the Commonwealth Minister for example, or to the Commonwealth authorities and say give me another bit of advice. He is only able to accept advice, in that context from the Norfolk Island authorities. So in that context you will understand that it's relevant to say in those matters, the Administrator is our Administrator, he is not the Commonwealth's Administrator, and aside I would probably say to you, you can see why on occasions I have pushed the view that Norfolk Island should have a greater say in the appointment of Administrators given the role that I have described to you but considering what I've just said it's therefore not necessary to delete the Administrator from this particular piece of legislation and place this appointment into the hands of an Executive Member. The CAO is an important post. It does deserve the stamp of appointment at what may be considered the elevated level. Ministers are appointed by the Administrator, upon advice from this legislature and I see that the CAO could be a similarly appointed as an acceptable pattern and I've got to say that I see this as a preferable step than it going through the more or less the stamp of political patronage that may be associated with the Ministers situation. When the words Madam Deputy Speaker were written in this particular piece of legislation in 1979 there was Australian authority in this appointment exercised through the Administrator in the context that I've described but to today although those same words are there, in this legislation it's Norfolk Island now who exercises the authority through the procedures that I've already described to you because the words have been changed not in this Act, but in another piece of legislation, which is the Norfolk Island Act, putting it into Schedule 2 in which it has listed it accordingly as being one of our functions and so you will see, although that might sound convoluted the thrust of this particular piece of legislation indeed has already been achieved and I would see that the CAO's appointment deserves appointment at the level that it is but knowing the procedures that we now follow it will be our appointment and not as earlier one in which the Commonwealth had some significant input. So on that basis I'm not going to endorse with my vote this particular piece of legislation but I want to make it clear that that shouldn't be interpreted as not wanting to advance the self-governmental process because that has already been achieved with this particular appointment.

DEPUTY SPEAKER

Further participation?

MR ADAMS

Thank you Madam Deputy Speaker. It's obvious Madam Deputy Speaker we'll have to again clarify a misunderstood position of appointment in this. I seem to recall clarifying this point some 2 or 3 meetings ago and that is the focus of this intent is not simply to shift the appointment of the chief of our Public Service to simply a Minister, on his/her own in their own right. It's shifting to a position where a Minister on direction of the House does the appointing of somebody in our own Public Service. I would suggest Madam Deputy Speaker that it's a very difficult policy position to sustain, the bit about it's indeed our appointment for somebody in our Public Service when the last pen in the chain is a Commonwealth body. That I do not believe Madam Deputy Speaker is a sustainable position. The aspect of self-government Madam Deputy Speaker is strong and prominent in this situation, certainly the concept of it is. My understanding, or how I see self-government is that we are in a continual process of moving to a point where we do things for ourselves and are seen to do it in our own right. Having somebody again as I reiterate at the end of the chain who is not a person acting in Norfolk Island's, frankly not paid by Norfolk Island is not in accord with those concepts and neither is it one that we should perhaps accept and continue with because it's always been that way since the advent of self-government. We can go on about Schedules all day and which Schedule it fits into and what are the ramifications of schedule shifting etc. The basic intent here, or the basic factor here is a housekeeping one. We are appointing somebody in our own Public Service, therefore we should do the appointing from A-Z in that chain. Thank you.

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MR BUFFETT Thank you Madam Deputy Speaker. I'd just like to respond to one particular point that came to my notice in what Mr Adams has said. He mentioned for example that the last pen in the process is not a Commonwealth body. I'm sorry that I've wasted 5 or 10 minutes in pointing out that when the Administrator acts in this capacity he is in fact acting as a Norfolk Island body. That's what the Schedule 2 matters in fact clarify and I'm sorry that he considers that I'm labouring on the Schedule 2 matter. It's the crux of what it's all about and I think it's important to just mention that. Now the Administrator of course is the person who has a sense to all the Norfolk Island laws under Schedule 2 matters. He is the person who appoints the Norfolk Island Ministers in the arrangement. So it is not incompatible, it's not incompatible with how we run things at present. I think there is sound substance given what I said earlier for that to continue in that vein with a job at that level.

DEPUTY SPEAKER Further participation?

MRS CUTHBERTSON Thank you Madam Deputy Speaker. I must admit that I'm torn two ways. I see Mr Adams' intent and I've always worked with that intent in mind in this framing of the new Public Service Act, Bill rather. I see what Mr Buffett is saying and it is all eminent good sense. It really is a dilemma. There's no question that the Administrator when acting on Schedule 2 matters is a creature of the Norfolk Island Legislature but I think we also have to go beyond the forms. I think we have to look at principles as well and I must say on balance my tendency is to vote with Mr Adams, simply to get things up front and right visibly all the way as well as in the forms that Mr Buffett has pointed out. Thank you Madam Deputy Speaker.

MR BUFFETT Thank you Madam Deputy Speaker. I just wanted to say that if it is the form that is of concern to, as to the role of the Administrator normally plays then I think there should be concentration upon a process to gain an understanding of how the Administrator now functions. I don't think it's a matter of running to individual pieces of legislation and changing them. So I think if that is the concern this is not necessarily the principle way to tackle that. It is a matter of seeking a greater understanding of the Administrator's role in the widest sense. That's the way to tackle that particular area which you have expressed concern about.

