

**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

**WELCOME**

Honourable Members it is with much pleasure we welcome this morning to the Public Gallery a delegation from the Shire of Christmas Island. The Shire President, Mr Dave McLane, to Shire Councillor Mr Kee Hen Foo and to Ms Jo Anne Boots, Policy and Research Manager to the Shire of Christmas Island, may I say it is a real pleasure to have you with us this morning and I know my colleagues in the Legislative Assembly join with me in saying that it has been a pleasure to have had the opportunity to learn about how you do things on Christmas Island and to say that we trust the discussions you have had during your five day familiarisation on Norfolk Island will assist the Shire Council in achieving its future goals

**PETITIONS**

Are there any Petitions this morning?

**GIVING OF NOTICES**

Are there any Notices?

**QUESTIONS WITHOUT NOTICE**

Are there any Questions Without Notice?

**MR BATES** Thank you Mr Speaker. My first question is to Mr Ion Robinson. Given that the Norfolk Island National Park is jointly proclaimed under Norfolk Island and Federal legislation why has no environmental impact statement been prepared by Environment Australia for the \$3.5m road upgrade both as a courtesy to the Norfolk Island Government and to allow public consultation in defence of the existing values of these roads as tourist attractions in their own right

**MR ION ROBINSON** Thank you Mr Speaker. As Mr Bates knows, this is in the hands of the Parks and Wildlife. It's a good question and I will pass that on and find out for you

**MR NOBBS** Just a supplementary to that to Mr Robinson. Is it correct that the National Park is excluded from provisions of the Norfolk Island Plan

**MR ION ROBINSON** That is my understanding, yes

**MR NOBBS** Further supplementary. What are you doing to rectify this Ric

**MR ION ROBINSON** Short of us taking over the Park which I would dearly love to do I'm afraid there's not alot we can do but if you've got some suggestion Ron I'm all ears

MR NOBBS Is it not true that the other reserves and parks on the Island actually are subject to the Norfolk Island Plan and yet don't belong to Norfolk Island

MR ION ROBINSON To a degree they are Ron because when we have our Plans of Management all in place they intend to hand them over so the Administration has a habit of even though some parts of the Planning Act may not apply, they still apply under the Planning Act for any constructions within the ordinary Reserves that our Forestry people look after

MR NOBBS Just a supplementary again on the National Park roads. Can you give an indication of what is actually happening with the roads within the National Park. There's an understanding that the plans are out, there's an understanding that there's been changes to some of these plans. What is actually going on

MR ION ROBINSON Thank you, I attended an Advisory Board meeting where they recommended to the Minister in Canberra that an EIS type function be done on the road up to Mt Pitt. The road to Cook's Memorial is at this stage, the Advisory Board currently agreed to it in principle but we still need to have a look at some of the trees apart from the big dipper on to the Cook Memorial. There are those who feel that, and probably rightly so, that the large buses, there is no need to have the road so wide that the large buses can pass each other and they are looking at the possibility of inserting overtaking bays rather than widening the whole road along. As I understand it that's where it is at this time

MR NOBBS Thank you Mr Deputy Speaker. Just a quick one. You may not know the answer to this Ric but I understand, is it correct that the Federal Minister responsible thinks that the project is to repair storm damage and yet the other proposals that have been put out in the community is that it is an upgrade and that by virtue of the fact that it is storm damage, no environmental assessment is proposed. Is this correct

MR ION ROBINSON As much as I would like to Ron, I can't speak for the Federal Minister. I really don't know what he's thinking

MR NOBBS Thank you Mr Deputy Speaker. Just another one for Mr Robinson in relation to KAVHA. At the last meeting you were to check, who approved the positioning of the pole on the hill up here below the Queen Elizabeth lookout on House Road

MR ION ROBINSON Thank you Mr Deputy Speaker I did enquire Ron and I found out that approval was sought from the Project Manager of the KAVHA Board. It was given on condition that it was to be a temporary pole until the power can be put in a trench and trenched. I spoke to the Manager of Electricity this morning and they would dearly love to race in and get that trench in and so remove the pole at the same time but they are waiting on permission from KAVHA to get sand to put in the trench

MR NOBBS A supplementary. I understand that there is something like \$50,000 extra for putting a trench in as it is for overhead poles. Does the Commonwealth intend to provide any assistance in regard to this requirement

MR ION ROBINSON I think it would be rather good if they could provide the sand - although it's our sand

MR BATES Thank you Mr Deputy Speaker I'm not too sure if this question should be directed to Mr Ion Robinson or Mr Gary Robertson. Is it true that Parks Australia have entered into a contract to acquire 6,000 tonnes of metal to upgrade the Duncombe Bay access road and will this cause a shortage of materials for use in the building industry pending a satisfactory solution about future supplies

DEPUTY SPEAKER Mr Robertson would you care to have first response

MR ROBERTSON Thank you Mr Deputy Speaker. As far as I understand the quantity of 6,000 tonnes has been suggested as the required amount to upgrade the Duncombe Bay road. This falls under the jurisdiction of Parks of which I understand are proceeding with that part of the project which as you are all aware of, is an all encompassing project including both the Duncombe Bay, Mt Pitt and Palm Glen. There has been foreshadowed, well more than foreshadowed, it's been indicated that as of the 16<sup>th</sup> September the current crusher site will be closed and that all rock would then be relied on to be crushed at another source and we are currently trying to establish a source where rock can be crushed once the Cascade Cliff has completed its project. As far as the commercial side is concerned, I have received recently a very comprehensive report which is indicated that the amount of rock that is currently being crushed has indeed been sufficient to cater for the current requirements of builders and that there is still some rock left over and above the 6,000 tonne which I understand has been negotiated to be supplied to the Duncombe Bay project. Following that there is a further move afoot at the moment to win some more rock which will possibly be crushed prior to the closure of the 16<sup>th</sup> September and those negotiations are currently under way

MR BATES Can I ask a further supplementary to that, which would probably be more in the area of Mr Ion Robinson. In the event that this Road is not upgraded to a two lane super highway would they require 6,000 tonnes of this valuable resource

MR ION ROBINSON If it is not to be upgraded at all certainly there is no need to use the rock but not being an engineer I couldn't give you the scale down size requirement

MR McCOY Thank you Mr Deputy Speaker. I have a supplementary question which maybe Mr Robertson or Mr Robinson would like to answer and that is, how much assurance have we that we would get ten years supply of rock from the Cascade cliff

MR ROBERTSON Thank you Mr Deputy Speaker. The current estimates that we have been given by the engineers on the Cascade Cliff project, and working on the amounts of rock that has been required over previous years, it is estimated that there would be approximately ten years supply. That figure of course won't be confirmed until such time as they get into the cliff itself and start winning the rock to get a definite engineering assessment of exactly what is there. For all we know, the rock shelf might peter out after five metres so it's a little bit hard to tell, but however, under normal circumstances and what's been assessed to date there is every likelihood that there would be enough, under normal circumstances, which included the upgrade of the airport, to last for approximately ten years. However, since that time the Mt Pitt Road decided to fall away at the top and this has necessitated the activity begun there which in itself would probably amount to a further 10,000 tonnes which in actual fact is about a year and a quarter's supply and there have been a couple of other issues that have come onto line

since then so we are looking at approximately seven years I would think but once again that's just an estimate

MR NOBBS Thank you Mr Deputy Speaker. One for Mr Gardner on waste disposal. How's the development and implementation of the Waste Disposal Strategy progressing

MR GARDNER Thank you Mr Deputy Speaker. Ron, I'm just wondering. I could give you a full answer now but I have a Statement prepared and...

MR NOBBS That's fine. The next one is in relation to Community Service Orders. Is there still in place provisions to allow for the issue by Courts of Community Service Orders

MR GARDNER Thank you Mr Deputy Speaker as far as I'm aware that is correct

MR NOBBS Supplementary to those, the first one is, are there any current Community Service Orders in place and the third one is, is the scheme working satisfactorily

MR GARDNER Thank you Mr Deputy Speaker. It's a two part question. The answer to the first part is that my enquiries through the Office of the Registrar last week indicated that there were no outstanding Community Work Orders. There may well be a couple that have fallen in default over time that would require a return to the Court for a review but as of today there are no current outstanding Community Work Orders. The second part of the question, is the system working. Well if we don't have any Community Work Orders in place I guess it could be argued that it is working however, I think the difficulty comes about with the Community Work Order system in that it is fairly large and requires resourcing. In other words, the Community Work Orders require people to be supervised and to operate in a supervised environment. That in itself causes a problem because if we were to use for example the services of Public Servants, whether it be in Forestry or even in the Parks Staff were to be involved in that type of Community Work Order, it could be argued that those Public Service Staff or Parks Staff would be taken away from their normal daily employment so it's an issue that needs looking at and again, it's another one of those personnel, resourcing issues that needs to be dealt with

MR McCOY Thank you Mr Deputy Speaker. I have a question to the Minister for Resources and Planning, Mr Ric Robinson. How many constructional building applications have been passed by either yourself or the Building Board after the work has commenced

MR ION ROBINSON I would hope none but I would have to look at that for you John

MR McCOY Supplementary. Does the Minister intend to take action so that this blatant disregard of the Building Act is adhered to

MR ION ROBINSON Most definitely, if you can provide me with some information I would be happy to look at it

MR McCOY   Would the Minister be happy to investigate a property in which an excess of 50 cubic metres of dirt was moved over the past month without an application

MR ION ROBINSON                             I will look into anything you would like me to look into  
John

MR McCOY   Thank you Mr Deputy Speaker. I have a further question I would like to ask of the Minister for Tourism Mr Gary Robertson. The question is, what economic analysis was derived from the Visitor Survey conducted by the Tourist Bureau for the previous financial year

MR ROBERTSON                                 Thank you Mr Deputy Speaker. I think at this stage I'll take that on notice because I'm not exactly sure what he's getting at but I'll take that on notice and we can have a talk afterwards and I'll certainly put those figures forward

MR McCOY   Thank you Mr Deputy Speaker. Supplementary question. Will tourists on Norfolk Island be conducting a similar survey for the accommodation, hospitality, and entertainment industries and for tour operators

MR ROBERTSON                                 Thank you Mr Deputy Speaker once I suggest that I'll take that on notice and get back to Mr McCoy

MR BROWN   Thank you Mr Deputy Speaker I direct this question to the Chief Minister and perhaps the Chief Minister would wish to refer it to one of the other Ministers. Is the Chief Minister aware of a document called the Commonwealth Government Directory and in particular is the Chief Minister aware of a section in that Directory relating to the Department of Regional Services, Territories and Local Government in which it is stated that the role of the Pacific and Indian Ocean Territories section of the Department is inter alia to protect and enhance the Commonwealth's interest in Norfolk Island. If the chief Minister is so aware could he advise what is meant by protecting and enhancing the Commonwealth's interest in Norfolk Island

MR SMITH   Thank you Mr Deputy Speaker. I am aware of the Commonwealth Directory that Mr Brown asked me whether I knew was around. The particular section that he's quoting from there, Mr Ion Robinson has raised that with us over the last few months. Of course, we can't answer that question of how the Commonwealth thinks they are going to enhance the things that they spell out in there. I'm not too sure what sort of an answer I can really give you on that John, but maybe Ric might be able to add a little bit to it because you did say that maybe I could refer this to another Minister and Ric is happy to pick that up I would be happy for him to do that

MR ION ROBINSON                             Thank you Mr Deputy Speaker. It has me totally confused I'm afraid so I'm not really in a position to answer except that it seems to run contrary to the concept of full internal self government. I can't get an answer out of the Minister in Canberra on these issues at all I'm afraid

MR BROWN   Thank you Mr Deputy Speaker. Again to the Chief Minister. I thank the Chief Minister for the response that he has just given and would the Chief

Minister be prepared to take up with the Federal Minister the question of just what is meant by enhancing the Commonwealth's interest in Norfolk Island in that document

MR SMITH

Mr Deputy Speaker I'm quite happy to follow that up on

that basis

MR McCOY

Thank you Mr Deputy Speaker. I have another question for the Minister for Tourism. This may be due to the fact that I'm new on this Assembly but what experience did Maine Marketing have in establishing Offshore Finance Centres prior to being contacted by the Norfolk Island to research our Offshore Finance Centre

MR ROBERTSON

Thank you Mr Deputy Speaker. Maine Marketing was put originally under some RPI funding which is for Telecommunications. Part of the byproduct of that was that if we were going to upgrade communications and there were moves afoot to further our involvement in Offshore Finances then perhaps the two would go hand in hand to some degree. Maine Marketing is a lobbyist company. They have never professed to be experts in Offshore Finance but what they have done is to lobby the various Departments, the Ministers, the Banks and other areas involved in that area to make sure that the doors have been open for us to start communications and start talking so their job has been a lobbying role and part of those matters have been involved with Telecommunication and the structure of which has been rolling through. From that they have just about reached the end of it and we are now moving into the second phase of Offshore Finance and they have now opened the doors and given a list of people that we should now see and that list is quite extensive

MR McCOY

Were expressions of interest taken or discussions entered into with other marketing and research companies or Commonwealth of Australia or any other Association

MR ROBERTSON

Thank you Mr Deputy Speaker I must repeat again that Maine Marketing has cost us nothing so it's not for us to enter into a particular - unless we are expending money which we haven't

MR NOBBS

Thank you Mr Deputy Speaker. This is for Mr Smith. George at the last meeting I asked you a question on Trust Accounts. I don't know if you've got the answer but they were Trust Accounts operated by Real Estate Agents or lawyers which are exempt from the payment of FIL. I'll also ask how Trust Accounts such as those operated by lawyers and real estate agents are in fact regulated

MR SMITH

Thank you Mr Deputy Speaker. Sorry Ron, I haven't got the answer back about that yet

MR NOBBS

Also at the last meeting I asked you one in relation to parking arrangements at the airport terminal and there seems to be no change. What is being done in this regard

MR SMITH

Thank you Mr Deputy Speaker. Two things seems to be happening with that. One is the Airport Manager is having discussions with the hire car operators about the concern that Mr Nobbs had about people leaving their cars locked away in the airport grounds for some days or weeks I think it was at a time. That problem, if there was a

problem, appears to have gone away to a degree that people may leave their car there overnight, as I understand for the flight the next morning but one of the other things that he has been recommending which is an option that we may need to take up is that people have dedicated areas for hire cars within the airport parking area and they would be able to use those areas rather than spread the cars out right through the whole parking area. There's also been a suggestion that we should be charging the hire car operators to park their vehicles there. I'm not too sure how that would work. I think it would cost \$20 to park an aeroplane overnight. I don't know what you would charge to park a hire car overnight in the parking area. The concern seems to be mainly that it is a secure area of the airport because the gates are locked after the last flight out, and people do seem to worry about that so it's ongoing at this point in time Mr Deputy speaker, although I've also commenced discussions with hire care operators myself. I've already spoken to two at this point in time to resolve this problem

MR NOBBS Was it not put to the people concerned, the possibility of establishing a specific area which happens at other airports which is not slap bang in front of where the other people are loading and unloading

MR SMITH Thank you Mr Deputy Speaker, That's what I was referring to Ron in what I just said that we may have dedicated areas for the hire car operators. Possibly not slap bank in the middle of the car park as you rightly point out and the operators that I've spoken to at this point, don't have any problem with that concept

MR NOBBS Thank you Mr Deputy Speaker. Another question on the air terminal. Is it correct that the cleaning of the terminal is conducted by a contractor plus a new airport employee and the total cleaning cost is between \$55-60,000 per year

MR SMITH Thank you Mr Deputy Speaker. First I need to say that it was always recognised that to maintain the new airport terminal building it was going to be more costly than what it had been in the past with the much smaller building that we used to have, so having said that the building progressed through the last twelve months to when it was opened. Last year in the cleaning tenders the person who had been operating the tender the year before said he would be quite happy to continue on the same price that was quoted for the cleaning of the terminal building through to the end of stage 1 which was completed late last year and at that time he would appreciate it if we would revise the tender in some way for the extra area that needed to be cleaned. Throughout the second stage of the project the particular person did an excellent job of looking after what was already finished to stage 1 of the terminal building as well as doing some work on Arrow International's behalf for keeping the rest of the building clean as it was being built. At the end of the project the person who had the tender said well really, we need to re-negotiate something at this point in time because the cleaning time is almost double what it used to be with the old building so we've entered into an arrangement where there is a person or any person who works at the airport, normal airport staff will assist the cleaning during the week because I need to explain also that the airport terminal needs to be cleaned after the last flight. There's not much point in going in there to clean it in the morning or during the day and there is a flight in at 6 pm, so all the cleaning must be done after the last flight which is not easy to do when there's so many hours there that need doing so there is assistance given to the person in the form of one of the airport workers and also if there is excess hours above the tender price then the cleaner also gets paid and hourly rate. You were saying \$50,000. I doubt that it would be that much or I would be very surprised and if it is I would be very angry, Thank you Mr Deputy Speaker.