MR SMITH Thank you Madam Deputy Speaker. I'm a bit like Mrs Cuthbertson, there's good arguments on both sides. It's possibly one of those situations if it's not broken don't fix it but then I suppose I need to ask Mr Adams to reiterate what his reasons are, I mean I can see his points but does it have any other effects besides just changing the name from the Administrator to the Minister?

MR ADAMS Thank you Madam Deputy Speaker. Madam Deputy Speaker the net effect of the thing is to change the last, to change the hand that signed the paper as it were from a Commonwealth person to a Norfolk Island person. Mr Buffett's arguments are absolutely correct, what he's done is paraphrased or summarised the situation as we know it today. Honourable Members in none of those arguments is a good reason why we shouldn't shift the position to a Norfolk Island process from A to Z. We're moving toward a position of self-government developing, we should be seen not only to be doing things in our own rights but again as I say we need to be seen to be doing things in our own right, and again I summarise by saying the reasons put up thus far and indeed the platform for the process that occurs as we see it now and as we know it now are absolutely correct in that summarisation there is no reason why it should not move to a Norfolk Island organised and run process. Thank you.

MR BATES Thank you Madam Deputy Speaker. I really see this debate

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and this situation has really got a lot to do with very little, so I don't really mind. The selection process for a CAO and the appointment of the CAO must come as a recommendation from the Members of this House and who signs the contract at the end of the day to make that contract legal really doesn't matter. It doesn't matter to me much. I get a little bit concerned about suggestions that at certain times the Administrator's our servant and other times he's somebody else's servant.

That might well be in fact but the bottom line is I think he is the Australian Government's representative on Norfolk Island and if we start saying also he's our representative I think that there's a jolly good lead in there that we start footing the bill for Government House and the Administrator's vehicle and his office and his staff and all those things that go with it and I think we should be wary of claiming that he's too much a Public Servant of ours and that I think it's nice to leave him as a employee of the Commonwealth for practical reasons. I understand what Mr Adams is trying to do. I'm inclined to give him that support.

I think that the fact that after this Assembly decides yes this person is the right one and this person should be appointed then another process has to take place. It's not simply just finishing the meeting and the Executive Member going and making the appointment. It has to go as I understand it through the Executive Council and that means documents have to be prepared and Ministers have to go along to the Executive Council and make a recommendation to the Administrator and I think if this goes through it would cut out that step, it would cut out work which maybe is work for the sake of work and I just don't like work for the sake of work or bureaucracies. I think that if things can be done efficiently and just as well without having to take additional steps, cut down a few more trees for a bit more paperwork like Mr King always talks about then I think there's probably some sense in this Bill. So on that basis I'm inclined to support Mr Adams in what he's trying to do. Thank you.

MR SMITH Thank you Madam Deputy Speaker. I think Brian's right where we debate about something and we could just talk about all day but I think Robert's point about Mr Adams' point about transferring things to Norfolk Island is reasonable but what I think we should do, I think we're evenly divided here and Mike will have to make the deciding decision so I'll move that the question be put.

DEPUTY SPEAKER The question before us is that the question be put.

QUESTION PUT
AGREED

The ayes have it thank you. Therefore the question before us is that the Bill be agreed to in principle.

QUESTION PUT

Will the Clerk please call the House.

MR BUFFETT	NO
MRS ANDERSON	NO
MR BATES	AYE
MRS LOZZI CUTHBERTSON	AYE
MR SMITH	AYE
MR ADAMS	AYE
MR KING	NO

The ayes 4 the No's 3. The Bill is agreed to in principle. We move now to the detail stage. Is is the wish of the House to dispense with the detail stage?

AYE

Therefore Mr Adams would you care to move a Motion that the Bill be agreed to?

MR ADAMS Madam Deputy Speaker I so move.

DEPUTY SPEAKER Is there any debate on that Honourable Members? I put the question therefore that the Bill be agreed to.

QUESTION PUT

Would the Clerk please call the House?

MR BUFFETT	NO
MRS ANDERSON	NO
MR BATES	AYE
MRS LOZZI CUTHBERTSON	AYE
MR SMITH	AYE
MR ADAMS	AYE
MR KING	NO

The ayes 4 the No's 3. That Bill is agreed to.

ORDER OF THE DAY NO 5 - CUSTOMS AMENDMENT NO 2 BILL 1996

MR KING Thank you Madam Deputy Speaker. This Bill has been on the table of the House for some months now and I seek to finalise it today and I foreshadow no substantive amendments. the Bill has 2 principle objectives, the raising of revenue through a tax on cigarettes which are imported, sold, repackaged and exported and the establishment of a regulatory regime for warehouses. The former objective unfortunately is not able to be achieved to the extent that was first thought possible, given that there are no longer adequate supplies available for the Norfolk export market. It is a disappointing outcome, but out of our hands. Although the Bill remains in its original form and is quite capable of achieving those objectives, the principle focus of the Bill now is the regulatory regime for warehousing. As Members will all recall this is an industry diversification measure which will allow Norfolk Island to properly consider the types of goods in which a warehouse is proposed to trade, the background and character of the proposed warehouse operators, and to regulate and control warehouse activities. I really have nothing further to add Madam Deputy Speaker. I'll move the detail stage amendment in relation to the title at the appropriate time and table a revised explanatory memorandum.

MR BATES Thank you Madam Deputy Speaker. The Bill before the House proposes to levy a 5% duty on cigarettes which pass through the bonded warehouses and it had been my intention when the cigarettes passing through those warehouses were quite substantial with plane loads of them coming and going on weekends, to move an amendment which would effectively increase that 5% to 10%. At the same time I had intended to reduce the 180% charged on cigarettes which are imported for home consumption. 180% duty. It far outweighs any other duty that we levy in any other direction. And I thought that would perhaps just put everything back onto a level playing field and let there be no room for suggestions that a particular industry was getting some sort of favourable encouragement from this House which other industries were not getting, and also that I think there was a case where aspects of the operation were in doubt as to just what proper legalities of it all were, and that Norfolk Island may be at some risk of being criticised for allowing these activities to go on. On that basis I thought it was a fairly good idea to move in that direction. The difficulty I'm not faced with is that the cigarettes for home consumption at the 180% duty, brings in something in excess of \$400,000 in revenue to the Norfolk Island

government and of course under the 5% for the quantities that were going through before, that would be well and truly recovered with interest by even just the 5% suggested by Mr King, or the 10% that I had proposed on the cigarettes passing through the bonded warehouses, so we would have been in front in our revenue stream. Unfortunately, I can't use that claim now because if I were to move to remove the 180% duty on cigarettes for home consumption back to 10% our revenue from that source would drop from in excess of \$400,000 to about \$22,000 and something like a \$380,000 loss of revenue, and I can't really suggest to this House that that is a practical solution at this stage. Mr King did get a letter from the main players saying that even at 5% duty on the cigarettes which is part of his Bill before us, it would mean the loss of four jobs and it will reduce the revenue at the Post Office by \$10,000 per week and I think that is half a million dollars per year in round figures. But I asked Mr King a question earlier today, did he have any documentary evidence to support that because really what we are talking about at 5% is something like 3♥ per packet of cigarettes. And if we look at 10% duty on those same cigarettes we are probably looking at something like 6♥ or 7♥ per packet. Now the difference in selling them on the mainland through this system and selling them through the normal avenues must be saving alot more than 6♥ or 7♥, must be alot more profitable for the operators here, so unless I can see some figures produced to me claiming that its getting so close to the wind that it will no longer be profitable to carry on the business at 5% or even 10% then I still believe that the figure should be 5% and not 10%. However, for reasons that make it difficult, because I have no interest in going back to 10%, back to the commencing date of this which was last October or November, because I don't think that would be fair and proper, I am unable to proceed with any proposed amendments at this time, but I do foreshadow that I still am of the opinion that 5% is not enough and in the absence of any figures or evidence that the industry is sailing so close to the wind that 5% is going to make it difficult to operate or 10% - I know that there are people operating the system who are paying the full 180% duty and are still being profitable but I promise to look to maybe coming up with some compromise and maybe being able to reduce that 180% to maybe 100% for arguments sake and at the same time putting 10% on the cigarettes passing through the warehouses. I have not given that idea away. It is difficult for somebody on the backbench to bring in a piece of legislation which has revenue raising aspects but I'm sure that maybe some Minister will give me that support or steer in that direction at some future date so apart from the fact that I still intend to look at the situation in the future I will support the legislation because I understand the proposed Bill because I understand that it has more far reaching aspects than just cigarettes. It's not simply to deal with cigarettes, it is to deal with bonded warehouses for other issues, and maybe there's some pluses in it there if we can start Assembly plans for small or other industries in which things may come here and be bonded or be assembled and go back out as a finished product and through a bonded warehouse system maybe that will create employment and give a boost to our revenue here and to our economy I should say and I certainly don't wish to stall Mr King's proposal to bring in this legislation to make this bonded warehouse able to operate in a satisfactory manner. Thank you.