MR NOBBS Thank you Mr Deputy Speaker. Just one for Mr Robertson. Gary, have there been any developments with the lease of the At Random facility and the proposal to relocate staff from Kingston to At Random

MR ROBERTSON Thank you Mr Deputy Speaker. Following the documentation that was sent to all Members which outlined recently full use as to the anticipated movement the Officers of the Administration are currently working on two things. Firstly getting an independent evaluation and an independent report for assessment of repairs and maintenance that may be required on the building and the second point is what should go up there and what areas they should occupy. Now those two reports should be going hand in hand at the moment, and they are both underway. I understand that Mr Irvine has also been asked to get a report on the approximate cost of the building which is being done, so there's two independent sources going and we have a further assessment of exactly who's going to earn what and we are waiting for that document but first and foremost will be the actual cost and price then to see where we are heading from there. As soon as word comes to hand we will advise

MR NOBBS Does the relocation of staff take account of the reorganisation in the Public Service which will be necessary to implement the Howard report, or the latest version of the Howard report

MR ROBERTSON Thank you Mr Deputy Speaker, I sincerely hope so

MR NOBBS You made a statement Gary at the last meeting on the possibility of the redesign of the final shape of fill on the Champion land adjacent to the school. What's happening. Are you going to make another statement

MR ROBERTSON Thank you Mr Deputy Speaker. SMEC Australia have arrived over here last week with the revised plan, taking into consideration that when the original plan was submitted there was indications that it may be redesigned because at that stage the surveys that were done were done through some very heavy bush down at the bottom, and they weren't sure exactly of the lay of the land which may or may not require less or more fill, but they also took into consideration the compaction rate of what they were getting from the cliff. Having started them being operating there now for a month or so the compaction is actually better than they thought, it's 102%, which in itself is lowering the level, and they have redesigned the project now so that for all intents and purposes it will end up between a meter and a meter and a half above the Cascade Road whereas originally there were indicators of six or seven meters so it has taken into consideration those complaints that were laid by some of the residents that they felt was an excessive height of wall that would be fronting them and that's been reduced and I understand the revised plan has been lodged to the Planning Board to let them see exactly what is going on and we have meetings arranged with some of the concerned residents and run over exactly what the new form will take

MR BATES Thank you Mr Deputy Speaker I have a question for Mr Smith, Minister for Finance. Following a recent visit by officials from the New Zealand Inland Revenue Department has the Minister any plans to further develop any of the three possible alternative proposals for taxation reform

MR SMITH Thank you Mr Deputy Speaker. Yes



MR BATES Thank you Mr Deputy Speaker. Supplementary question if I may. Could the Chief Minister advise us what those plans are

MR SMITH Thank you Mr Deputy Speaker. I'm quite happy to do that. To date the first part of looking at the proposal to have a broad based consumption tax has been talked about in this Assembly for quite some time and to go back, let's go back to a motion that Mr Bates had on the table which turned into a recommendation that the Finance Committee investigate the introduction of a GST and also that the Chief Minister should do certain things. Beside the little bit of ground work that I've been able to do before we invited the two people from New Zealand, Rex Danes and Rangi Krishnan who arrived from New Zealand last week. The idea of that was to get a feel for what GST is all about and the intent was for them to discuss it with us and also some people from the business sector and fortunately the Chamber of Commerce invited the two people up to speak at the Chamber of Commerce meeting and following that I think we gained alot of insight into what sort of consumption tax, if we were to introduce one, that we would need to look at. There were three options that they suggested we should be looking at. I think in the end the GST in its full form would be what they would recommend that Norfolk Island would do if that's the path it would take. From that point the next part if for us to sit around the table and talk about what we want to do with it and what form if we do want to do it and carry on the investigations that are being made in the Public Service and some of the things that were recommended by Rangi whilst he was here and how to actually assess what sort of revenue we would gain from GST and most importantly what GST rate we would set in the end, so there's a fair bit of groundwork to be done on that particular part of it. So I guess the next thing that will happen will be the Finance Review Committee which will be meeting early next week. Actually it won't because one of the Ministers will be away. We may even meet before the end of this week depending on what happens. So there's no more I can report at this particular time Mr Deputy Speaker. I hope that satisfies Mr Bates question

MR McCOY Thank you Mr Deputy Speaker. I have a question I wish to raise with the Minister with responsibility for Education, Mr George Smith. Does the Memorandum of Understanding still exist with the New South Wales Department of Education and Norfolk Island Government

MR SMITH Thank you Mr Deputy Speaker. Yes it does John

MR McCOY Thank you Mr Deputy Speaker. Further supplementary. When was the Memorandum of Understanding last reviewed

MR SMITH I can't answer that, I really don't know

MR NOBBS Thank you Mr Deputy Speaker. For Mr Robertson. Gary are there any funds in this years budget to continue the Burnt Pine Upgrade

MR ROBERTSON Thank you Mr Deputy Speaker. The short answer. No

MR NOBBS What's the estimate of costs of maintenance of the Burnt Pine area which has been upgraded to date

MR ROBERTSON Thank you Mr Deputy Speaker, there's approximately \$20,000 in budget which is a combination of three things. It's a combination of the whole of the Bicentenary area and there's a part time person used only one day a week now to help with the rest of the maintenance but most of that is actually through the Bicentennial area

MR NOBBS Thank you Mr Deputy Speaker. Just another one for Gary on roading. What roading projects will be funded this financial year

MR ROBERTSON Thank you Mr Deputy Speaker. Prior to the budget, probably go back to May, we had a few discussions with the Works Depot as to exactly where they were proceeding. Taken into consideration the availability of rock as it then stood and take into consideration storm damage that the Island received over the few months beforehand, we have identified two main areas which are basically up at Red Road and there's a couple of other areas but even they are now starting to look a little bit dicey in as much as the road down to Ball Bay has also suffered some severe damage and there's a bill of around about \$70,000 to get that fixed up and we are obliged to keep that under repair for the agreements we have with the Boral people to make sure that they can access gas so we are going to reassess all of that area and the roads that will be done and we will try and get as much as we can do, but bearing in mind there are some pretty hefty repair bills currently floating around this place

MR NOBBS Thank you Mr Deputy Speaker. Just for Mr Robinson in relation to rats. Four legged ones. Has the Government any plans to control the Island's rat population

MR ION ROBINSON Thank you Mr Deputy Speaker. We do not have a major plan to cover all the rats. There was a suggestion some time ago now that the amount of money it would cost to do the lot was quite frightening so no, we haven't got a plan in place to eradicate all the ratus ratus population on Norfolk Island

MR NOBBS Thank you Mr Deputy Speaker. For Mr Smith again if I may. At the airport George is it correct that the cost of overtime for safety officers at the airport amounts to the equivalent of one and a half times the annual salary of a groundsman also employed at the airport

MR SMITH Mr Deputy Speaker I'm not too sure of the exact figures on that. If it will assist Mr Nobbs if he would like to put that on notice for the next sitting I can make sure I get the accurate figures on that

MR NOBBS Thank you Mr Deputy Speaker. You might not know the answer to this one either George but I'll ask it and put it on Notice, is it correct that the cost of lighting for the new terminal will be in excess of \$30,000 per year

MR SMITH Thank you Mr Deputy Speaker. I'm just wondering if Mr Nobbs is talking about the use of the power or what was proposed as a new lighting system. If Mr Nobbs is talking about the use of power I'll need to check that to make sure but I don't think it's that much or I haven't been told that it's that much but I'll certainly check it out if Mr Nobbs would put that on notice

MR NOBBS Thank you Mr Deputy Speaker. At the last meeting you said there had been a major breach in a person invading the apron at the terminal. Was this due to a change in security arrangements and if so what is being done to rectify the problem

MR SMITH Thank you Mr Deputy Speaker. I don't remember saying that at the last meeting but I guess I did. We are looking at that and what we can do with that. I think it was a bit of a one off situation where somebody was able to break through what was already there

DEPUTY SPEAKER Honourable Members we have concluded Questions Without Notice this morning

### **QUESTIONS ON NOTICE**

There are two Questions on Notice. Chief Minister do you propose to answer Question on Notice No 37

MR SMITH Mr Deputy Speaker I had a Question on Notice from Mr Bates. It was before the last Sitting when I didn't have an answer in but I do now. The question was, could the Minister detail how much public moneys had been spent and or allocated to be spent on travel, telephone and fax, the media, referenda, lobbyists or consultants etc on the so called constitutional and electoral issues. The answer Mr Deputy Speaker to the best of our ability we can give is the following, in the financial year 1 July 1998 to 30 June 1999 the following funds were allocated to tackle the electoral and related issues in the Norfolk Island Amendment Bill 1999 to advance self government and any constitutional issues that attached to those matters. \$85,000 in February 1999, \$4,500 in February 1999, \$40,000 in March 1999 which gave a total of \$129,500. These funds were allocated upon endorsement by Members of the Legislative Assembly and particularly demonstrate our commitment to advance Norfolk Island's self government and to combat unwarranted and unwelcome excursions across Norfolk Island's electoral laws. Our mandate to pursue this course of action is drawn from the August 1998 and May 1999 referenda. The major part of these funds have been expended as follows - Legal Consultancies \$63,750; political and media consultants and their costs \$21,167; travel costs \$11,146; minor disbursements of \$160. The balance of the funds is committed with accounts calling on these commitments are expected during the month. Telephone and fax costs within the Administration relating to this range of activities have not been extracted. They can be but are amongst calls on a wide range of other activities and would be a labour intensive path to identify and list a full twelve month period. Probably not an efficient piece of resource unless it is seen as essential information to glean. In addition to the above allocation the Returning Officer was also advised that the cost of two referenda on electoral and related issues, that is in August 1998 and May 1999 was \$2,033 for those two referenda. Thank you

### **PRESENTATION OF PAPERS**

MR DEPUTY SPEAKER Honourable Members we move on to Papers. Are there any Papers to present this morning?

MR ION ROBINSON Thank you Mr Deputy Speaker. In accordance with Section 41 of the Interpretation Act 1979 I table the Road Traffic Fees Amendment Regulations 1999.

MR GARDNER

Thank you Mr Deputy Speaker as is required under sections of the Gaming Supervision Act I am required to table a six monthly progress report on the operation of the Gaming Authority of Norfolk Island and this report covers that period of time since the Authority's inception and if the House can bear with me Mr Deputy Speaker, I would like to cover it in some detail, partly as an information process for the wider community as far as Gaming activities is concern. Thank you Mr Deputy Speaker. This is the first of the required six monthly reports on the activities of the Authority in relation to the introduction of Gaming Enterprises to the Island and as I've said it's a requirement under the Gaming Supervision Act of 1998 to do so. To provide some background Mr Deputy Speaker, under the Norfolk Island Act 1979 gaming is listed as a schedule 2 to that Act as being a matter in respect of which the executive members have executive authority. In the exercise of the power or function in relation to a Schedule 2 matter the Administrator acts in accordance with advise given to him by the Executive Council. The Minister for Health, myself, holds the responsibility for gaming. The Legislative Assembly requires a steady revenue stream to assist the proper administration of the Island and to develop needed facilities for the Island. It is the view of the Legislative Assembly Members that a supplement to tourist activity needs to be provided and in this regard, gaming has been long considered. Consequently an initiative was taken in 1998 to promote the prospective development of interactive gaming and bookmaking. Mr Deputy Speaker on the subject of legislation three Acts were passed in that year 1998, being the Gaming Supervision Act 1998 the Gaming Act 1998 and the Bookmakers Act 1998. Earlier this year an amendment to the Gaming Supervision Act was passed which gives the Norfolk Island Gaming Authority the power to hold meetings and pass resolutions by means of electronic communication under certain circumstances. Bills are before the Assembly at this moment relating to amendments to the Gaming Act and the Bookmakers Act whereby an administrative levy system is introduced. The Gaming Supervision Act provides for the establishment of the Norfolk Island Gaming Authority authorises the appointment of the Director of Gaming and other authorised officers. It establishes the powers and functions of the authority and of the Director and staff and generally sets out other matters that are necessary for the good administration of gaming. The Gaming Act allows the issue of licences to conduct interactive gaming under certain circumstances, sets out the application processes, covers the conduct of such gaming, indicates default provisions and lists miscellaneous matters that assist the good administration of this particular form of gaming. The Bookmakers Act is similar in style but addresses bookmaking, that is the racing and sports betting activities. These Acts are clear and precise. They have been drafted following thoughtful consideration of legislation from other jurisdictions, have provided for well controlled and well regulated gaming. Regulations under the Gaming and Bookmakers Act will have to be promulgated before any licences are issued. In the main these are administrative in nature. Also the conditions to apply in respect of each licence will have to be determined. A draft conditions of licence has been prepared and will serve as the base for documents of this kind. With regards Mr Deputy Speaker to the appointment of the Authority and administrative detail, earlier this year the third member of the Norfolk Island Gaming Authority and a Director of Gaming were duly appointed. The Authority members are the Hon Trevor Morling QC Chairman, Dr John Walsh of Brannagh and Mr R M Jock Irvine. The Director of Gaming Mr Deputy Speaker as we are aware is Mr Kev Leyshon. A secretariat has been established on Norfolk. All correspondence and matters connected with the activities of the Authority are centralised at this point so that administrative order is maintained. Communications then flow between the Secretary, the Authority Members and the Director by way of email, fax, telephone and where necessary, post. The system is working well. An account entitled the Gaming Enterprise of Norfolk Island has been opened for the purposes of the Authority and to maintain financial control over gaming activities. A twelve month budget for the Authority has been established.

This budget envisages that the Authorities costs will be in the order of \$55,000 per month during the latter part of this year and will remain at that level from then on. Very scary figures Mr Deputy Speaker aren't they, but I will go on to explain. An administrative levy system is to be structured so that licensees will bear this cost of administration. The budget has been framed on the basis that five major operations and two smaller operations will be in existence by early next year. Costs associated with establishing the suitability or otherwise of applicants will be met by applicants through a process of higher payments, thus a cost neutral effect so far as the Island is concerned, will be maintained for administrative and investigative costs. To this date no other staff appointments have been made but it is envisaged that following the issue of licences under the legislation and depending on the number of licences issued a Deputy Director and possibly three other staff members will be appointed. In regards to application detail, the first meeting of the fully constituted Authority was held on the Island on the 10<sup>th</sup> April this year. Following that meeting a number of tasks have been achieved, the most important being the development of a package of documents for any applicant for a licence. The applicant package consists of a Brief to Applicants document, copies of the relevant legislation, application forms for licences and Internal Control System Outline document and a Technical Functionality Requirements Standards document. All those documents are available for scrutiny. The Brief to Applicants document is an important document within this package of documents in that it lays out the salient information an applicant would want to know in regard to consideration of the gaming opportunity being offered. This brief to applicants document is supported by application forms that are designed to provide the base detail for probity checks and for verification that an applicant is suitable in all other respects, for example, on grounds of good character, management ability, financial stability, source of funding, operational expertise etc. These forms have been carefully written. They have been based on similar forms used in Australian and New Zealand jurisdictions. The Internal Control System Outline document and the Technical Functionality Requirements Standards document are comprehensive in their coverage. They establish the minimum standards against which any gaming operation will be judged. The first establishes the administrative, accounting, audit and data transfer requirements. The second establishes the technical and systems security requirements. Again these documents have been written having regard to the contents of similar documents that have been produced by the jurisdictions mentioned previously. The documents have been structured to ensure that so far as is possible that any gaming activity conducted from the Island is conducted with the highest integrity and will be regulated in accordance with good gaming practices. These documents are Norfolk Island documents. A confining dependency on other jurisdictions is not intended in relation to control activities but internet developments world wide will be monitored. Code of Conduct. It will be evident from the study of the applicant package of documents that the clear intention is to insist on well presented gaming, high levels of security and good conduct with those associated with any gaming operations that emanate from the Island. The intent is to at least match the standard of regulatory control that is required by Australian jurisdictions. The concept that well regulated gaming which presents and maintains integrity throughout is a very marketable commodity and one that is best able to engender public confidence and hence revenue, and promote the good reputation of the Island. It will be noted that in general internet bets from players within Australian or a Norfolk Island registered address will not be accepted. It is important that a good relationship with our counterparts in Australia is maintained. Also, being a Commonwealth territory it is considered that it would not be acceptable to diminish in any way a revenue stream available to States and other Territories of Australia. As to the rest of the world there are ongoing deliberations in the United States about making internet gaming illegal but it is not necessarily seen as our role to establish which countries have a ban on internet gaming or to determine what an operator might do in those circumstances. Operators will be

informed that they should carefully consider matters of this kind and make their own commercial decisions. Approved gaming systems will guard against betting by minors. Also systems will be required to allow a player to set bet limits and they will possess a cautionary trigger mechanisms if large deviations and bet amounts occur, thereby dealing responsibly with potential problem gamblers, and that Mr Deputy Speaker certainly was a point that was highlighted in the recently released draft Productivity Commission Report. There is of course a vast reservoir of internet business, both gaming and commerce that is available in this changing world. Norfolk Island appears to be uniquely placed to take advantage of that market and the intention is to put the Island in the best possible position to capitalise on that opportunity. The duty or tax rates that have been determined by the Government is set out in the Brief to Applicants document. These rates are very competitive when compared with the rates applying in other jurisdictions, however it is clear that they have been deliberately set to attract internet gaming interests on a world wide basis and they take into account the additional costs that must be born by applicants or licensees such as the high establishment costs associated with providing a quality communications and Banking infrastructure on the Island, the cost of investigations of applicants, the financial Institution Levy, the Administrative levy, bonds requirements, the cost of obtaining Systems Appliance Approvals and the need to be competitive in a world market. Turning to communications Mr Deputy Speaker, of major concern is the coordinated development of a high quality communications infrastructure on Norfolk that has sufficient capacity to service all operators. The Island is currently served by a 64K cable, the ANZCAN cable linking Sydney, Norfolk, Fiji, New Zealand etc. It was installed in 1983 and it is in good condition. Shore establishments have been upgraded recently according to Telstra. Telstra provides the international telecommunications network link for the Norfolk Island Administration which enables Norfolk Telecom to provide services such as internet, telephones, international toll free, country direct, private and bureau services and paper. This international network link has been previously upgraded to provide both digital and analogue transmission technology. Telstra has advised the network link will be able to provide any and all digital band capacity necessary to operate an internet interactive gaming service from the Island. In addition it will be possible for direct connectivity into Telstra's World Wide Internet backbone. Telstra have indicated that they will have over 500 megabytes of internet capacity with the USA and approximately 35 megabytes of internet capacity in the Asia Pacific Region. Telstra are prepared to negotiate rates for this service and no doubt the Administration through Norfolk Telecom would be prepared to do likewise. It would seem to the Authority that a coordinated approach would be the best method to provide the best service at the best price possible whilst still maintaining a reasonable margin of returns to Norfolk Telecom. Some inquirers have indicated that a satellite option is not out of the question and others are looking at the prospect of locating the web servers elsewhere as they do take up band width, with the gaming server being located on the Island. If it is their wish, applicants are being referred to a knowledgeable contact person within Telstra and Optus and Norfolk Telecom. While it will be up to applicants to source backbone providers with regard to communication capacity and negotiate with them, the Authority has taken the view that before any commitment is made, proposals relating to communications will have to be submitted to scrutiny. The concept is to ensure that communications facilities are not being used to obtain any exclusive position but also to force a rational approach to obtaining a quality communications infrastructure that is in the best interest of all potential users including Norfolk Island residents. A number of enquiries or expressions of interest have been received to date and so have applications. these have been unsolicited but the message has clearly been spread that Norfolk Island may have something definite to offer in regard to gaming opportunities. A Register of Enquiries shows that to the end of June 17 enquiries have been received. Of this number eight are from solicitors, accounting firms and other middlemen types. They may

however influence their clients in regard to the advantages of a Norfolk Island operation and therefore they are being well serviced with information. The remaining nine are from persons, groups who appear to have the capacity to proceed with an application and develop a substantial operation. Having established the working environment and having developed an informative and comprehensive package of detail for applicants the next step is to market the opportunity that's been offered while progressing applications received to date through the investigative stage and determining in precise detail the conditions of any licence that may be issued. Marketing will be handled through a website, through the placement of information and relevant publications, through the exposure that can be obtained by influencing favourable comments in articles written on the net or elsewhere about gaming issues, through direct approaches, through attendance at selected conferences and possibly through a Norfolk Island exhibit at the next world gaming conference and exhibition to take place in the USA in September next year. Money for such marketing efforts have been included in the draft budget of the Authority. While news spreads very quickly by word of mouth when internet initiatives become known, it is important that the best qualified corporations be approached where ever they might reside and that every effort is made to bring to their attention that Norfolk Island is a safe harbour for well regulated and well presented interactive gaming and very possibly e commerce transactions. With regard to applicant investigations the co-operation of the Australian Federal Policy is being obtained concerning the completion of background checks on applicants. The Director has met with senior officers of the AFP in Canberra on the 24th June to finalise these arrangements. A concern was indicated regarding the protection of our legislation. The protection our legislation provides in relation to the passage of sensitive information from the AFP to the Authority. This concern is currently being addressed. It is intended that investigations will be conducted in accordance with parameters set and agreed between the Director and the AFP. The scope of the investigative audit will be determined after careful consideration of each applicant. Where an applicant or a person associated has already been investigated by another jurisdiction that is considered to operate according to good investigative practice, and the outcomes are available, such groundwork will not be duplicated. Investigative costs, that is, the costs born by the applicant, will be minimised as a result and the authority has an over-riding concern to ensure the investigations are carried out in a responsible manner. To sum up Mr Deputy Speaker, there are other matters of interest which I think need to be drawn to Members attention and I mentioned previously the Productivity Commission Enquiry into Australia's Gambling Industries and I make mention of that now. The Federal Treasurer activated a National Public Enquiry into Australia's Gambling Industries in April 1998. In its Terms of Reference the Productivity Commission was asked to report on the economic impact of the gambling industries including relationships with other industries such as tourism, leisure, other entertainment and retailing and the social impacts of gambling industries including the incidence of gambling abuse, the cost and nature of welfare support services, the redistributive effects of gambling and the effects of gambling on community developments and the provision of other services. Other matters to be examined included the effects of regulatory structures including licensing arrangements, entry and advertising restrictions and differing taxation arrangements. The implication of new technologies such as the internet, the impact on Commonwealth, State and Territory budgets and the adequacy of ABS statistics on gambling. The Norfolk Island Government was asked on the 26th May this year to make a submission to the Commission and to refrain from entering into irrevocable commitments with internet gaming operators until the Joint Commonwealth, State, Territory consideration of the Productivity Commissions Report is complete and a joint approach determined. This approach was from the Federal Minister for Regional Services, Territories and Local Government, Senator the Honourable Ian Macdonald. The Commission is now at the end of the period in which submissions are accepted and hopes to be in the possession, and has in fact

completed the draft report by early July. This draft is now open to scrutiny and comment and a final report will then be presented. Because of the urgency attaching our Submission was immediately prepared and it has been sent. The Submission outlines our activities to date, mentions the beneficial economic and social impacts and underlines the point that an adverse impact on residents of Norfolk Island and Australia will not emerge. Attention was drawn to the following issues. An additional and constant revenue stream is of prime importance to the Island. The establishment of an additional banking facility and high grade communications to and from the Island are also important. Part of the initiatives is to ensure that the tourist attractions of the Island are married with the marketing of gaming products in a manner that is pleasing and positive. The economic impact to the Island is therefore multi strand in nature. For example, increased revenue, quality communications and banking facilities, a greater exposure regarding tourism and more local employment are all part of the impact. The Submission speculated on the benefits or advantage a quality communications on Norfolk Island might have to the Australian Government for either Defence or other terms and surmised that there can be no adverse impact on the Commonwealth Government or its revenues. In short it was submitted that it does not seem to have any adverse impact, quite the reverse. While participating in this Enquiry in a positive way, there is concern that the Federal Minister requested an assurance that we refrained from entering into irrevocable commitments with Internet gaming operators until the Commonwealth State Territories consideration of the Commission's Report is completed and a joint approach determined. To accede would surely delay our initiatives by twelve months or more. Meanwhile the Northern Territory has already issued an internet licence and other States have called for applications. Gaming is clearly a Schedule 2 matter but being conscious of the pre-eminence of the Commonwealth Government a cooperative approach has been adopted. To this end the Director has visited Canberra and has spoken with Staff of the Productivity Commission. It should be noted that pressure is being exerted by the USA in particular in regard to prohibiting internet gambling and that anti gambling pressures are building within Australia and are being fuelled by some politicians and others by references to adverse social impacts of gambling. Of course the fact that we are not directing our gaming towards Australians would seem to placate such concerns. Effort has been made and will continue to be made to ensure a spirit of cooperation and goodwill is developed and maintained towards Australian and new Zealand jurisdictions. In this regard approaches have been made to senior officials in Queensland, New Zealand, the Northern Territory the ACT, Victoria, Tasmania and South Australia. Although there is no intention on our part to tap into the local market of the Australian jurisdictions, there is a degree of competition for operators and this applies in particular to the Northern Territory where the duty rate is low. Our reception is dependent on how we are perceived in competitive terms. To this date the reception received from the major jurisdictions has been considerate with Queensland in particular being most helpful. Norfolk Island will be seeking to be included in the list of entities to which information may be disclosed by various jurisdictions. This will greatly assist investigations and other administrative matters. With our gaming initiatives Mr Deputy Speaker, the intent is to operate responsibly and with sound practical and proven control procedures in place. We are conscious that we not only need to have well ordered and well structured controls and regulatory practise in place, but we must be seen to be so organised and managed. I am confident about achieving our goals since the inception of the Authority good progress has been made and I'm certain a rate of progress will be maintained. Mr Deputy Speaker I move this paper be printed.

DEPUTY SPEAKER

The question is the Paper be printed. Any further debate?

QUESTION PUT

AGREED



The ayes have it. Any further presentation of Papers

MR ROBERTSON Thank you Mr Deputy Speaker. I table the Inbound Passenger Statistics for June 1999 and move that the Paper be noted

DEPUTY SPEAKER The question is that this Paper be noted

MR ROBERTSON Thank you Mr Deputy Speaker. This is the last month of the last financial year which shows us that we have 36,467 visitors arrive on the Island in the 1998/99 period which is 841 more than last year which was of course as you all know a record year. What it does do, is it indicates to us that over the last three or four months there has been a slight reduction in numbers coming and that was for many reasons but each of those reasons has been looked at by the CNI and efforts have been made to ensure that there is continuity over a period of twelve months rather than an influx that occurred last year over the first six month period. To that end there has been some significant changes to our industry in that Norfolk Jet Express who has been a reduction in flights and have moved from the aircraft they were utilising before into the Air New Guinea 737, announced a week or two ago that through Qantas that they had taken on a co share arrangement with Norfolk Jet and that would be effective as from the 22 August of this year. Following that there has been a further release from Qantas Holidays saying that as from the 1<sup>st</sup> September they will be putting Norfolk back into Airplan destinations and that Norfolk will benefit from having the Qantas Corporation in behind them and so I guess they will be utilising the Norfolk Jet Express flights and I think people will notice that this last week in the newspaper there was a Press Release by them. On top of that we've got Flight West now flying on a regular basis on Tuesday, Thursday, Saturday and Sunday with the F100 and that has also opened up the Sydney market. They too are negotiating with Ansett Australia to attempt to not only co share but to increase the exposure from Ansett Holidays. This is still under negotiation and I have no doubt that in the near future there will be an announcement made by both Ansett and TNI as to the results of those negotiations. So it augers well for Tourism Norfolk Island in as much as we have two major players getting in behind us and on top of that there has been as I read out last Assembly, a number of new wholesalers coming on line which are all interested in selling the product. The results of that will be that we are trying to stabilise I guess the numbers of tourists coming into a more regulatory regime spread over a period of time rather than have, as we experienced this year, a big influx prior to the first six months and then a sudden drop in numbers for a variety of reasons as I said before, for the last three or four, so if we can spread the weight a little bit more evenly it would be more beneficial to us. There are a number of other initiatives that TNI are picking up and will be progressing over the next three or four months to ensure that the numbers remain stable if not better as we work towards the goal of bed nights of 240,000 by the year 2003. Thank you

DEPUTY SPEAKER Debate. The question is that the Paper be noted

DEPUTY SPEAKER Further participation. No further participation. The question is that the Paper be noted

QUESTION PUT

AGREED

That Paper is noted

MR SMITH Thank you Mr Deputy Speaker. I would like to table the document that I as Minister for Finance and Strategic Planning pursuant to subsection 32(a) of

the Public Service Act 1979 directed the Finance Manager or the Accountant for the Territory to transfer from the Revenue Fund to the Head of the Trust Fund known as the Suspense Account the amount specified in column 3 of the Schedule for the purpose of meeting liabilities incurred in the year ending 30 June 1999 in respect of the matters specified in column 2 of the Schedule

DEPUTY SPEAKER  
and  
we move to statements.

Thank you. Further Papers. We have concluded Papers

## STATEMENTS

MR SMITH  
Thank you Mr Deputy Speaker, I have a short statement to make. There is an amount of heavy equipment that is to be imported for the upgrade of the telephone exchange at Norfolk Telecom. Because of the weight and delicate nature and size of the equipment it is to be brought to the Island by the Royal Australian Airforce Aircraft. I would like to put on the record our thanks to the assistance of the Administrator's Office and the Royal Australian Airforce for arranging for it to be flown here. The RAF has always assisted Norfolk Island when requested in bringing in equipment that otherwise would not be possible to bring in by normal means, as well of course, providing the valuable medevac flights that have operated on short notice to the Island and saved many people's lives over many years and I record our sincere thanks to all those concerned

MR GARDNER  
Thank you Mr Deputy Speaker. Following on from George's Statement, there was reference made to the Medevacs. I have a Statement this morning on the Medevac procedures and will be seeking to table those procedures in the House. Mr Deputy speaker recent events and a level of concern within this community, makes it necessary today to make some comment in relation to the procedures followed in the case of medical evacuations, or Medevacs as they are called, from Norfolk Island. The Medevac procedures provide a guide, to the necessary steps to follow prior to seeking assistance from the Royal Australian Airforce. In intend Mr Speaker as I mentioned, to table the full text of the Medevac procedures, however the most important issues are covered in the first four sections. Those issues relate to how a request for assistance is determined and on what grounds an RAAF Medevac is approved.

I quote from the text of the procedures Mr Deputy Speaker -

Medevac Flights (Hercules) are normally self-contained, with all the necessary personnel and support equipment. The basic requirement of the Administrator is that he feel able to support a request for Medevac after being notified:

- (a) that evacuation is necessary to save life; and
- (b) that civil air transport would be unsuitable or unavailable.

(Note: In commenting on (a), the Secretary of the Department of Defence advised that the definition of the requirement o "save Life" has proved somewhat vague and all requests are taken on their individual merits. The Air Force medical authority who assesses such requests takes all circumstances into account before reaching a decision. This has inevitably led to a compassionate interpretation of the criteria.)

As regards (a), the Administrator would normally expect to rely upon the professional advice of the requesting Government Medical Officer or GMO supported by any other medical opinion available to the GMP.

As regards (b), that civil air transport would be unsuitable or unavailable, the RAAF should not be approached until any appropriate civil avenues of possible assistance have been exhausted.

The Administrator would normally expect to be similarly guided by professional medical advice as to the suitability of travel on civil aircraft, given the patient's medical condition."

I believe, Mr Deputy Speaker that these guidelines are and have been interpreted by those involved in the process in different ways. The text refers to a compassionate interpretation of the necessity to save life. To me, the most contentious issue that remains is the suitability or availability of civil air transport. Mr Deputy Speaker that refers to whether it is possible to evacuate by means of regular passenger aircraft or by a commercial medical retrieval carrier. Our medical staff in conjunction with advice from specialists in Australia or New Zealand as the case may be, firstly determine whether a patients can utilise these services. Can the patient be stabilised. When are the aircraft scheduled. What staff would be needed to accompany the patient. Do the passenger aircraft indeed have the space. What equipment would be necessary. What could go wrong.

Lots of questions requiring answers. There are times Mr Deputy Speaker when it is determined that the passenger aircraft evacuation is either unavailable or unsuitable. There is no doubt of that.

The next step is the commercial Medevac services. An up front payment by those companies is normally requested and has varied from quotes of \$25,000 through to \$30,000. Not a problem if travel insurance or private medical retrieval insurance is involved. The problem arises where insurance is not involved. The question is then, is it appropriate to increase the stress and trauma already being suffered by a patient and family when life itself hangs in the balance. To ask for an up front payment or guarantee of up to \$30,000. Is that compassionate? Is that humane Mr Deputy Speaker. That is abhorrent. But who makes that running assessment of the ability to pay. Should it even be necessary. Do we wake up the Bank Manager at 3 in the morning to approve a loan. Means testing Mr Deputy Speaker is not acceptable. Delays in requesting assistance occur at times - not when they are life threatening delays. As you are aware our Healthcare scheme provides \$200 cover in the vent of any type of evacuation. It doesn't provide the necessary cover for catastrophic events and Mr Deputy Speaker the scheme was set up to provide comprehensive cover in the event of a catastrophe. To be fair I don't believe Medevac costs was an issue at the inception of the scheme. It has now become an issue. Even a passenger aircraft evacuation can amount o many thousands of dollars and on top of that such an evacuation can leave the Island short of staff and involve vital medical equipment creating a potential risk if required for other emergencies whilst absent from the Island.

As Minister for health Mr Deputy Speaker I have the discretion to approve all medical and evacuation costs but only to those residents hw3o are recipients of Hospital Medical Assistance in the Social Services system and then only to a level provided by the Category or percentage cover that individuals are groups. I have used that discretion or I should say, been in a position to need to use that discretionary power only once. At 3am on New Years Day this year, a patient required on specialist advice, immediate evacuation without delay by the swiftest possible means, in an effort to save the patients life. With a two hour fifteen minute flight time the commercial medical retrieval was the best option. The patient subsequently deteriorated and required further mechanical ventilation and fortunately the retrieval team arrived and arranged prompt life saving treatment with clotting factors which were not available on the Island and the patient was then evacuated. The question here, is if the patient was not covered by HMA, and being unconscious with no resident family and urgent and immediate evacuation required, who would foot the bill?