MRS LOZZI CUTHBERTSON Thank you Madam Deputy Speaker. I certainly have some slight hesitation much as Mr Bates has about the level of duty to be charged on bonded warehouse goods. I also understand that cigarette traders really suffered a very serious decline and that the important aspect of this Bill is now the question of bonded warehouses and putting them on legal footing, and establishing them as an ongoing concern under the law, and I certainly support that Bill. Like Mr Bates I intend to look at the question of the ongoing cigarette trade a little more closely and perhaps revisit the matter a little later on but I support the Bill in its present form

MR SMITH

Thank you Madam Deputy Speaker. I was hoping Brian would

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further and take the tax of cigarettes altogether as that would be a good advantage to tourism on Norfolk Island! When cigarettes were really cheap they used to sell heaps of them until Lopyy and his tax grab put a large tax on it and it was done again in the 6th Assembly to where local sales of cigarettes to our tourists has certainly dropped away by a large margin and I would have thought that if Brian did get away with his 10% across the Board tax that it would actually increase sales to our visitors to the Island which has always been, as Madam Deputy Speaker will agree, one of the benchmarks, that tourists must judge on the prices of cigarettes or duty free liquor and Brian from the point of view of the Tourist Board would probably also agree with that, but besides that, I took time to talk to Greg Preschelt at Norfolk Business Services, Paul Christian of Tam International who have been involved in the cigarette trade to find out just what they thought. When this Bill was introduced there were alot of cigarettes being passed through Norfolk Island. I can say that. But about the time that this Bill came out the whole bottom fell out of the market so I think we have missed the boat with the tax to be honest. I really do. Maybe even with the bonded warehouses I don't know. In relation to those products I would suggest, along the tax lines, something that one of the people here suggested, making a low tax and increasing it if the market picks up again which is probably doubtful anyway.

I would suggest that the tax maybe 2% or something like that. I don't know what figures were being raised in the last month or so compared to what it was three or four months ago. Maybe I could ask the Minister. That tax that you were collecting, the 5% which was to come in in October, I think. How much revenue was generated right up to that time and how much is being generated now in the 5% tax?

Maybe the Minister could answer that for me. As to the rest of the Bill, I have no problem with the bonded warehouse idea because that does effect other industries as I understand but that would be my view. I wouldn't support the 5% tax at this time, in the Bill

MRS LOZZI CUTHBERTSON I imagine it is more appropriate for Mr King to answer this but thank you. The tax of 5% has been collected since October when this Bill was introduced. It has obviously not affected that aspect of the cigarette trade that is going on now. Obviously the argument that this is too high a revenue just doesn't hold water and the thought of reducing it further is something that I just cannot possible support. I don't think this is the important aspect of the Bill.

It is something that we have to keep an eye on and decide later, but they have already had a favoured treatment, but it is an industry that has created jobs, and has bought a stream of revenue to the Post Office and in that respect it is worthwhile, but other industries do the same. They all create jobs and may or may not bring a stream of revenue to the Post Office, thank you

MR KING Thank you Madam Deputy Speaker. I've tried to place the factors on this occasion on warehousing. I don't do that lightly and I don't attempt to hide the fact that the mechanism for taxing the tobacco industry remains in the Bill. I do that deliberately in case that industry cranks up, but it doesn't have a focus any more. The industry has wound down considerably. George asked me for some figures. I think as George might recall if he taxes his memory that there is \$40,000 collected in relation to the tax industry re export industry. I might have mentioned that in my debate in the budget and I think since then there's been something like \$8,000-\$9,000 additional tax collected but some of that in fact related to goods which were imported prior to that mid year mark, the 31st December and that has been a minor amount of cigarettes continuing to come in and be re-exported I think mainly out to the New Zealand market but that is not the major focus of this Bill now. I reiterate the major focus is the warehousing regime. Mr Smith suggests we may be too late for that. Well for heavens sake. It's a regime which is long overdue that we need to put in and we need it to assist with our industry diversification measures. There is already one operator or manufacturer who has transferred his business to the Island and awaits the issue of a licence as was promised him and of course we hope to attract

more. We are continually getting requests from people who want to talk about their opportunities for re-establishing their businesses or transferring businesses to Norfolk Island and there are advantages in it and we need that warehousing regime to properly regulate those activities. So I reiterate again Madam Deputy Speaker, that's the major focus of the Bill

MR ADAMS Thank you Madam Deputy Speaker. Short and sweet. I personally also think that we shouldn't lose the central thrust of this intending Bill. Certainly to confirm the level of taxation that was previously put up, however, I think the most central, the most important central facet of this legislation is the regulatory regime for the warehouse and it certainly puts the warehouse question on a structured and organised basis and I think Members will agree that there is an area with an extensive element of grey in it in the background and now is before my eyes and I see that very much as a desirable result and I will be supporting this motion thank you

MADAM DEPUTY SPEAKER Further debate. The question before us is that this Bill be agreed to in principle

QUESTION PUT
AGREED

The ayes have it thank you the Bill is agreed to in principle. We move now to the detail stage.

DEPUTY SPEAKER Mr King, would you care to move your detail stage amendment now

MR KING Thank you Madam Deputy Speaker. I move the amendment to the Customs Amendment No 2 Bill 1996, as circulated to Members. The amendment is of a purely technical nature to change the name of the Bill from the No 2 Act 1996 to the Customs Amendment Act 1997. It merely reflects that fact that the Bill was introduced in 1996 and not passed until 1997

DEPUTY SPEAKER Any debate on that Honourable Members. I put the question therefore that the amendment be agreed to

QUESTION PUT
AGREED

The amendment is agreed to thank you. I put the question therefore that the clauses and amended be agreed to

QUESTION PUT
AGREED

Those clauses are agreed to. I put the question therefore that the remainder of the Bill be agreed to

QUESTION PUT
AGREED

The ayes have it thank you and we look to the final question, Mr King

MR KING I so move

DEPUTY SPEAKER: The question is that that Bill be agreed to. Is there any participation in final debate? Then I put that question

receive two lots of penalty provisions or loadings from the employer. That has been fixed up after the public consultation process brought that out. It was never intended that people receive public holiday entitlements twice. The new provisions in the Act touch upon employment contracts and creating an offence to employ a person not currently on the Island before a written contract is signed and that was recognised Madam Deputy Speaker as being a somewhat onerous requirement but it was also recognised that it would remove the problems associated with employees arriving in the Island only to find that things were not as they anticipated and that's an age old problem and a problem that continues. It can't be said that that is not a worthwhile provision. The obscurity regarding overtime rates is removed making it clear that overtime is to be paid at one and a half times the normal rate, not the minimum rate established by law. That was the original intention Madam Deputy Speaker. The original intention was that employees be paid at one and a half times their normal rate of pay and not to allow some employers to weasel out of it by simply paying one and a half times the minimum wage established by legislation. Sometimes that wasn't any more than their normal basic rate. So it removed that uncertainty. The anomaly which created a sick leave entitlement immediately upon commencing employment is removed. And that was never intended to happen. It was never intended that on the first day of work of the new employee that that person have five or six days sick leave immediately up their sleeve. That was never intended to happen and that has been clarified. There was also clarification in matters relating to public and annual holidays and entitlements upon termination of employment, periods of rest, all basic stuff which was brought out in the consultation process, not necessarily with the community but among Members in the House. All provisions which have remained in the Bill on the table for eighteen months. They are new provisions and I recall Mr Adams being particularly strong on this point. There are new provisions relating to the employment of young persons which balance up employers obligations and the opportunity for young persons to work for some pocket money. Now those are worthwhile provisions. Now it was never intended again, as I say, that employers as I said in relation to their double public holiday entitlements, it was never intended that employers be penalised or unnecessarily burdened just by giving the young person an opportunity to make a few bob on the side. Madam Deputy Speaker, in my view again the changes in the amendments don't go far enough but they are progressive. They are certainly not onerous. They will not even effect most employers because most employers are simply doing the right thing. Certainly Madam Deputy Speaker I concede that it targets those who have consistently ill treated employees, and let me quote Mr Adams. That's why I find his words now and his reluctance to proceed with it so very very strange, and I simply can't understand it. Mr Adams said when he introduced the Bill that it "satisfies the Government's obligation to balance up the rights of employees and employers with its obligation to generally protect the community and ensure as far as possible fair and equitable work practices". I might let it go at that just at the moment. I have some detail stage amendments which I would like to introduce Madam Deputy Speaker and if you will remind me of the appropriate opportunity to do that I will be grateful.

MRS LOZZI CUTHBERTSON Thank you Madam Deputy Speaker. Yes, I cannot support Mr King enough in what he has said. Since I was the person who did most of the work in the preparation of this Bill before Mr Adams took over responsibility for employment in June 1995 and Mr Adams participated in the Committee that looked at each and every one of these suggested amendments, and then contributed a few of his own when he took over responsibility, I just can't understand why this Bill has lain on the table for eighteen months. Most of the amendments contained in this Bill was brought to my attention when I took over responsibility for Employment by the Employment Officer who had battled for months, years with these iniquities. With the injustices and people being treated badly. Not by all or even the majority of employers in the Island but two or three consistent offenders who have treated employees either from the Island or off the Island, quite badly