Mr Deputy Speaker in an attempt to resolve these issues I've outlined, and to provide answers to questions raised - options are being pursued. For example, insurance options to cover the resident population in case of Medevac requirements. Modification of the Healthcare Scheme by way of reassessing covering some areas. Maybe even looking at reciprocal health agreements with Australia. Also Mr Deputy Speaker this issue and a number of health related issues which I

will mention later on today are agenda for discussion at next months InterGovernmental Meeting. In the interim in an effort to avoid delay, to not add to stress and trauma and other problems in emergency Medevac situations and in an effort to allay fears in the community, there has been discussions health between myself and the Office of the Administrator and his Office and Department of Defence personnel.

This has resulted in clarifying the issue in so far as commercial retrieval options are concerned as they are as follows. Having determined that a commercial option is unavailable or unsuitable, taking account of the factors outlined previously the RAAF should be advised. This will then allow the RAAF personnel to make an appropriate recommendation to the decision makers within the Department of Defence.

Mr Deputy Speaker since 1996 the RAAF have come to our assistance on fourteen separate occasions with Medevac services and to them this community is indebted. Mr Deputy Speaker the remainder of the procedural text deals mainly with contact numbers, particulars of patients requirements and who to notify. For the community's benefit I propose to publish the first four sections that I quoted before of the procedures in the Norfolk Island for community information purposes. The procedures I am tabling now cover Medevacs to Australia but on the whole these mirror the New Zealand requirements and I think just before I finish Mr Deputy Speaker I need to stress the point, there is absolutely nothing to indicate that the RAAF are thinking of withdrawing, or will withdraw their service to Norfolk Island. It is a current Medevac option. An option available by following long standing procedural guidelines. Thank you Mr Deputy Speaker and I move that the Statement be printed

DEPUTY SPEAKER

The question is that the Statement be printed. Any debate?

QUESTION PUT

AGREED

The ayes have it thank you

MR ROBERTSON

Thank you Mr Deputy Speaker. I recently attended the Tourism Ministers Conference which was held in Perth on the 8<sup>th</sup> and 9<sup>th</sup> of June. --Attending were the Tourism Ministers from the Commonwealth Jackie Kelly New South Wales, Sandra Novi, Victoria, Louise Asher, represented by Graeme Stoney, MP Queensland Robert Gibbs Western Australia Norman Moore South Australia Joan Hall Tasmania Jim Bacon Northern Territory Mike Reed A.C.T. Kate Carnell represented by David Marshall New Zealand Lockwood-Smith and myself. Apologies were received from Papua New Guinea. Agenda Items included a report on the Australian Tourist Commission Activities. (Members will recall that a special dinner was held on Norfolk last year at which John Morse, the Managing Director of ATC was guest speaker). There is big moves in the direction of promotions and product advertising with accent on the web sites. The popularity of these sites are increasing daily with the number of hits being recorded exceeding expectations. The ATC is concentrating on areas other than the Olympics. The Sydney 2000 Olympics Report was very comprehensive and a copy of that report is being sent over to us under separate cover. Whilst there is a huge amount of hype regarding the Games the lack of knowledge of when the Games are to take place is astounding. In a survey conducted of 2600 Travel Agencies in Australia 68% could only answer "some time in the Year 2000". Norfolk will be endeavouring to put initiatives in place to attract visitors travelling to attend the Games extending their trip to include Norfolk. There was a huge push to develop a new level of co-operation for Domestic Tourism. This plan is to encourage Australians to holiday at home and strong financial support is being pledged by Commonwealth, State and Territory Governments and the Tourism industry. \$16 million will be spent over the next three years for this initiative, which will address the fundamentals needed to lift the

domestic market to new heights. Whilst Norfolk does not quite fit into this picture it can and will have access to the tourism data bases as they come available and will be utilised to the best advantage for Norfolk. One interesting topic was the "Licensing of Inbound Tourism Operators and the Accreditation of Tour Guides". This paper was presented by Queensland and it identified a number of unethical practices in the inbound Tourism industry that have a direct, negative impact across the whole spectrum of industry including Government. The desired outcomes were debated at some length and Queensland have taken it on board to produce a Discussion Paper for Travel Agents review. This paper is due to be finalised in December 1999. Other Agenda items were Tourism Statistics from International Passenger Cards and Scoping Study for National Tourism Research Strategy. A paper was given on the Productivity Commissions Report on International Air Services. The background to this was the Governments response to the Productivity Commission Report into International Airfares on 3 June 1999. It agreed to adopt the majority of the Commission's recommendations to further liberalise air travel between Australia and the rest of the world. In future, bilateral "open skies" arrangements will be negotiated with like minded countries. This means removing all restrictions on capacity and frequency, code sharing on each others airlines, routes, multiple designations of airlines and prices. Where "open skies" cannot be achieved, or is not in the national interest, the most liberal arrangements possible will be pursued. This means that tourism will benefit by expanded networks and more competitive airfares. There is also the possibility of more price competition in the domestic market. Two other papers were discussed, the Action Plan for Sustainable Tourism and National Action Plan for Tourism. Both of these Papers contained a heap of information which will be of benefit to Tourism Norfolk Island in their consideration of opportunities, both individual and collaborative, to ensure tourism remains a vibrant commodity for Norfolk. Thank you Mr Deputy Speaker

MR GARDNER

Thank you Mr Deputy Speaker. Ron did ask me a question earlier during Questions Without Notice in regards to a Waste Management Strategy and how that's progressing. I did get the undertaking then that I was going to make a Statement. To provide some background for the benefit of listeners there were a couple of questions asked of me some two or three months ago in regards to the development of a waste management strategy on the Island and I had informed the community that a committee was being formed to advance the development of a waste management strategy and basically the statement today gives the results of that and exactly the direction we are heading in. Norfolk Island Waste Management Committee was formed in April 1999 to generally progress the development of a Waste Management Strategy for Norfolk Island. The Committee comprises myself as Minister for Health, Mr John McCoy Member of the Legislative Assembly and representing the Accommodation and Tourism Association, His Honour the Administrator Mr Tony Messner, Owen Walsh the Official Secretary, Mrs Barbara Elvey representing the Chamber of Commerce, Mr Bruce Walker representing Foodland and ably assisted by Ian Kiernan in Bruce's absence, Mr Lester Semple former tip contractor, Mr Neil Tavener, Health and Building Inspector for the Administration and Ms Jodie Brown, Projects Officer with the Administration. The Committee's initial task was to prepare an application under the Coast and Clean Seas programme which is part of the Natural Heritage Trust for funding towards an improved Waste Management System for Norfolk Island. The chance to apply under this programme was seen as a vehicle and to set a time date that would see a proper Waste Management Strategy developed on the Island and set a time frame for that. It's been valuable in that degree. The goal of the Coast and Clean Seas Programme is to accelerate activities in the national interest to achieve the conservation, sustainable use and repair of Australia's coastal and marine environment. The strategy to improve current waste disposal practices at Headstone focusing on an improved burning facility

meets the objectives of that programme. The current position, the application was submitted to Environment Australia in May. Representatives from that Department recently advised that the application had passed the initial feasibility assessment. A report is currently being prepared to submit to the Coast and Clean Seas Program Manager with a recommendation from the technical assessment panel. If the application passes that stage it will be submitted to the Minister for Environment and Heritage with a recommendation on funding. The process however does take some months. However representatives advise that the proposal is an appropriate project for that program. The application did not seek a specific amount of funds, it sort funds to assist in meeting capital and start up costs such as the purchase of capital items including a modern burning facility. The Strategy: The proposed intergrated waste management strategy is summarized as follows: A focus on waste reduction, recycling, reuse, composting, burning and removal of recyclable waste where possible, with the overall aim of reducing the environmental impacts on the surrounding ocean. A centralized waste management centre for delivery receipt of all rubbish and sorting of disposal by either composting, compacting and recycling, locally or off island, incineration and disposal at sea. The infrastructure will include a more efficient burning facility than the current cage and pit e.g. a modern incinerator, a shredder to mulch green waste, a bob cat -front end loader to sort and distribute waste, glass crusher to smash glass prior to export or disposal into the ocean or any other use that is found for glass, various bins for waste to be sorted on delivery, sheds and shelter to house equipment and protect stored waste, vehicles to transport waste from the integrated management site to jetty's for shipment and the burning facility still proposed to be located at the Headstone bottom tip. Composting facilities including composting of sewerage sludge from the sewerage treatment plant. A major component in the implementation of the strategy will be community education which will encourage domestic composting, reduction in waste generation, reuse and recycling where possible and an improved awareness of the impacts of poor disposal practices. Issues which are currently been investigated to fully cost the waste strategy include: a determination of the volume of waste produced on the island daily and a breakdown of the type and waste of volumes, a definition of the desired capacity of the proposed burning facility, negotiation and identification of markets for recyclable materials off shore and identification of a suitable site for an integrated waste management center. It is expected that a comprehensive waste management strategy including costs and an implementation program will be prepared over the next month so that the committee is in a position to provide more details in the assessment of the application if necessary. I wish to point out Mr Deputy Speaker that we are certainly not hanging our hat on the success or otherwise of the application what ever the outcome of that application, we will have a completed waste management strategy for Norfolk Island, and then the next step will be up to the members of this assembly as to exactly what degree they wish that strategy to be implemented. Thank you Mr Deputy Speaker.

MR ROBERTSON

Thank you Mr Deputy Speaker, my turn. I have a statement to make on the Energyfirst details which I understand there have been some enquiries and queries raised from within this forum and from outside as well. The form is contract with Energyfirst for energy conservation measures at the Administration facility involves the following areas: 1) The power factor correction of the island's electricity supply. 2) Installing inline diesel fuel conditioners on the five diesel generators, upgrading the lighting within the government offices in the Kingston area, upgrading the lighting in the new airport terminal building and installing an intelligent motor controllers on the sewerage treatment plant pumps. Prior to the formulation of the performance contract both an energy survey and a detailed facility study were conducted by Energyfirst and the detailed facility study cost the Administration \$27,600.00. The Energyfirst project is expected to result in large reductions in energy usage and greenhouse admissions, but

also result in annual saving costs for the Administration of \$207,000.00 per annum over the next fifteen years. The total cost of the project should not exceed \$366,000.67. At this point the Administration has paid \$27,600.00 which is the cost of the initial detailed study. The expected benefits arising from the implementation of the Energyfirst project included..1) The combined energy savings of 180KBA or 363,330 litres of diesel saving, that is equivalent to an annual cost saving of \$207,000.00 over the next fifteen years. Energyfirst contractually guarantees annual savings which is measured in diesel consumption at the powerhouse of \$167,000.00 that is, if our fuel saving is valued at the fixed price, do not equal the \$167,000.00, they will pay us the difference. 2) The overall reduction of 1,077 tonnes of CO2 admission the net present value 1.182 million and an internal rate of return at 53.1% of the entire project reduce maintenance costs which are quite substantial. A minimum of 15 to 20 year life, the power factor and motor controller equipment, an average of 6,000 hour lamp life for lighting and allowing increase load to be added to the island's electricity network. We do have some difficulties: the difficulties have arisen in implementing the Energyfirst project. The power factor correction unit after operating satisfactory for a couple of weeks began to malfunction and has been shut down pending identification and resolution of the problem. The electricity service, Energyfirst and the suppliers have been working on solving this problem. Some of the energy efficient lighting supplied has been rejected. Fuel consumption monitoring devices which are necessary for the contractual guarantee for the measured and fuel savings were not appropriate for the powerhouse generators. Now all of these issues are currently being examined by the Administration and hopefully will be resolved in the not to distant future. Thankyou.

DEPUTY SPEAKER Thank you. Further statements this morning. No further statements, we have concluded statements, Honourable Members.

#### **MESSAGE NO 148 FROM THE OFFICE OF THE ADMINISTRATOR**

Honourable Members, the Speaker has received the following message from the office of the Administrator: it is message number 148, which reads: on the first of July 1999 pursuant to section 21 of the Norfolk Island Act 1979, I declared my assent to the Statutes (Amendment) Fees Act of 1999, which was Act Number 10 ..1999, and the Customs (Amendment) Number 2 Act of 1999 which is Act Number 11 of 1999. The message is dated the first of July 1999 and signed Owen Walsh Deputy Administrator.

#### **NOTICES**

We are at Notices Honourable Members, Notice No 1:

#### **NORFOLK ISLAND ACT 1979 - TERMINATION OF APPOINTMENT TO EXECUTIVE OFFICE**

MR BROWN Mr Deputy Speaker I propose to defer moving this motion until our next meeting, and I should give a reason for that. I had been of a view that after the termination of the Chief Minister's appointment, his responsibilities could be shared amongst the other three members which would have involved significant cost savings for the remainder of this Assembly, and would have avoided the necessity for a new Minister to get up to speed for the responsibilities, however the other Minister's have advised me that they would prefer that their workloads not be increased because they each have projects on which they are working, that they want to ensure they get completed, so I propose to defer moving the motion until our next

meeting, and to include a further motion at our next meeting to appoint an additional person to Executive Office

MR NOBBS Thank you Mr Deputy Speaker. I object strongly to this particular course of action. I don't think it's warranted and the motion should either be put or pulled. One or the two because it is actually quite a destabilising motion. It's destabilising not only to the Chief Minister himself but to the Government in particular. It's destabilising to our arguments with the Commonwealth Government and I would suggest that this motion proceed or be pulled and I would so move

MR McCOY Yes Mr Deputy Speaker I ...

DEPUTY SPEAKER Yes. Let's just get the procedure straight Honourable Members. We do have a motion that is proposed by Mr Nobbs. Leave needs to be sought for that motion to come forward and I ask if leave is granted for that

MR SMITH Could you please repeat what the motion was again please Mr Deputy Speaker

DEPUTY SPEAKER I interpreted Mr Nobbs proposal was that he asked the House that the matter be proceeded with or withdrawn. Is that clear. Have I mis-stated that Mr Nobbs

MR NOBBS No. It's perfectly clear. I don't believe we should go ahead with this other business at this stage. It can be sorted out very quickly who will take on who's responsibilities and I'm not in support of the original motion at all, I can assure you of that but I think it must be brought on now, people expect it to be brought on and in the interests of the Island I think it should be brought on

DEPUTY SPEAKER Is leave granted for that motion to be brought on  
Would the Clerk please call the House

CLERK	MR SMITH	AYE
	MR BUFFETT	AYE
	MR BATES	NO
	MR ROBERTSON	AYE
	MR GARDNER	AYE
	MR ION ROBINSON	ABSTAIN
	MR McCOY	AYE
	MR NOBBS	AYE
	MR BROWN	NO

DEPUTY SPEAKER The result of voting Honourable Members, the ayes six the noes two and there is one abstention. That means that the motion is approved to be brought on. Mr Nobbs, as proposer of the motion you have the first call

MR NOBBS Thank you Mr Deputy Speaker. The motion put by Mr Brown is not a joke, it's deadly serious. It's a motion that I believe is not moved in



condemnation of performance, the motion is yet another vindictive attempt to get even with those supporting Mr Brown's removal

MR BROWN Point of Order

DEPUTY SPEAKER Point of Order Mr Brown

MR BROWN Mr Deputy Speaker casting imputations against another Member is not allowed under Standing Orders and I ask that Mr Nobbs be brought into line

DEPUTY SPEAKER Yes, that's perfectly so Mr Brown. Mr Nobbs I would ask you to contain your remarks within the parameters of Standing Orders please

MR NOBBS Certainly. I don't know but I believe it's an attempt by Mr Brown to get even with the Chief Minister and that's the

MR BROWN I raise the same Point of Order Mr Deputy Speaker

MR NOBBS What? Can't we say anything here

DEPUTY SPEAKER Please bear in mind what I've earlier mentioned Mr Nobbs

MR NOBBS I will do. I understand that Mr Brown has threatened George verbally and I believe in writing and

MR BROWN Point of Order Mr Deputy Speaker

DEPUTY SPEAKER Yes Mr Brown

MR BROWN To suggest that I have threatened the Chief Minister in some fashion is again an imputation and I ask that Mr Nobbs be brought into line

DEPUTY SPEAKER Mr Nobbs, could I just remind you of the motion that you have proposed which is that this matter be brought on now or the matter be withdrawn. Could we confine our debate to that matter and then depending upon that we will come to the substantive matter or not come to the substantive matter

MR NOBBS Thank you Mr Deputy Speaker. As I said in my initial remarks, this motion put by Mr Brown for whatever reasons he thinks they are necessary, if we don't do something straight away, it is quite destabilising to the position of the Chief Minister, he's put him under additional pressure, this has been on for several weeks now this pressure on the Chief Minister, its destabilising to him, to the Government in general, to the other Members of the Government and I don't believe that we should allow this to continue. There is no reason whatsoever to suggest that these other three guys can't handle the particular arrangements in the immediate future. We are looking at having another Assembly in three weeks time which if there is a spill and I would hope sincerely that there is not, that it could be dealt with there and somebody could be sworn in or the like so I would suggest to you that particularly in view of our current arrangements with Australia and our arguments that are going on in that area that we must get rid of this once and for all today, thank you

DEPUTY SPEAKER Thank you any further debate? The question before us is that the matter should be brought on or withdrawn, Mr Brown

MR BROWN Thank you Mr Deputy Speaker. Could I bring to the House's attention firstly that I have not moved the motion at this stage. Secondly that I have the ability to withdraw it if I so choose and thirdly I have the ability to restore it at any time that I so choose. Now if it makes Mr Nobbs happy for me to withdraw it today and restore it on a later occasion, that's exactly what I propose to do