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of \$7.00. We look at the situation now in front of us where we have some significant infrastructure works that are about to commence. We are all talking, "Let's shift the earth, let's get it done as soon as possible", as is reasonable to expect. We've got such projects on the go as the airport terminal which is one of those things that have changed hands a couple of times. But nevertheless that will be an area where there'll be an expectation that there will be long hours worked. There's also, we look at the Cascade Cliff area and indeed if the House is keen or the next House, indeed progresses the Andrew Lyall option Members will recall I think, the factors involved in that if we use all the so called technical expertise and equipment necessary to carry out the Andrew Lyall project in six months you could probably push it to a \$3m price tag. Significantly higher, if at the end of the day you will be charging one and a half times the hourly rate on the rate you are being paid. That rate was an insufficient one when it was back at the days when \$5.40 equalled \$7.50 when times by one and a half. Those times have moved on. There has been a level of concentration in the community and I certainly concede that the aspect and the progression of this Bill has not been as quick as I would have preferred. In that time there has been for instance, a change. Mrs Cuthbertson mentioned the Employment Officer. That Employment Officer no longer holds the position. We now have a new Employment Officer who has been in that job for a while, and as we all know there is a tremendous amount of work employed in that area. It is in fact an area, as Mrs Cuthbertson knows well, that also encompasses such aspects as the healthcare operation. There's a tremendous amount of work there and there is general agreement within the Service that in that area is probably half a person down. All that adds time to a process of progressing a Bill of this nature. There's been a few other things, that out of the comments from the public consultation process, has drawn my attention to the fact that I think essentially whilst there no doubt are some excellent things in the Bill and it is generally progressive, the real focus of the Bill I think is misguided. Or not so much misguided as perhaps incorrectly aimed. I feel personally after looking at the Bill and stewing it over that the emphasis on the Bill was underwritten by a feeling that entitlement levels were not high enough. I know longer feel that that is the case, if indeed I ever did and I certainly don't believe that that is the true situation in the community. The situation that creates most concern in my mind is the fact that the present level of entitlements as set by the market forces which at this time, most members would agree are at a reasonable level given our cost of living, the real concern is that in a range of areas those entitlements such as they are do not get through so in other words, you can raise them all you like. The key point is, is not getting through. That's the point we have to address. How many times for instance have we seen for instance, TEP's who have been shoddily treated in a range of areas simply in a position where it takes forever for the system to work through its doings for them to actually have their day in court. There are certainly some difficulties in there and that's what I see as the central focus. What I see as promising out of this meeting is that for the first time, most of the Members of the Assembly seem to be on channel and there are various officers assisting to progress and indeed conclude this matter, so I certainly Mr Speaker, will be looking for an adjournment to this and I will come back to Members in accord with what Mr Bates has said, and outline and specify my exact concerns with the Bill as it stands, and as I said before, I'm insufficiently prepared to go through it point by point at this stage because although I was given some indication from Mr King that he indeed intended at one point to bring forward some amendments in the employment area, I was at no time given a clear understanding that it would trigger the whole Bill, no matter what so I'm certainly looking forward to an adjournment on this matter and in that time I will come back to Members and categorise my concerns in the present Bill as it stands

MR SMITH

Thank you Mr Speaker. I have a view that it shouldn't be dealt with at all by this Assembly, seeing we only have this meeting and the next meeting to go. I think it's rather funny actually that it has come up at this

particular time because up until Monday we weren't going to have another meeting so how important are these things that are now facing us, and suddenly it has a whole new force, this Bill. I mean, I'm not saying that there is anything I don't like about the Bill in particular, but I think this is just a bit of a political play here that this is brought up right at this very time in the term of this Assembly. I think if we do anything with it now, it's just going to leave problems for the next Assembly because from what I remember, and Mr Adams can confirm it eighteen months ago, there was a lot of controversy about the Bill at that time. Whether those things have been resolved and what you were saying before Mr Adams, I'm not sure, but if it is all going to start again it's the next Assembly that is going to wear that, not this Assembly.

MRS ANDERSON Thank you Mr Speaker. I can't agree with Mr Smith that just because it is getting towards the end of this Assembly we should stop. How is this island ever going to progress if we have a stop start, stop start mentality. If we are convinced that we're doing it right whether it's this Bill or any other Bill, for goodness sake let's do it. Thank you

MR KING Thank you Mr Speaker. If it's an appropriate time is it to conclude?

MR BUFFETT Yes, I think so.

MR KING If I can just say firstly I think some of the remarks are quite extraordinary. Mr Smith's remarks are quite extraordinary for the man of his experience to suggest that we shouldn't be finalising things as been on the Notice Paper in Bill form for some period of time, we should be making every, our duty to do that. We should be making every endeavour to finalise the Bills that are on the table. That's what I've been doing in relation to mine and let me say also that I regard this Bill now as being in the hands of the House, it is seized by the House, by the Parliament now which doesn't place as much emphasis on the fact that it's in Mr Adams Executive portfolio, it is seized by the House. Mr Adams can on the next occasion bring forward as many explanations as he wishes. I put the House on notice that I intend, I intend to seek finalisation of the Bill, whether it gets up or gets down, that's entirely up to the House. I'll be very disappointed but it will go down on the vote of the House and people around the table will vote against the basic improvements that are contained in the Bill. On that occasion I'll be bringing it forward to detail stage amendment Mr Speaker which has basically two substantive amendments, both of which arise from the consultation process. First deals with the conduct in relation to the employment of persons, just let me quote very quickly and that amendment will make it an offence to engage in conduct in relation to employment that is liable to mislead persons seeking the employment as to the availability, nature, terms or conditions of or any other matter relating to the employment. It will also make it an offence to publish an advertisement in relation to employment that could mislead. The second substantive amendment, I'm sorry let me say that the objective of that amendment, the first substantive one is to ensure that employers conduct themselves in a clear and genuine manner in offering employment and do not mislead or discourage employment seekers. The second amendment will provide, make for a provision that an organisation such as a union can only represent an employee before the employment tribunal if the employee consents to such representation. That was the original intention of the Bill and that was commented upon during the consultation process by some employer organisations. So I am going to put the House on notice that I'll be moving those detail stage amendments if it's an appropriate point in time I'll move the adjournment of debate.

MRS ANDERSON Thank you Mr Speaker. I put Mr King on notice that I shall be vehemently opposing his suggestion that an employer should have to put a rate of pay in an advertisement for a position that's advertised.

MR KING Why doesn't that surprise me?

MR SPEAKER Further debate? No further debate. Mr King

MR KING I move that this matter be adjourned and resumption of debate be made an Order of the Day for the next Sitting

MR SPEAKER The question is that this matter be adjourned and made an Order of the Day for the next Sitting

QUESTION PUT
AGREED

The ayes have it, that matter is so adjourned

FIXING OF THE NEXT SITTING DAY

Fixing of the next Sitting Day Honourable Members. Mr Evans would normally get the call but perhaps somebody else would want to pick this up. Mr Bates

MR BATES Thank you Mr Speaker. I move that the House at its rising adjourn until Wednesday 9 April 1997 at 10 am

MR SPEAKER: Thank you. Honourable Members, this is the second week if I remember correctly, in April. Any participation? No. Then I put the question that that motion be agreed to

QUESTION PUT
AGREED

The ayes have it that matter is so agreed

ADJOURNMENT

MR SMITH: Mr Speaker I move that this House do now adjourn

MR SPEAKER: Thank you Mr Smith. The question is that the House do now adjourn. Could I at the outset Honourable Members make a mention of the Airport Terminal Project and say on behalf of you all really, a reminder that the informal poll on the airport terminal will be conducted tomorrow, Thursday 20th and the next day, Friday 21st March between eight o'clock and five o'clock each day in the supper room at the Rawson Hall. The site plans, the floor plans and accompanying information are now displayed in the Supper Room. Those on the Electoral Roll are eligible to record their view and on your behalf Members, I encourage electors to participate in the poll

MRS LOZZI CUTHBERTSON Thank you Mr Speaker. I would like to say a few words about the Airport Project. Last night I had a rather unhappy call about the way we have decided to proceed on the airport Project. Not unusual but there were also some fairly angry letters at the weekend. The caller wasn't just speaking for herself but for a number of people that have been in touch with her and I think she was speaking very much in earnest and very much out of concern because of the comments that had been made to her and she was trying to convey them to this House. In short the comments revolved around the fact that the referendum had been held and that people felt that they were still not been given enough of a choice about what kind of an airport they would like. I think this is a real problem. There's no end to the amount of choices you can offer people if you have no end of finance. To provide meaningful choices it is exceedingly expensive,

happy

MR SPEAKER

Order

MRS ANDERSON I must watch what I say. Previously I said everybody was talking about the voting system, now I'm saying nobody liked the Georgian Wing. I apologise for that but it was the Georgian wing was rejected by a majority of the community who voted at the referendum, therefore that option is not an option. So basically what we are left with is a slight variation on the theme of what is being proposed now. In this House we agreed that we would adopt a certain floor plan which limits the design that we can come up with. That hasn't been questioned to any great degree. We therefore have to find a shell to put over that floor plan. We didn't want the shell to cost more than a million dollars. Well, it's been pointed out to us by members of the community who have had large buildings constructed in recent times that a million dollars is pie in the sky and we're never going to get it for that. The figures that we've come up with, I think are reasonable under the circumstances. We have managed to find some cost cutting areas where we're not putting 3 coats of paint on beautiful Norfolk pine, we're using plasterboard and things like that which makes a lot of sense. I would urge the community to think about what we're trying to achieve with this airport terminal. What we've got at the moment is too small, it's inadequate, even with the F28's we had a lolly scramble in the rain for the bags. With the 737 it's an even worse lolly scramble. We have got to overcome that. We all agreed on that point. We need a building that's functional, that's pleasant to look at and that we can afford. Now the question before us at the present time is do we want to go to the extra expense of having a second storey on the same footprint so that we can put in a golden wing lounge and a bistro, that sort of thing. I think that the general consensus is now that it was Ansett that wanted the golden wing lounge, and we no longer have Ansett, that is perhaps a luxury we don't need to afford at the present time. As far as having a bistro upstairs, people at Norfolk Island rarely ask for more than a cup of tea or a cold drink at the airport and I think that there again a bistro is something that we don't necessarily need to have. I leave that to the community to decide whether they want to have the second storey in the building while we're at it or whether they prefer the single storey option but really that is what is before us at the present time. I think that we have to make a decision on what is now being presented. I really don't think that we want to go back to the drawing board for a third time. It costs us hundreds of thousands of dollars every time we go back to the drawing board and we finish up with a lolly scramble in the rain because we can't make a decision. I urge the community to study the two options that are being presented and to make a decision tomorrow or on Friday so that we can progress this matter. Thank you.

MR SPEAKER

Thank you. Mr King you earlier sought the call so I'll give you the call now. I'm not too sure who was seeking the call but you certainly wanted to say something.

MR KING

I just want to make a few comments. I swore I'd never make another comment about the airport terminal but I have to say that it appears to me that your no further advanced than you were when you sacked me 3 months ago from the project. In fact if anything, you've gone backwards, you've still got the same complaints about costs, functionality, and design basically from the same people the nightmares that took the petition up the referendum and brought us to your knees. It's all about having the intestinal fortitude to make decisions and stick to them.