MR SMITH Thank you Mr Deputy Speaker, as to whether this should or shouldn't come on today my view is that it should. I spoke to Mr Brown about this on Monday when he indicated that he may not bring it on or defer it for a month and I said, John if you are going to do it, do it. There's no point beating around the bush, there's no point making any excuses. Let's just get it over with. This has been going on not just for a few weeks as Mr Nobbs has said, it's been going on for two years and I think we really need to put it to the test and if I fail in convincing other Members to not support the motion so be it. But if Mr Brown succeeds in what he is trying to do so be it, but let's just get it out of the way. We've got a lot of work to do, we've got enough on the notice paper today, we've got an intergovernmental meeting coming up in the next month with the Minister for Territories, we have all sorts of issues around that we've got to get on with so for goodness sake John, move the motion and get it over with

DEPUTY SPEAKER Further debate? No further debate, then I'll put the question to Honourable Members which is that it should be brought on or withdrawn

QUESTION PUT

Would the Clerk please call the House

CLERK	MR SMITH	AYE
	MR BUFFETT	AYE
	MR BATES	AYE
	MR ROBERTSON	AYE
	MR GARDNER	AYE
	MR ION ROBINSON	AYE
	MR McCOY	AYE
	MR NOBBS	AYE
	MR BROWN	NO

DEPUTY SPEAKER The result of voting Honourable Members, the ayes eight the noes one, the ayes have it, the decision of the House is that the matter should be brought on or withdrawn. Mr Brown

MR BROWN Mr Deputy Speaker for the purposes of today's meeting I withdraw the notice of motion

DEPUTY SPEAKER Thank you Mr Brown

**COMMUNITY HEALTHCARE CENTRE FOR NORFOLK ISLAND**

MR NOBBS

Thank you Mr Deputy Speaker, I moved at the last meeting that this House appreciates the efforts by members of the community in promoting the concept of a Community Health Centre for Norfolk Island and agrees to progress the concept. Mr Deputy Speaker my motion placed on notice at the last meeting was to ensure that the petition regarding a proposed health centre introduced at the last meeting would not rest there. Mr Deputy Speaker the Community Health Centre means different things to different people. Opinions of what the Norfolk Island proposal means vary widely. In fact its been suggested in one quarter that this group wants to set up in opposition to the Hospital. The facts Mr Deputy Speaker do not suggest this and you can be assured that this motion would not be before us if this were the case. I stated earlier that people imagine Health Centres differently. My experience of a Health Centre is Borroloola on the Gulf of Carpentaria, a small town, population varies, possibly in my time a maximum of 500 servicing a large district with the nearest hospital about five hours drive or over an hours flight. Borroloola has a Health Centre staffed by nurses who also provide a District Nurse service, no doctors, they visit from time to time or patients fly, drive to them. The proposals put in supporting the Norfolk island Health Centre is vastly different to say Borroloola. The proposal is put by the group for a facility to compliment what is available at the Hospital. It is proposed that the facility will act as stage 1 in what is simply put as a three stage healthcare programme. Stage 1 is the Health Centre, stage 2 is the Norfolk Island Hospital and stage 3 are offshore centres to which patients are referred. My motion is designed to progress the concept. It does not say let's go, build and staff a facility. There are too many unanswered questions for this and a major concern to me is the expectations of some in the community as to the services provided. One area we should but do not demand far greater emphasis is that of preventative programmes. This is an example where such a centre could in my opinion have a major impact both socially and provide a long term financial benefit to the island. Comment was made to me recently how isolated we are. Compared to places like Borroloola we are nearly in the big city league. A hospital, three doctors, regular visiting specialists, in the community we have a large number of trained nurses. On the other hand Borroloola is nearly Utopia healthcare wise compared to other places in outback Australia where communities live and work. As to the cities I suggest, plan. I know that's a difficult word around this table but in the Australian cities you literally have to plan an illness in advance. Don't get into an emergency situation, an ambulance could be driving around all night before they can find a place to admit you but referred from Norfolk Island you're straight in. So whilst there may be some in the community who may feel we have a below par medical arrangement I would suggest you put down your rose coloured glasses, hop on a plane and go and look for yourself. Mr Speaker I need to say those things because the proposal as put as I read it is not aimed at criticism of the current hospital service, it's staff or it's administration. Mr Deputy Speaker my comparison could also be taken to mean that all is fine. Nothing is further from the truth. We always aim to improve. If we leave things as fine they soon turn to RS. I believe the next step should be a thorough assessment of the proposal including services, it may provide, its benefits, its cost, impacts both positive and negative on the current services and facilities. I urge Members to support progressing the concept, thank you Mr Deputy Speaker

MR BROWN

Thank you Mr Deputy Speaker I realise that Mr Nobbs doesn't purport to have an oxford degree and that therefore sometimes his words don't say exactly what he means. I expect that from listening to what he has just said, he might be prepared to make two amendments to his motion. The first would be at the end of the second line to change the word "agree" to saying "requests the Minister for Health" and on the third line to change the word "progress" to "investigate". I have no difficulty with the Minister being asked to investigate the concept. I have great difficulty with suggesting that we should progress

it because progressing the concept intimates that there is a basic agreement that it should come to fruition. Now it maybe that there are some sound ideas in the concept but we just heard from Mr Nobbs about a place in the Northern Territory where they don't have a hospital and they had what Mr Nobbs suggested was a very good Community Health Centre. We heard at a recent informal meeting of Members from one of the Doctors about a similar situation in a country town where the Hospital was closed and a Community health Centre was set up and the Community Health Centre was felt to have been very successful and worthwhile. In both of those situations you didn't have a hospital. Now the proper answer in this case is, as with everything, from time to time the Hospital needs to review the services which it provides and to decide whether the time has come to make some changes in those services. Now I've got no difficulty with investigating that but I do have great difficulty in situations where people feel that without regard to cost the Government should just fund more and more stand alone organisations and that's really what would be happening if what I understand to be the present concept of a Community Health Centre came to pass. I would greatly prefer to see the Minister investigate the concept, assess what parts of it can be fruitfully incorporated into the present Hospital where there is already land, there are already buildings and there are already staff and if the Minister is of a view that something should happen then as is his normal course he would bring it back before the Assembly, tell us what he proposes, tell us what it would cost and the Assembly would decide whether it is willing and able to fund it, thank you

MR NOBBS

I certainly haven't got an Oxford degree and I haven't got the use of the words that Mr Brown in his training as a lawyer has because different words mean different things to different people. It doesn't worry me at all if that is changed. The other thing is that may I say that the Minister for Health wants to say something. The Minister for Health was not at the last meeting and that's why I took it on myself to move this to make sure that the matter was progressed, thank you

MR GARDNER

Thank you Mr Deputy Speaker. When I was fortunate or unfortunate whatever the case may be, to have taken on the responsibility for the health portfolio as a Member of this Government one thing that I was very keen to try and do was to bring myself fully up to speed with exactly the position regarding health services and the facilities they use to deliver those services on the Island. In January of this year and having given a great deal of thought to just how that was going to be approached I did make an approach to Vivan Mawhinney from the Department of Territories to see if he could locate and secure assistance for Norfolk Island to be able to undertake a full and comprehensive review of the health facilities and services on the Island. As you can appreciate, and I'm sure our visitors from Christmas Island can appreciate there sometimes are delays within Commonwealth services and it was not until May of this year that the services of somebody within that particular area were able to be secured and I thank Vivan Mawhinney very much for the effort that he made to secure those services for us. We've been fortunate enough to secure the services of a lady from the Project Development Office within the Department of Health in New South Wales. To undertake this review of Health Services and facilities that are on the Island there is a process that needs to be followed and that process involves an audit of the current health services available on the Island including the facilities and identifying the level of services and type and size, type and configuration of facilities necessary to deliver those services. Mr Deputy Speaker this review will hopefully result in a comprehensive properly planned health strategy to service this community well into the next century. Services that have been highlighted in the Community Health Centre Proposal are part and parcel of this review. The proposal in its entirety has been copied to the New South Wales Department of Health along with other background information

including the Grants Commission Report on Norfolk Island and the relevant extracts covering an overview of health on Norfolk Island. Also included in that package of information have been the recommendations from the recently completed Department of Veteran Affairs report on aged care services on the Island. Included also in that package health budgets, and a general overview of our Health Insurance Scheme. In other words I'm seeking to do a total comprehensive review of all of our health services and I do not intend to take out one small portion of that and concentrate all our efforts in that one particular area. I think that would be negligent. I think there is a requirement, there is a need to review all of the services. As I mentioned earlier today there are a number of health matters that have been included as agenda items at next month's intergovernmental meeting and those will cover the current review that's under way, the medevac situation as I discussed earlier as well as investigating the commercial option of Medicare services being extended to Norfolk Island. Now that may not be a reality but they are being pursued. On insurance we've certainly had a lot of interest generated by commercial insurers, brokers, into a review of our healthcare scheme to identify areas requiring improvement. For example, the evacuation coverage that I was talking about earlier which would be over and above the current \$200 cover afforded under our current scheme. It's also about repositioning resources of the scheme to provide the best cover and the fairest way within the bounds of our Healthcare Scheme's limited resources. To aid in this general healthcare review further information will be forthcoming from the proposed Island wide cardiovascular risk assessment study planned for early in the next year that will further identify health needs into the future. I'm also happy to announce that the Department of Veterans Affairs have a team of representatives that will be visiting the Island from the 9<sup>th</sup> August. They will be here for a two week period talking to a number of people over a number of issues related to the care of veterans and war widows and also that visit is extending to look at some of the requirements for aged people whether it be counselling services for aged people, but aged people in general right across the community and how that can tie in with Government initiatives, not just relying entirely on funding from the Department of Veteran Affairs. Many of the services sought by the current proposal before the House in fact do now exist. The problem is that that information is not freely available, and I think that was evidenced by my question to Dr McKinnon whilst he was in our informal meeting the other day, I think he only mentioned a couple of names that he was able to put people immediately in contact with. In actual fact there are a lot of those type of services on the Island and I'm endeavouring at this moment to compile a comprehensive list of those services as an interim step in trying to achieve the goals that have been proposed in this healthcare centre. And I propose that once that list has been compiled that that list will be circulated not only to the doctors to the community nurse, it will also be circulated to the police, the school, church groups, assistance groups in general, the Medical Support Foundation and anybody else that's interested and maybe even extending that to the Community Health Service Section in the telephone directory so that those services are listed and accessible by anybody at any time if they are within reach of a telephone. There was an issue brought up about the accessibility of Lifeline services to people on Norfolk Island and there was a claim made that over a period of time people had rung lifeline and found that it was engaged and the service was unavailable to them. Well certainly that sparked concern in my mind and it wasn't until I read that that I was aware of it. As of today I haven't had the need for that service, but you never know what happens down the line. I may be the first one grabbing the telephone and I certainly would be very disappointed if that service wasn't available to me. I have chased that up. I actually over a weekend on returning to the Island, found that there was a problem in that area, attempted myself to ring Lifeline just to see whether these claims were correct or not. I too had difficulty, the phone was engaged, the service was not available to me and in the hypothetical situation that I may have needed that service that was not acceptable. I've chased that matter and I've spoken to Kim

Davies at Telecom. He has been in touch with the service providers and the technicians in Australia with regard to that and the problem is actually at the other end and technical faults are being addressed and certainly I'm very keen to see that that is addressed and the problem is overcome. As far as other services available on the Island, we have a school counsellor who is engaged at the school. I'm not 100% certain as exactly what the role of that counselling service at the school is, I haven't yet had a chance to talk to the Headmaster about that, however in relation to school activities and a claim that we need to be looking at problems and counselling services available to the youth on the Island I was very interested to hear an announcement the other night on the ABC news that the Minister for Education in new south Wales from whose Department our own education system is gleaned and based, proposes to introduce compulsory drug education programmes into Years 11 and 12 from next year. Just in relation to that the problems that are associated on this Island are not unique. They exist in a lot of other places and we are able to piggy back on some of those services that are being developed elsewhere and where we can we will, there's certainly no doubt about that and that's also the intention of this review. In short Mr Deputy speaker, this motion is being addressed in a number of areas and with assistance from professionals in all those different fields and that address will continue as a component of the health review, thank you Mr Deputy Speaker

MR ROBERTSON Thank you Mr Deputy Speaker in light of the speech that's just been given to us by the Minister for Health I'm beginning to wonder if there is a need for that because from what he has said, he's way ahead of some of the areas of concern that's being suggested in this motion and I gather from his approach that he has already taken and from what he intends to do in the future that he is more than adequately covering anything that's mentioned in this and I for one, wonder if it should continue

MR BATES Thank you Mr Deputy Speaker. I think almost the first two lines of the motion, I don't think there would be one Member around this House who would not agree to that part of it and that reads that this House appreciates the efforts by Members of the community in promoting the concepts of a Community Health Centre for Norfolk Island. I think that's a statement which we would all go along with. I think Mr Brown's suggestion that the words after that may be varied a little bit so that this House is not really agreeing that this project should go ahead without some consideration of other factors and I think the proposed changes also fits in with what is actually happening in this House but just to agree to the motion may give the indication that we don't appreciate the efforts of well meaning people in this community and if Mr Brown could bring those amendments in I would be only too pleased to support them

DEPUTY SPEAKER I'll give you the call in a moment Mr Brown. I just want to identify the three areas that maybe Members have been talking about in respect of amendment and whether you are wanting to look at those. The first and the second on Mr Brown's suggestions were that "agrees" be deleted and the word "requests the Minister for Health" inserted and then the next is "progress" be deleted and "investigates" be inserted and given what Mr Gardner has said I'm not too sure whether he was suggesting that therefore after the words concept that the words be added "within the Review presently being conducted by the Minister". I'm not too sure whether they were the suggestions that you had in mind but they seemed to be the three things floating around the Chamber and if anyone wants to give substance to them they could be addressed

MR BROWN Thank you Mr Deputy Speaker, I seek leave to move an amendment that all words after "Norfolk Island" on the second line of the motion be deleted and

the following inserted in their place. “and requests the Minister for Health to investigate the concept within the Review which he is presently conducting”.

DEPUTY SPEAKER I’m just pausing to get these words down Mr Brown. “and requests the Minister for Health to investigate the concept within the Review which he is presently conducting”.

MR BROWN Thank you Mr Deputy Speaker and I seek leave to move those

DEPUTY SPEAKER Is leave granted. Leave is granted Mr Brown

MR BROWN Thank you Mr Deputy Speaker I so move

DEPUTY SPEAKER Any further debate on the amendment

MR NOBBS Thank you Mr Deputy Speaker, I’ve got no problem with the words. As I said the Minister wasn’t here last week and now he has had the opportunity to tell the community what’s going on with this review, it’s appropriate I believe that the review incorporates this concept and see whether it can be developed. I think there are good things in it and it should progress and I hope the Members support this amended motion

MR McCOY Thank you Mr Deputy Speaker. I will support this amended motion because a major concern of mine is the fact that very little attention was given in the Community health Centre proposal for interns who are already in our Hospital and who may be up there one day and I commend the Minister for Health’s efforts to conduct the Review that he’s been working on and I’m really glad to see that the Department of Veteran Affairs beneficiaries issue is being addressed, thank you

DEPUTY SPEAKER Thankyou. Any further debate? No further debate I will put the remainder which is in front of us Honourable Members just to remind you that all words after “Norfolk Island” on the second line of the motion be deleted and the following inserted in their place. “and requests the Minister for Health to investigate the concept within the Review which he is presently conducting”

QUESTION PUT  
AGREED

Therefore we have an amended motion. Those who are in favour of the amended motion being approved, any final debate

QUESTION PUT  
AGREED

The amended motion is agreed.

### **CUSTOMS ACT 1913 - EXEMPTION FROM PAYMENT OF CUSTOMS DUTY**

MR SMITH Thank you Mr Deputy Speaker. I move that under subsection 2(b)(4) of the Customs Act 1913, this House recommends to the Administrator that the goods specified in the first column of the Schedule imported by the persons specified opposite in the second column of the Schedule be exempted from duty. The goods are projected value for duty at \$6,500 and the importer is the Seventh Day Adventist Church. Mr Deputy

Speaker this falls within the guidelines that the Assembly has agreed to for exemptions from payment of Customs Duty and I commend the motion

MR BROWN Thank you Mr Deputy Speaker, the Chief Minister has told us that this falls within the existing guidelines and therefore it is appropriate for me to support it

DEPUTY SPEAKER Debate. No further debate. I put that question that the motion be agreed to

QUESTION PUT  
AGREED

Thank you that motion is so agreed

**PORTIONS 34L AND 34K BUCKS POINT - NORFOLK ISLAND GOVERNMENT TO ASK ELECTORS WHETHER THE NORFOLK ISLAND GOVERNMENT SHOULD NEGOTIATE THE PURCHASE OF LAND**

MR BUFFETT Yes thank you Mr Acting Deputy Speaker. I move that this House requests the Minister for Immigration and Resource Management who has responsibility for community land to conduct an informal poll to ask electors on Norfolk Island whether they wish to purchase portions 34l and 34k at Bucks Point overlooking Ball Bay, be negotiated by the Norfolk Island Government for community use, notwithstanding the present stringent financial circumstances. To put this matter in context there was an approach to the Assembly and the Norfolk Island Government by a Real Estate Agent in the Island in fact saying that this land was available for purchase and was there interest in the Government sphere to so purchase it. The Members did look at this particular matter and at that time determined that really we didn't have the funds available for that purpose and I seem to recall that all or most Members certainly were of that mind and that was an agreed response. since then however certainly I have been approached and I think others may have also with this view that whilst there was respect for the authority in the Assembly to make that decision, on this particular matter maybe the wider community might wish to be consulted and I think that that has been said in a climate of a number of things happening. One of them is that the Cascade Cliff, which is Fredik's Aedg, is presently significantly being reduced in the context of public access and that the prospects of the heights surrounding Ball Bay are becoming less and less accessible to the public and so with that view being put to me I've raised this motion and I would like to make it clear Mr Acting Deputy President that this motion is about consulting the community. It's not a proposal to purchase at this time, it's about consulting the community. It's about consulting the community and asking their views as to whether they think we should try and negotiate the purchase. If in fact there is such a wish that we do that, a lot of things need to be gathered so that the community can be equipped to have their say about it. For example we would probably need to gather together an information sheet which has this sort of detail upon it. Details about the land of course, it's location, it's size, maybe the last few dealings with dates and considerations. They are a matter of public record of course so they are readily available, and maybe some values with lower and upper limits as obviously it would be difficult to just say a value, but maybe you could give a spectrum of values in respect of its prospective purchase price and they are the sort of things that I'm talking about and I'm not trying to be totally encompassing of all of the things, I'm trying to be illustrative of those things because I'm not trying to invite a debate upon all of those things, I'm just trying to invite debate upon the concept of whether we should consult the community and I'm trying to use those as illustrative points. An additional point of course needs to be borne in mind that this land has reasonably recently also been up for sale and there was an effort then to



maybe do something in the community interest for a number of reasons, some of which aren't mentioned and some of course which historical associations. The first stamp scene for example in 1947, all of those stamps were of that era, taken from that particular site and so it has some value apart from just being the land that has been described, so that's really what I'm asking Members to think about this morning and hopefully decide in the affirmative that we will go and consult the community about this, notwithstanding that our financial situation is not crash hot at this moment, we all acknowledge that. But nevertheless if there is a real need perceived in the community that we should make this sort of effort then we should make that sort of effort and see what adjustment of our priorities need to be undertaken. I commend this motion to the House Mr Acting Deputy Speaker

MR ION ROBINSON Thank you Mr Acting Deputy Speaker. I would like to thank Mr Buffett for his motion. There is no doubt that it would be a wonderful block of land for the people of Norfolk to have. I think it's a good project for Policy and Projects within the Administration to follow through on

MR ROBERTSON Thank you Mr Acting Deputy Speaker. Members will see on the document that's being circulated to Members that I was one of the six people who was on the original committee to try and lobby the Government of the day and I have no difficulty of course in suggesting that this motion be agreed to. The thing that took place then was that John Anderson who was the driver of this had done a lot of work in an attempt to get the first lobby effort through. Unfortunately it eventually fell down and I think much to the disgust of a number of people in town at that point because there was a feeling that whilst the Government of the day may have said we couldn't afford the moneys to purchase this block of land they didn't have too bad a surplus that year and could easily have done it. We are a little bit worse off then we were then as far as surpluses and funds are concerned but however I fully support the motion to go through because it is asking a wider opinion, it's asking the people of Norfolk as to whether we should continue and it's also asking some matters and in the original documents some reasons as to how different people could support this by adding together some packages of moneys or whatever but it's there and I totally support it

MR McCOY Thank you Mr Acting Deputy Speaker. I cannot support this informal poll simply because I believe the community looks to the Assembly to exercise a bit of responsibility in making decisions, especially of a financial nature. We have had a battle with the budget of late, there have been some pretty serious cuts and now we are going to ask the community if they think we should purchase this land. I can't agree with the poll. Some may vote, some may not, some might forget, so to some degree it will give a distorted view as to how the community feels

MR GARDNER Thank you Mr Acting Deputy Speaker I guess what's really called into question here is do they make anymore land these days. It's a rare thing, especially on Norfolk when a fairly substantial proportion of the Island is already covered in National Parks, Reserves and bits and pieces and it could be argued maybe we've already got enough of it. But as development trends to suggest that people are looking at putting more houses on individual blocks of land, I guess somewhere down the track, long term anyway, there's always a possibility that the Island could through it's decision makers end up looking something like Hong Kong. I'm not saying I support that at all, certainly the opposite, but there is always the potential for that sort of thing and it seems to make sense to me when, specially scenic places like that and places that have and I guess we are talking heritage here and cultural values, when an area like that does

have that type of value. For example the Ball Bay area and those two blocks of land that are being talked about. Maybe we should be concentrating our efforts on trying to secure those for the community, well into the future. In relation to how we are going to go about funding it, I'm supportive of the poll idea because I think it probably puts a little bit more pressure on than just leaving a motion sitting on the table for a month and hoping that people are going to come out and let you know their views before you are asked to make a decision in the House the following month. It doesn't always happen that you do get those views expressed to you so from time to time you do come and sit in the House and think, well, I tend to think it's a damn good idea so you support something or vice versa. I see no harm in the poll of this site but how are we going to fund it. John McCoy quite rightly pointed out that there had been difficulties with the budget process. David pointed out that maybe our financial position isn't crash hot but simply because of that not to give some serious thought to something I think is as valuable to this community as I believe these blocks of land are will again be somewhat negligent on our behalf not to give it some thought. When this issue was first raised I think a week or ten days ago, it may have even been longer than that, at MLA's I think it was I tried to look at how we could position ourselves to be able to grab these things when they come along and maybe it's a bit like the Health Review and a bit like the Healthcare Scheme and reposition our resources and try to regenerate the best possible outcome from a proposal like this and I made a suggestion at that time that maybe we need to look at what is already owned by the Administration as far as land is concerned and throw up the cultural value, heritage value test, the strategic value test against those blocks of land that we have and to see just how they rank and if it's identified that there is already parts, or there is the ability to be able to subdivide off parts of blocks of land that don't have strategic value or don't meet the criteria for strategic or heritage value or the cultural value side of things and there's somebody in the community who may well be able to develop that and not just see that block of land for eternity just remain in bush and scrub and an eyesore and a haven for rats and a haven for cats which destroy the environment, well then maybe there's some merit in looking at selling off some of that land that is not so special in an effort to finance areas like these which possibly would be believed to be of more significant value to the community than those that currently exist and I just leave that thought with you, but I'm supportive of the idea, I think there is merit in trying to secure a better idea from the wider community as to exactly how they feel in this area

MR NOBBS

Thank you Mr Acting Deputy Speaker I support the proposal that the community be canvassed but before this should occur I think three things should happen. The first is to provide details of planning constraints over the land because there's a belief in the community that the land cannot be built on under current planning rules, whether this is correct or not I don't know. The second one is to provide an indication of the level of funding the Norfolk Island Government will go. What is the maximum funding the Norfolk Island Government itself will provide and the third is to provide administrative details if and when the land is purchased. At present all reserves except one and I take a bit of exception to what Mr Gardner just said, the one that's about ten by ten and it's up here and it's got a monument on it and that's about the only one that we actually own in relation to Reserves and coastal areas as far as I am aware. The rest are all controlled by the Commonwealth and they may in time be returned to us but at this point in time, that's another story. We have seen land purchased by the Administration of the time, sold on what I understand was the whims and fancies of the Administration of that time. I am not criticising that as obviously they had reasons. What I'm saying is that this is such an important area and I believe it is, I believe we should have in place a trust or something similar but particular rules that provide very definitive guidelines before at least such a block can be sold. If we are talking of gaining community support to

purchase, surely this approach is appropriate to have in place if such land is purchased. Rules that require community support before sale and I urge the responsible Minister to ensure if this motion is passed that the three points mentioned earlier are taken into account

MR McCOY Thank you Mr Acting Deputy Speaker. I was just going to ask if someone could indicate what the price of this land might be

MR BROWN Thank you Mr Acting Deputy Speaker. Just to help Mr McCoy, somewhere between zero and a million dollars

MR McCOY I thought so

MR GARDNER Just to clarify a point with Ron it certainly wasn't my intention or otherwise to look at flogging off the Cenotaph. I believe there needs to be a set of procedures in place where you are able to value a site or a block of land. The Administration does own blocks of land and the block of land that I'm referring to is across the valley from the Hospital, which is basically land locked. Long term strategic value I don't know. It probably needs to be identified but giving those as an example of places that could be seen to be subdivided off and using those resources to buy blocks of land like this with the intention of it being absorbed into a reserve and not just left sitting there so that next year we decide we want to flog it off

MR SMITH Thank you Mr Acting Deputy Speaker. I support this motion because what it actually does is go out and ask the community what they think of a concept. The community might say we shouldn't do it, but if they do say that we should then it is up to us on that advise whether we should do it. Now if we decide that we do then we need for find the money but I think the approach is good to at least give the community a chance to comment on it and that's what it is all about, thank you

MR BROWN Thank you Mr Acting Deputy Speaker. I certainly support the motion. As to what would happen after that I'm not sure because it certainly is very nice for us to own bits of land but I think at some stage we need to decide just what proportion of the Island we would like to see comprising reserves and unalienated land. Do we want forever to cause that to increase or do we want to take a view that we would like an extra hundred acres or do we take a view that we've already got more than we need so maybe we should look at the bits that we don't regard as prime and try to replace them with bits that we do regard as prime but that's a discussion for another day insofar as this motion is concerned, we've all been contacted by Members of the community that are interested in having the Island acquire this land. I'm sure the overwhelming majority of us are sympathetic to the view that that should be properly investigated and I think Mr Buffett's suggestion of an informal sort of a poll is a good suggestion, thank you

MR ROBERTSON Thank you Mr Acting Deputy Speaker. Coastal scenic amenity was one of the suggestions put forward by Harrison and Grierson back in 1985 when they were doing a Plan of Norfolk Island but before that Members may recall that Point Ross was available for purchase at that stage, which was sitting out on the point there which was an absolute perfect example of a coastal scenic amenity which was let slip at the time. This is another example where we have a coastal amenity once again, a scenic one. It's right at the end of Martins Road and it's once which used to be utilised before it was fenced by many of our

tourists. It's an ideal situation as far as we are concerned in allowing it to go back and to show people who come to visit the Island just what is available on those coastal areas of which a lot of them now you cannot get into. So once again I support the motion but I do have to agree though that perhaps John McCoy's raffle that he is talking about might be an answer but that's something down the track. In the meantime let's continue with the polling of the people

ACTING DEPUTY SPEAKER Thank you Mr Robertson. Is there any further debate?  
There being no further debate I put the question

QUESTION PUT

AGREED

MR McCoy NO

Do you wish the House called Mr McCoy? It shall be recorded. The ayes have it

### SUSPENSION

Gentlemen, it is nearing a quarter to one and I think we have quite a number of matters to deal with yet. What would you like to do about lunch. Would you like to suspend now for an hour or three quarters of an hour or do you want to keep pressing on?

MR BROWN Thank you Mr Acting Deputy Speaker. There might not be a great deal of time required to complete the bulk of the remainder of the Paper. May I suggest that we go till 1, see how we are going and if we think we can complete it by going for another half hour to then keep going. If it looks as if it will take all afternoon, perhaps we could break at 1 until 2.15

MR ROBERTSON We are up to Orders of the Day and the items that are in front of us are mostly all debate adjourned so it's a case of getting the documents presented

ACTING DEPUTY SPEAKER We'll press on for a while and we move to Notice No 5

### IMMIGRATION ACT 1980 - VARIATION OF INSTRUMENT UNDER PARAGRAPH 21(3)(A)

Mr Ion Robinson you have the call

MR ION ROBINSON Thank you Mr Acting Deputy Speaker. I move that for the purpose of paragraph 21(3)(A) of the Immigration Act 1980 this House resolves that the instrument executed by me on 3rd March 1999 and be varied by increasing the number of General Entry Permits that may be granted in the period 17th February 1999 to 16th February 2000 from ten to twenty. Thank you, this is in keeping with our Immigration Policy of an increase of 2% but it was hoped that by the time we needed to do this again we would have our Immigration Review Paper further along the way. As you will be aware Mr Acting Deputy Speaker, there's a lot more to that than was obvious on first look so it basically increases the quota to twenty people

MR NOBBS Thank you Mr Acting Deputy Speaker I will be again opposing this motion as I've done since .... I could read you a lengthy dissertation I made in July 1997, two years ago. Whilst there has been some progression and I commend Ric that he has actually in the last six months really started to do something about it, but I still oppose the

proposal and I believe that until we get this immigration organised and a new one in place that's reasonable and looks after the interests of the people, then I will continue to oppose this type of activity, thank you

MR BROWN Thank you Mr Acting Deputy Speaker. For some years we have had a population policy in place and that policy calls for a 2% per annum growth in the permanent population. From the date the policy was decided upon until it was decided otherwise. Now if we have achieved the growth that that policy called for, we would have significantly more people on the Island today contributing towards the cost of running the Island. That hasn't happened. In fact if we were to set a quota today in accordance with that population policy I believe the quota would be in excess of 100. Now I have no difficulty in supporting the Minister's request today that we attend to the quota such that the quota for the year until February next year would be twenty and I'll have no difficulty supporting a further ten further down the track if necessary and the reason that we have started to set the quota in modules as it were, of ten, is that many Members almost fainted when they had motions put before them for quotas of 60, 80 and perhaps more and many Members simply couldn't cope with setting a quota of that size, so I'm not quite sure why Mr Nobbs is opposed to what the Minister is asking for today. I certainly have no difficulty in supporting it. I am aware that the Minister is continuing with his review of the Immigration Legislation and Policies, generally and I'm aware that significant consultation is to take place about that in the very near future. I think the Minister is doing a good job and as I said, I have no difficulty in supporting today's motion

MR NOBBS I just say that the 2% increase is part of this Review I understand. I don't think we actually had a proper discussion on that, it's been brought out and we've heard the same sort of argument from Mr Brown when he was Minister for Immigration in the life of this Assembly and my stand is this, if you can't fix the Immigration Act up well something's wrong

MR ION ROBINSON Thank you Mr Acting Deputy Speaker . Ron will be pleased to know that just last night I received a draft of the Regulations to go with the Migration Act itself. I'm at the moment having them all copied, and if Ron can get back to me and let me know what he feels after he has read the Migration Act and the Regulations I would appreciate any input he has

MR NOBBS Thank you Mr Acting Deputy Speaker. I thank Ric for that. I've got no pleasure Ric in needling Ministers in relation to what I believe should be done and I'm really pleased and look forward to reading this with interest. I think that if it was just left to sit as you probably know, over the years it will just remain the same and that's my tale. It's not a personal needling exercise on you as a Minister or on your predecessor, it's to try and change things

ACTING DEPUTY SPEAKER Any further debate? No. Then I put the question  
QUESTION PUT  
AGREED