MR SPEAKER

Further debate?

MR ADAMS

Thank you Mr Speaker. Mr Speaker, an issue has come about in the cause of this Sitting that does disturb me greatly. That issue Mr

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Speaker is the one of land resumption. Members land resumption is I feel an absolute anathema to Norfolk Islanders. The Norfolk Island people are a group of people who feel most strongly, a definite and real and ongoing affinity with their land. I make the point Mr Speaker that Norfolk Island and its people are a people who have in the past been given no nourishment and sustenance from the land, and therefore are a community who lived off and from the land. In more recent times Mr Speaker as we all appreciate there's been certainly to a degree a shift from this position of economics sustenance from the land to tourism, not the same Mr Speaker however that there has been any shift in the reverence that Norfolk Islanders hold for their land. This affinity between Norfolk Islanders and the Island and therefore by implication, the land is recognised in a formal sense for instance in the preamble to the Norfolk Island Act. Mr Speaker that is the very piece of legislation that all of us who are sitting around this table by whose mandate we do sit around this table. From the point of view of making these so called hard decisions that we hear about from time to time with regards to forced land resumption and again in brackets always appear in the public interest I argue Mr Speaker that it is in fact much more likely to be as soft decision. One made using the power of the Crown to possess land rather than a thorough canvassing of options and using creative thinking to move forward toward and end objective. For somebody like myself Mr Speaker with a heritage affinity for Norfolk Island and its land forced land resumption is something that I have extreme difficulty with and I difference myself from the comments made earlier in this sitting that forced resumption is an agreed option as regards landowners involved in the Cascade Cliff issue. Thank you.

MR SPEAKER

Further debate?

MR BATES

Thank you Mr Speaker. I didn't intend to enter into either of these subjects but I think I need to say a couple of little things in case people think that my silence may be interpreted in a different manner. With the airport terminal building I think that a lot of people have lost the plot. Lost the plot as to why a decision was taken over three years ago to do something about it which I term as disgusting facilities that are there for our visitors who are the key to our economy, our lifeline, some of them elderly, I think I might have been the first one who used the terminology the lolly scramble in trying to get your bags and get out through customs. It's something that I don't believe we can tolerate any further. Delays in proceeding with an airport terminal increase the costs and they don't do anything to enhance our people's first impression of when they arrive at this Island so I'm a little bit concerned that as Mr King says are we taking two steps backwards or have we taken one step forward. I think that's all I want to say about the airport terminal building. It certainly would be my intention that whatever the people decide in this informal ballot tomorrow that there be no turning back from there. That if one plan is chosen we get on and do it and then we can say at least we're solving that difficulty what the real reason for needing to build a terminal building is. On the land issue I'm a little surprised that this suggestion that resumption is something that should be considered as taken off so much. I am opposed to the resumption of any land unless it can be clearly demonstrated there are no other alternatives. It was suggested at one stage by a former Member of this House that maybe we should be resuming land near the hospital to build a new hospital and I think people that can't remember my attitude towards that as being completely unnecessary and something that I wouldn't give any further consideration to talking about that particular issue and I feel just the same over this Cascade quarry area. That's got to be a last, absolutely last resort now. The Island has to be in some really dire straits to need the metal for that to even be considered. So I hope that people just don't take the comments on that too far and run with it because I don't think it's ever been considered by Members of this House or certainly no proposal has ever come forward that that should even be considered by us. I'm opposed to getting ourselves into that situation unless of course there are no

other alternatives whatsoever. Thank you Mr Speaker.

MRS ANDERSON Thank you Mr Speaker. Just on the matter of resumption Mr Speaker I would ask Mr King as having responsibility for Quarries whether he has given any thought in the public interest of resuming the pieces of rock which have been laying by the side of the road near the South Pacific Hotel?

MR KING Thank you Mr Speaker. I would have thought Mr Speaker that somebody paid good money for those rocks and to have them delivered there. I think they probably have right entitlement to them and I'm not going to be touching other peoples property, nor will I be unilaterally touching other peoples property in respect of compulsory acquisition or land resumption. Like Mr Bates I'm a little bit disappointed it's got not out of context. I'm going to be hammered over this issue. I can see it now because people are going to misinterpret that I've bought forward a proposal to resume someones land. I haven't done that at all. I haven't done that at all. What I did say and I repeat it loud and clear so everyone can hear it is that it would be irresponsible, Mrs Anderson tells me that I have responsibility for Quarrying. That responsibility includes setting out all the options. If i brought forward a paper which did not set out an option, maybe as a last resort as Mrs Cuthbertson and Mr Bates have said then I would be irresponsible. It is an option which has to be included in any paper for consideration. Admittedly, the last card in the pack as it were. I repeat, there are no proposals for land resumption.

MR SPEAKER Further participation in the adjournment debate? The question before us Honourable Members is that this House do now adjourn.

QUESTION PUT

AGREED

Thank you Honourable Members. Therefore This House stands adjourned until Wednesday the 9th April 1997 at 10.00 o'clock in the morning.

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