MR NOBBS No

The ayes have it, that motion is agreed to

**STATUTES AMENDMENT FEES (NO2) BILL 1999**

Mr Smith you have the call

MR SMITH

Thank you Mr Acting Deputy Speaker. I present the Statutes Amendment Fees (No 2) Bill 1999 and move that the Bill be agreed to in principle. The Statutes Amendment Fees (No 2) Bill 1999 amends the Interpretation Act 1979 to increase the amount of the fee unit from \$10 to \$15. The amendment also provides for the annual automatic indexation of fees in accordance with the retail price index. The remainder of the Act varies the number of fees charged by fee units and under a number of Acts so that generally those fees are adjusted according to the variation in the Retail Price Index since the date on which the fee was last set and certain fees are increased by greater than the Retail Price Index in accordance with the recommendations of the Finance Committee of the Legislative Assembly and a minimum of two fee units of \$30 is established by the undertaking of basic administrative actions and standard fees are established for the registered searches and provision of copies of documents. Fees under the Water Assurance Charges Act 1991 remain unchanged and complimentary changes to various regulations will be required to make appropriate adjustments to certain fee units by regulation. Mr Acting Deputy Speaker this is one of the issues that you have been very concerned about since, it must be 1986, because that's the last time it appears that many of the fees were changed. You have often on occasions recently, particularly in our budget discussions, said that somebody should bite the bullet and take a wholesale review of the Fees and Charges to the Administration. That process had started quite a while back. there was a suggested paper of increases in certain fees and charges. That paper went to the Finance Committee who discussed it, went through it, made adjustments to that and that went back to the service to be put into some sort of form that would be agreed to or not agreed to by the Legislative Assembly. this whole issue was pushed along in a bit of a hurry in the end by things that happened in the budget debate in recent times, and the Legislative Draftsman has been working very hard with late nights to get this legislation in place so here we have the Statutes Amendment Fees (No 2) Bill which I need say, I intend to move the adjournment after people have had debate on it. there are alot of things in here that people may need to put their minds to, but you will see throughout the Bill the changes not only to the fee units but you will see what the effect will be on a particular thing. For example, where should we start? In part 2 of the amendment to the Auctioneers Act 1926 this amends the fee for a licence and this particular clause amends section 17 of the principal Act to increase the annual fee for an auctioneers licence from 15 to 33 fee units. Now that was in the past \$150 will now be \$495 for the annual fee. Part 3, the amendment of Dogs Registration Act 1936 the Proof of Registration Certificate. This clause amends section 7 of the principal Act to amend the fee for a certified Certificate of Registration from .1 to .5 fee units so it will go from \$1.50 to \$7.50 for such a certificate. Part 4 is the amendment of the Interpretation Act. This is the clause that repeals section 12A of the Interpretation Act 1979 and replaces it with the proposed sections 12A and 12B. Clause 12B - proposed subsection 1 provides that in respect of numbers of fee units that are less than 2, the final dollar amount of the fee will be rounded to the nearest whole dollar amount, an amount of .50c rising to the next \$1 of course. In respect of a number of fee units greater than or equal to the final \$1 amount the fee will be rounded to the nearest \$5 amount. Subsection 2 as you will see sets out the formula for calculating the dollar amount of the fee and that amount is equal to the number of fee units specified in the relevant enactment multiplied by 15 multiplied by an indexation factor based from the 31st March 1999. The fee unit amount rose from \$10 to \$15 because of the following - the most common year during which fees were set by fee units was 1985 and 1986. The indexation factors for those years were approximately 1.5 and 1.6. Indexing fee units by a factor of 1.5 allowed the minimum number of fees to be amended. Fees set by fee units in 1985/86 will rise by an appropriate amount by virtue only of the amendment to the amount of these fee units. Fee unit figures set

before 1985 may need to be increased to provide for the appropriate amount of indexation. That may take some explaining but I will get to that. Similarly the figure set after 1986 may require some reduction. Subsection 3 provides for the determination of a fee indexation factor that will be used to calculate fees on 1 July 2000 and each subsequent 1 July and what that means Mr Acting Deputy Speaker is subsection 4 requires the executive member to publish in respect of 1 July 2000 and each subsequent 1 July a list of the dollar amounts of all fees specified in fee units so at the end of the financial year the executive member will be able to adjust these by adjusting the fee unit to the RPI. Further increase in fees, the Land Administration Fee. This clause reduces the minimum land administration fee unit figure from 50 fee units to 33 fee units so from \$500 it will actually go down to \$495 to take into account the decrease in the value of the fee unit. Fees for planning applications in clause 9, this clause reduces the fee unit for category 1, 2 and 3 planning applications from 12, 14 and 26 fee units, \$120, \$140 and \$260, to 8, 10 and 17 fee units or \$120, \$150 and \$255 respectively to take into account the increase in the value of the fee unit. Clause 10 is the filing of a Memorandum of Satisfaction. This clause increases the fee for filing a Memorandum of Satisfaction from 1 to 2 fee units, from \$10 to \$30. Clause 11 the Registration of Powers of Attorney. This clause increases the fee for obtaining the Registrar's endorsement from .5 fee units to 2 fee units in other words an increase from \$5 to \$30. Clause 12, an amendment of the Registration of Births, Deaths and Marriages Act 1963. This clause amends section 52 of the principal Act to increase the fee for the search and change of name index from .2 to .5 fee units and it will go from \$2 to \$7.50. It also provides that the extract fee of 5 fee units will be charged on the basis of pages rather than 72 word folios. Clause 14, marriage in an overseas country. A person ordinarily resident within the territory. Clause 15 amends the fifth schedule of the principal Act to increase the fees for a search in the Register of Births or other Register and details extract entry from .5 to 1 fee unit which will take it from \$5 to \$15. Part 9. Amendment of the Registration of Bulls Act 1937. Clause 16 is amended to increase the fee for registration or renewal of registration of a Bull from 1 fee unit to 2 fee units so from \$10 it will increase to \$30. The fee for transfer of registration has also increased from .5 fee units to 2 fee units from \$5 to \$30. Part 10 is the amendment of the Registration of Dentists Act 1931. The fees in clause 17 section 5 is amended by increasing the registration fee from 1.5 to 3 units and that will be \$15 going up to \$45. Clause 18 subsection 5(4) of the Sale of Food Act is amended by reducing the fee unit figures for issue and renewal of the licence from 14 and 20 fee units to 27 and 13 fee units, so \$400 and \$200 to \$405 and \$195 respectively. Subsection 5(5) of the Act is amended by reducing the fee unit figures for issue of a licence after 30 June from 10 fee units to 7 fee units so that will be from \$100 will actually slip up to \$105. Part 12 was the amendment to the Slaughtering Act 1913. Clause 20 the fees to the licence. This clause provides for the increase of a fee for a Slaughterhouse Licence from 10 to 13 fee units so it will go from \$100 to \$195. Clause 21, the examination of stock to be slaughtered. This clause increases the fee for examination of a sheep or swine from .1 to .4 fee units Mr Acting Deputy Speaker, so it will go from \$1 to \$6. It also increases the fee for examination of other stock from .3 to .6 fee units so that will go from \$3 to \$9 for the fee for examination of other stock. Part 13 is the amendment of the Surveys Act 1913. Clause 22 amends section 4 of the Surveys Act to increase the fee for an application to become an authorised surveyor from 5 to 7 fee units, an increase from \$50 to \$105. Part 14 is the amendment of the Water Assurance Charges Act 1991. Clause 24 the assessment method of special cases. This clause amends section 5 of the principal Act to reduce the fee unit figure for the annual charge payable in relation a house from 20 to 13 fee units, \$200 to \$195. Clause 25, the recovery of the annual charge. This clause amends section 1 of the principal Act to reduce the fee unit figures in paragraphs A and B from 40 fee units to 27 fee units, \$400 to \$405. These figures determine whether charges are payable monthly or bi-annually. The reason I'm going through these Mr Acting Deputy Speaker is that

people get the idea of what's happened with the changes that we've made to the whole of the Statutes Amendment Fees Bill and in some cases where there's been an adjustment of the fee unit, even though we are not actually changing the fee, or trying not to change the fee, there is an effect. That might take some more explanation before the next meeting, before we get to that, so that's the main things in there. This is the second part, which is making adjustments to the fees and charges which yourself, Mr Acting Deputy Speaker has been promoting for some time. There is a Schedule of Fees that has been tabled in the last Sitting of the House that have had the adjustments made but also takes into account, as does the Bill the things that came out of the Finance Review Committee for recommendation to the Members of the Assembly. No doubt there's going to be some debate about whether some fees should be adjusted as much as what has been recommended by the Finance Committee or even some debate about how this has been done, but I think in the meantime Mr Acting Deputy Speaker, it would be wise for us to adjourn this so that Members can take into account all the things in the Bill because we only received the final copy of that yesterday and let them absorb it and I'm not proposing that we adjourn it just at this point but I think that's the way that will go when everybody's had their debate about it

MR BROWN

Thank you Mr Acting Deputy Speaker I think it's hard to avoid the fact that many of these fees have not been reviewed for some time and fees do need to be reviewed from time to time. I think it's also hard to avoid the fact that the review is not going to result in raising very much money. Far more could have been achieved if we had put the proper amount of effort into providing accountability to the taxpayers and in ensuring that every dollar we spend of the taxpayers money is spent as wisely as possible and I hope that we will give equal emphasis to that in due course, notwithstanding that I propose to support this particular Bill which is before us today, but there are some parts of it that are deserving of comment. The Auctioneers Licence is proposed to go from \$150 to \$495. That's a pretty savage sort of increase and without doubt that will result in at least one person not bothering to renew his licence and we also need to think of these things when we look at an increase in charges. We are looking at increasing the charge for registration of the dentist. Now there's only one dental surgery on the Island and that's at the hospital and all that we really do when we increase the registration fee for the dentist is cause the hospital's expenses to increase because it's the hospital that ends up paying it and when the hospital's fees increase, we have to increase what we charge to those patients in the dental surgery. So there's a little bit of sleight of hand. It's unintentional, but there's a little bit of sleight of hand in all of this. What we are really doing is simply in many cases, increasing a fee with the result that the community will have to bear higher charges and in doing it, we haven't really ensured that the community is getting value for that higher dollar that it is paying so I urge all Members to support the concept of giving the community value for its dollar as well as simply increasing the charges to raise more revenue, thank you

ACTING DEPUTY SPEAKER

Thank you Mr Brown. Any further debate. Mr Buffett, I wonder if you could take the Chair for me

MR SMITH

Thank you Mr Deputy Speaker , I think what Mr Brown says is rather interesting because he's been one of the proponents of looking for other ways to raise revenue even though this exercise is not merely, as he quite rightly pointed out, a larger revenue raising thing. It's not a tax grab, although in some instances it may appear that way, but overall you may be quite right. We are not going to raise alot of money out of it but this is what I've been told to do by Members, to amend the Fees and Charges. Some have gone up horrendously, just by the mere fact that they haven't been increased as Mr Bates has been saying,



for quite a long time and the effect is that they need this large increase and the only fair way to do it is to do it on the basis that this legislation has been drafted otherwise you would find yourself in the position, which is what happens and has happened up until today, obviously from 1985/1986 where selective charges or fees are adjusted. You might think well this one won't effect me so I'll put this one up, but that's not the idea. This is to get all the fees and charges on the same footing so that at the end of the financial year if the RPI has gone up, if you need to make an adjustment, they all adjust accordingly. That's what the exercise is about. As I said, the other part was the Finance Committee went through the recommended charges and either agreed or made some of them higher and whether those numbers get accepted is a matter for Members around the table here, before the next Sitting. If you want to make amendments to those, as Mr Brown has rightly pointed out, an Auctioneers Licence has gone up to \$500 from \$150. Aah, but you must also remember that we changed the Sale of Food licence last month from \$50 to \$200. That was a massive jump if you look at it in that context, but we've got to get our minds around what we are doing here. We are making the adjustments to these Fees and Charges as Members would want it but out of it will come a little bit more revenue. Not very much. Maybe \$20-30,000 and that's where we are going with these. So Mr Brown's other point is that we should be looking at how the taxpayers dollars are spent. Let me say that I'm really, really careful, or I have been, in how the taxpayers dollars have been in my time here, which has got me into trouble. Not only with you guys but with people in the Service when I don't believe money needs to be supplied so I'm very very aware of how the taxpayers dollars are spent. I'm also very very aware, which no doubt came up in the budget debate, about the effect we have on people, people who in alot of cases find it difficult to pay some of the increased charges that we've put on in our time. I'm always very very aware of that so I agree with Mr Brown that we have to keep an eye on what we are charging to everybody in our increases in fees and charges and taxes but I'm also well aware that we've got to get on with the job and do things like this Bill

MR BATES

Thank you Mr Deputy Speaker. I certainly welcome this piece of legislation. I don't welcome it in the sense that it's a revenue raiser. Some of the things I say may not be entirely in keeping with the actual dates but I believe that the fee units and the penalty units were introduced somewhere around about 1985 or 1986 with the purpose in mind of allowing fees and penalties to increase along the lines of inflation without having to do large workloads which would be there if all fees and units were simply couched in dollars and cent terms within their own pieces of legislation. It's my belief that the fee unit was designed specifically to allow fees for services in the main, those really that are just fees for service and not a revenue raiser to increase as the cost of that service increased and the easiest line of thumb for the increase in cost is the retail price index as wages usually move along those things and the costs of services increase. Simply not to keep the fees for services, provided those fees really reflect the cost of those services increasing really does mean that every now and again in ten years or so there has to be a big hike in that fee and as I said it's alot of workload in going through every piece of legislation and reviewing every fee. With the introduction of this formula for revising the fee unit enshrined in the legislation I think it's a major step forward. I think ultimately it should also reduce the cost of review. It still leaves me a little bit puzzled as to why we haven't provided the same formula for penalty units because the penalty unit was introduced at the same time as the fee unit and with the same objective and that objective was not having to review every piece of legislation where penalties occur, and penalties I believe should be a deterrent. They are meant to hurt people's pockets if they step out of line and don't obey the pieces of legislation for whatever reason and they have a relativity to whatever the penalty is for and I believe that the penalty unit is just as important that it keeps pace with inflation as does the fee unit. Of course penalty units are always couched in maximum penalty units and that is that

there's no obligation on any court of law to provide the maximum penalty unit so by increasing the maximum doesn't mean that if anybody steps out of line is going to ultimately enjoy the maximum penalty. Again, if that was couched in similar terms then of course you would have to review every piece of legislation with penalty units that's become inadequate for serving the purpose for which they were originally provided. I would certainly like to see the Chief Minister give that further consideration before that Bill comes on in a months time. There maybe some tidying up to do in areas where penalties are out of kilter because they haven't been addressed for some fifteen years or so but if as I say, that would only increase the maximum penalty and the court has the discretion to impose a lesser penalty so I can't see that alot of harm can be done anyway if the maximum penalty increases. But in the event that there is a piece of legislation standing alone because the penalty is no longer appropriate then of course that piece of legislation can be addressed in its own right and the number of penalty units amended accordingly. But certainly on that basis as I've said before, and I think we should clearly say to people, what of these fees and services do reflect the cost of the service and which of them can be regarded as revenue grabbers. I think Mr Brown mentioned some like the Auctioneers Licence. I don't think there's alot of work in issuing an Auctioneers Licence. There is some work. I'm not familiar with the legislation to see just what checks have got to be made on persons applying and what else has got to be looked into before the licence is granted but it does seem to be a bit of an overkill to make the cost of an Auctioneers Licence quite as heavy as that. I think we should be clear in actually saying where a fee is a fee for a service and where a fee is a straight out grab of a few bob for the coffers but in the main I think it is a step forward and I intend to support this review. I would prefer to have the same formula as the penalties in there and I would support that too if our Chief Minister could see his way clear to bring in an amendment, thank you Mr Deputy Speaker

MR SMITH Thank you Mr Deputy Speaker. Penalty units are a slightly different one to me. I didn't know we were going down that track however I would like to make comment as I said in the informal meeting of Members the other day, that penalty units as Brian has just said, the maximum penalty is really up to the Court to decide how much of the penalty unit is used but I suppose if you are saying the maximum's aren't high enough that needs to be looked at. I don't know if I can promise to get you that at the next meeting because there's been an awful lot of work that the Draftsman has had to do on these since the last meeting and the next meeting is only three weeks away. The priorities that we do have with the legislation in trying to get the Human Resources Policy stuff up so that we can try and get the Public Sector Management Bill passed but what I will undertake to do is that we will certainly look at that next once we get this stuff through rather than doing it as an amendment to what we've got here. If Member's want to go down that track I'm quite happy for us to do that Mr Deputy Speaker

DEPUTY SPEAKER Further debate. We have concluded debate. Chief Minister

MR SMITH Thank you Mr Deputy Speaker. I move that the debate be adjourned and made an order of the day for the August Sitting

DEPUTY SPEAKER Thank you and I put that question  
QUESTION PUT  
AGREED

Thank you the ayes have it

Honourable Members I think it's ambitious to think we are going to conclude the Paper in the next half hour. I do suggest that we break for lunch now and maybe we return at 2.15. We suspend Honourable Members and return at 2.15 pm. A further proposal? 2.30? 2.30 then

## **RESUMPTION OF DEBATE**

Honourable Members we reconvene after lunch. We are at Notice No 7

## **ROAD TRAFFIC AMENDMENT BILL 1999**

MR ROBERTSON Thank you Mr Deputy Speaker I present the Road Traffic Amendment Bill 1999 and move that the Bill be agreed to in principal

DEPUTY SPEAKER The question is that the Bill be agreed to in principal

MR ROBERTSON Thank you Mr Deputy Speaker, the Road Traffic Amendment Bill 1999 amends the Road Traffic Act 1982 to allow a person to reserve and have assigned to a motor vehicle owned by that person a number plate chosen by the person. Number plates bearing such a code can be possessed without being attached to a vehicle. The Bill also allows persons to transfer existing number plate codes onto a number plate of a different design and to transfer a number plate code from one vehicle owned by the person to another vehicle owned by the person. Mr Deputy Speaker in the 1998/99 budget there was an allowance made in the revenue for number plates. Unfortunately this didn't happen and in the 1999/2000 budget we do have a sum allocated for income from these personalised number plates. It's been around for quite some time. Discussions have been held including public meetings and including a public display in the Foodland Mall area in which plates that the Assembly had thought would be advantageous would be displayed and a number of questionnaires were also on the tables up there where people could give some indication as to whether they agreed with it. That was very successful and following that the Assembly Members have decided that we should proceed. It's taken a little while but the legislation which is before you today will enable this to proceed and it's my intention to let this lay on the floor for a month but whilst that is happening there are a couple of other things that will be taking place to ensure that this will be up and running as soon as possible

MR SMITH Thank you Mr Deputy Speaker this is one of those issues which as Gary pointed out, has been around for a little while. It has taken some time to get together but it is one of the things that we looked at early in our time and I commend the Minister and the people who helped him to get this together and the sooner we get it passed the better. I will be supporting the Bill

MR ION ROBINSON Thank you Mr Deputy Speaker it's a good Bill and I support it and I hope he leaves it on the table rather than on the floor for the next meeting

MR BATES Thank you Mr Deputy Speaker just by way of clarification I seek an assurance for those who don't wish to spend sums of money on these specialised plates that the normal plate will still be available to those persons who don't wish to take advantage of the ability to have these special plates. If that is the case then I have no difficulty with the Bill being brought forward

MR ROBERTSON Thank you Mr Deputy Speaker. I was just going to allude to that fact Brian. Following the response from the survey conducted in 1998 in determining the type and cost of each number plates regard was had for the comments made by the community verbally and on the survey form and there were a number of those who asked if the existing yellow and black number plates would remain the standard number plates for Norfolk Island so that was gleaned from that survey and that will of course naturally stay. The rest will come in as personalised custom plates and corporate plates and the personalised plates as indicated will be approximately \$150 and the characters can be two alpha followed by one or two numerals and that will actually be on a white reflective background with a green strip across the top with Norfolk Island printed in white, and the green Norfolk Island pine centred with the letters to the left and numerals to the right with black characters and bead and the custom plate with be about \$250 and that's up to eleven characters any numeric combination printed in black in the centre of the plate and that will be slightly different. It will be a white reflective background with a green strip across the top with eleven white Norfolk Island pine trees a green strip across the bottom with Norfolk Island printed in white and the corporate plates will be in the vicinity of \$350 plus a once only cost for art work of \$250 and that's up to eleven characters in any numeric combination and may include a logo or design in up to six colours. The logo may be included in the sash and the characters in these may be black, blue, green or maroon. so that's basically how the format will run and there are of course some other issues coming in for the collectors and investment market and that is getting locked up and there is an agreement going with that and the agreement has to dovetail into the legislation and the agreement is not quite finalised as far as that part of it is concerned, but we will have that finished in the next week or so so that's why it's laying on the table for the next Sitting

MR ROBERTSON Thank you Mr Deputy Speaker. I move that the debate be adjourned and made an order of the day for a subsequent day of Sitting

DEPUTY SPEAKER Thank you and I put that question  
QUESTION PUT  
AGREED

Thank you the ayes have it

### **THE CUSTOMS AMENDMENT (NO 3) BILL 1999**

There are two matters for which leave will be sought to bring these matters on. The first is the Customs Amendment (No 3) Bill 1999

MR SMITH Thank you Mr Deputy Speaker. I do seek leave of the House to present the Customs Amendment (No 3) Bill 1999

DEPUTY SPEAKER Thank you. Is leave granted? Leave is granted

MR SMITH Thank you Mr Deputy Speaker I present the Customs Amendment (No 3) Bill 1999 and move that the Bill be agreed to in principal

DEPUTY SPEAKER The question is that the Bill be agreed to in principal

MR SMITH Thank you Mr Deputy Speaker, at the last Sitting of the House we passed the Customs (No 2) Bill which had the effect of increasing the duty on

cigarettes and tobacco from 180% to 250% but also provided that the minimum duty payable on the import of a motor vehicle other than a motor cycle was to be \$1000. At that same meeting there was concern expressed, or before that Meeting I should say, and I also raised the issue myself of people who had already ordered motor vehicles and were committed to importing them and I felt that there should be a way that they could get an exemption if they were in that situation and that's what this Bill does. So the Customs Amendment (No 3) Bill 1999 amends the Customs Amendment No 2 Act 1999 to provide that \$1000 minimum duty level is not payable on the importation of a motor vehicle if the importer satisfies the Collector of Customs on the basis of documentary evidence that the importer was bound under an agreement to purchase a vehicle on and from the 24th June 1999. Mr Deputy Speaker the next Bill will be a similar one in relation to Land Administration Fees. So with this one I commend the Bill

DEPUTY SPEAKER Further debate. Chief Minister

MR SMITH Thank you Mr Deputy Speaker. I move that the debate be adjourned and the resumption of debate made an order of the day for a subsequent day of Sitting

DEPUTY SPEAKER Thank you and I put that question  
QUESTION PUT  
AGREED

Thank you the ayes have it

#### **STATUTES AMENDMENT - FEES AMENDMENT BILL 1999**

MR SMITH Thank you Mr Deputy Speaker. Likewise, I seek leave of the House to present the Statues Amendment Fees Amendment Bill 1999

DEPUTY SPEAKER Thank you. Is leave granted? Leave is granted

MR SMITH Thank you Mr Deputy Speaker. This one has the same effect as the Customs Amendment (No 3) Bill 1999. It's an issue that was raised by Mr Brown who is not here yet, but it's in relation to a similar thing where transfer of land, I'm just trying to find the Bill. Just bear with me for a minute. We have found it. Thank you Mr Deputy Speaker I present the Statues Amendment Fees Amendment Bill 1999 and move that the Bill be agreed to in principal. The Statues Amendment Fees Amendment Bill amends the Statutes Amendment Fees Act 1999 to provide that a 2% fee rate continues to apply to a transfer of estate in fee simple or a transfer of a Crown Lease if the person paying the fee satisfies the Registrar of Titles on the basis of documentary evidence required by the Registrar that the person entered into an agreement for the transfer before 24 June 1999 and was bound on and from that date to make or accept the transfer and the consideration to transfer is not less than the unencumbered market value of the property interest transferred or the transfer is a transfer between related persons for bona fide consideration so in effect what happens with that is if anybody is in the middle of a transaction before we passed that Statutes Amendment Fees Bill, and got caught out by what we were doing it gives them the ability to only pay 2% instead of 3% and I commend that Bill

DEPUTY SPEAKER Debate? No debate. Chief Minister

MR SMITH Thank you Mr Deputy Speaker. I move that the debate be adjourned and resumption of debate be made an order of the day for a subsequent day of Sitting

DEPUTY SPEAKER

Thank you and I put that question  
QUESTION PUT  
AGREED

Thank you the ayes have it, that matter is so adjourned thank you

### **ORDERS OF THE DAY**

Honourable Members we have completed Notices and we are now at Orders of the Day

### **SUPPLEMENTARY APPROPRIATION NO 2 BILL 1999**

We are resuming debate on the question that the Bill be agreed to in principle and Chief Minister you have the call to resume

MR SMITH

Thank you Mr Deputy Speaker. This is what is commonly referred to as the Budget. The Supplementary Appropriation No 3 Bill of 1999, provision of funds for the rest of the financial year, seeing we passed an interim budget in June for part of the moneys and this is to finalise the Appropriation Bill. There's been alot of debate on this budget over the last two or three months and I think we should have said everything that we wanted to say, notwithstanding that Members may still want to have some debate on it but I think the bear facts are that we've got to pass these anyway, the amounts are what has been agreed to at this point and I commend the passing of this Bill

MR BATES

Thank you Mr Deputy Speaker probably it's not directly appropriate to the Bill itself but certainly of budgetary concern is the fact that it was only earlier this week that we had a close look at the budget's for the Government Business Enterprises and possibly as we are not going to have a great opportunity to debate those particular budgets at any other point in time I'm just wondering if perhaps I could just dwell on a couple of aspects out of that meeting because most of those GBE's do have some affect on the Revenue Fund by way of dividends and things like that so in that sense they clearly have a bearing on the budget but at least two things came out of those other papers and one is our need to address the situation with the electricity generation and the need to almost in the immediate future look at more generation plant. Quite a substantial impact on our finances and probably of equal importance if not more is the fact that the lighterage crane needs replacing and I don't think we have the funds for either of them. Just to ignore both those, and there are other issues but those two issues in particular, just to ignore them on the basis that we haven' had sufficient forward planning to fund them especially when we are an Assembly that stands on planning as one of our stronger points, I think that we've got to give some careful attention to those two. We just can't ignore in the remainder of the life of this Assembly and leaving a new Assembly with no forward planning to cover those two essential services so I just wish to comment on them and it's up to this Assembly between now and when it terminates to give alot of attention to specifically those two issues, thank you

MR GARDNER

Thank you Mr Deputy Speaker I spoke at quite some length on the original Appropriation Bill tabled in the House back in May and I think some of the Members have been complaining today that they are looking for the person who pushed the button and got me started this morning. Maybe they should have left the batteries out of my battery pack but I'll briefly try and cover a couple of other supplementary issues that have arisen and I'll take on board the things that Brian's bought up and I agree wholeheartedly that it's an

area that certainly does need continuing review and a long hard look at some of those infrastructure problems. Before I left the Island and while the debate was still continuing over the budget I had asked my colleagues to look very long and hard at trying to ensure that funding for the rescue and fire fighting service at the airport was adequately budgeted for. I've come back and I see that there are some funds in there but I think it's probably well worth while pointing out that the funds that have been budgeted for the fire fighting service have absolutely no fat on them at all. They are a bare minimum requirement for funding to fund training and to comply with our final non compliance notice. I understand that there has been an undertaking given by the Minister responsible for Finance and the Airport to review the role played by the Rescue and Fire Fighting Service at the Airport and how to in the future adequately fund the service in regard to funding and equipment replacement. Certainly as Brian's pointed out there are other areas that will require a fairly close scrutiny over the next few months for example the vehicles and the electricity undertaking has been brought up and I think the majority of those vehicles are now in excess of ten years old and when one has a look at the government policy on vehicle replacement issues I think they are talking somewhere in the region of four years. Things like that. You know there's those sort of things where we've got policies but we don't really pay much heed or attention to them and certainly an area that needs concentrating on. Also there's requirements for the infrastructure improvement at the powerhouse as Brian as already alluded to where the capacity is really stretched to the limit. Certainly in lighterage where the Kato crane is aging and there seem to be safety factors emerging in that area. I could probably go on at length and again returning to the fire fighting service there's the argument as well that I think the fire fighting equipment that we do have at the airport is probably in excess of twenty years old now and to see maybe a Kato crane that's sixteen years old and needs up upgrade, certainly those things need attention to be given to providing the infrastructure required for the fire fighting service but again, that's another issue. It's an issue that's going to require ongoing attention and hopefully in the near future we are going to be able to resolve those problems. The budget process as far as the dollar and cents may be finalised today but what is required from here on in is a continuing evaluation of results of the budget process, continued perusal of the options for revenue raising and again I draw Members attention to the proposal for the Broad Based Consumption Tax or what I think is given the name around this table as Brian Bates' Consumption Tax - that wasn't meant as an offence Brian - but certainly he's been pushing it and I'm fully supportive of perusing those options and seeing whether they are viable replacements or supplementary methods of providing revenue for the Island, and also to seek solutions and options for infrastructure development and I've already mentioned and replacement of those items. Basically to sum up Mr Deputy Speaker you can't allow the budget process to go to sleep. There is a requirement and I think a duty of care of all Members of the Assembly as I mentioned back in May to keep a very close eye on exactly how the budget progresses, revenue streams, expenditure and how we can make the system as it is more efficient to deliver what is expected in the community, thank you

MR SMITH

Thank you Mr Deputy Speaker we've sort of slipped a bit sideways on this but that's okay, I don't mind. Mr Bates has raised the issue about the GBE's although the two areas he's referring to actually falls under Gary's portfolios and we are not passing the buck here but we're already talking about what's happening in these areas. I would like to comment from the finance point of view with the lighterage service and the application to us to purchase a new Kato crane. That has been on the books for quite some time. What lighterage is saying is that the Kato crane we purchased in 1983 is, I wouldn't say nearing the end of its useful life, but is getting to a position where we should be looking at a replacement and it's getting to be more urgent all the time but I'm pleased to say that over the last couple of years

with lighterage we have been able to stash a bit of money away and we've probably got something like a quarter of a million dollars in the bank for this sort of thing, like the purchase of a new crane and with the estimated profits for next year, if everything goes well we'll probably almost have enough money to cover the full cost, well maybe not the full cost but near the full cost of a replacement crane. That's just a matter of talking a little bit more about it and approving it or whatever we want to do. In the electricity area well Gary's had ongoing discussions with electricity of what we are going to do for our future needs in the area of the powerhouse. Maybe Gary might have some things to say on that but I appreciate Brian bringing up those things about the GBE's because he's probably right. We probably won't get much discussion before the next Sitting and by that time I think they will already be in action. Thank you Mr Deputy Speaker

MR NOBBS

Thank you Mr Deputy Speaker. I spoke last meeting of my concerns with this budget and I agree wholeheartedly about what's been said about the infrastructure. It is a real concern with me that we're not taking account of the potential additional expenditure to which I believe we have a commitment and that's the Public Service Wage Claim. If this occurs and people argue that we can't afford it, which seems to be a bit of a joke as we are providing funding for new positions in this budget to the tune of some \$210,000 and it's a bit like that "Dem Tull" man, there's more actually and if you look at the GBE budgets you'll find that there's an additional \$89,000 in new positions in the GBE budgets and whilst as Brian says, we are not discussing the GBE budgets per se at this stage, this \$89,000 is certainly a cost to the Government and its a use of potential revenue. And there is more. The Tech Officers have a claim in and the details of this are apparently to clarify the difference between a qualified and unqualified Tech Officer. If approved, it is assumed, that's all because we don't really know great detail about it but the unqualified will remain as is whilst the qualified will get an increase. On this basis there will be an increase in the salary vote so I provide you with the following scenario. The cost to the new positions in this budget is \$210,000. Add the additional \$89,000 in the GBE budgets, add the potential cost of a general wage claim and we have something like \$617,000 and I've not included the Tech Officers claim so in effect the figure is potentially higher. My argument at this stage is not that the new positions or wage increases are justified or not justified, my concern is that we are glossing over actual increases in the number of positions which have cost an additional \$300,000. We are also not taking account of that potential wage claim of some \$318,000 to which I believe there is some commitment to the Admin staff by the Government. My belief is that this budget has in reality a deficit not of \$103,000 but in fact has a potential to be in excess of \$500,000. I find it incredible that Members wish to progress the establishment of new positions in Admin. Not only do we need to blame John Howard for his report or the lady consultant who came across from Mosman. The Howard Report is not being followed. Selected sections have been used. Sections that suit. If you followed Howard there would have been eight managers not five as proposed under the scheme we've been asked to support. Why not eight? Why five? Eight is not needed we are told. Why not four and there's no extra cost involved. We've not seen a draft structure for the whole of the Admin which the Howard model said was to be developed first. We are told that we need to settle the top positions and work down. How you can do this without grouping the roles and ascertaining the positions required to support these roles is beyond me. So now we are asked to fund an additional manager, no structure and no official position statements. How many months ago were statements to be available. I was fortunate to receive what appears to be an advance copy of the position statement for the managers however it covers only four. Nothing on the fifth which brings me to the duty statement if I may, that I see there for a five year contract and I wonder what immigration implications are for these. It's a duty statement as proposed and it appears that



the Government will be required to allocate ministerial duties as per the responsibilities as designated to each public service duty statement. This may be fine for the present group of ministers, but what of the incoming ministers after the next election wish for a variation. The duty statements make no reference to such a possibility. The scheme proposed by Howard provides for flexibility. The Public Service structure is approved by the Assembly, thus there must be provisions for a new Assembly to change the structure and the duty statements of managers. My final point on the managers will confirm what I've been harping on for yonks and it concerns the actual position of the Chief Executive Officer now or the CAO of old in the functional structure of the Admin. Howard had him in line with the others but he had functional activities. Under the arrangement that we are asked to put in place now there are four strands and the CAO sits nicely on the top. The point I've been harping on for yonks is that the role of the CAO in relation to Ministers and managers, I say would be a funnel and this is borne out and I quote from a duty statement which says "to provide advice through the CAO to Government". Nothing changes but it stays the same. I think somebody's being conned. Nothing also changes in this budget. Nothing for training staff. Where is the funding allocated to cover much needed support for the Island's infrastructure as we mentioned a minute ago. The infrastructure fund is proposed by John Howard. We seem to forget this recommendation, but to put on a super clerk and others. I've said this is the Assembly's budget and on that basis I will not be supporting the budget on two grounds. First it's in deficit and the second is the taxes and charges have been raised, the budget papers estimate \$280,000. I ask you, to pay for what? The figure raised is pretty close to the cost of the new positions and in asking why I rest my case, thank you

MR SMITH Thank you Mr Deputy Speaker, just for clarification in one area, Mr Nobbs referred to the GBE budgets. What you have there Mr Nobbs are the raw budgets. They haven't been cut at a political level at all yet so whatever you take out of there is just what was given to us to review and the executives are in the process of going through those. That just needs to be said for clarification

MR NOBBS Mr Deputy Speaker I just ask a question of the Chief Minister. Does the GBE year go from the 1st August or the 1st July

MR SMITH The budget process is for the twelve months ending on the 30th June

MR BROWN Thank you Mr Deputy Speaker the budget has been brought fairly close to balancing by chopping out various of the bids. I just wonder if the four Ministers could tell us whether in the case of each of their portfolios everything that they regard as essential is included in the budget because that's fairly important to me in deciding whether I'm happy with it or whether we should be waiting another month to get it right. To give you an example I understand that the Police are very firmly of the view that they need a different police vehicle, one in the nature of a paddy wagon Mr Deputy Speaker and it's a tragedy that Norfolk Island has come to this but I understand that the police are on occasions having considerable difficulty putting people who they wish to convey to the police station into their police car and that they feel that in the interests of their safety and the safety of the potential transportee it would be far better if they had what many of us would call a paddy wagon. It's a thing with a cage on top. I'm aware that that's not included in the budget and I would be very interested to know whether that is something that is regarded by the Minister with responsibility for police as essential. I would be very interested to know whether the Minister for Tourism for example has in the budget all the things that he regards as essential in order to enable him to do his job. I would be

interested to know similarly if the Chief Minister believes he's got everything that he needs or whether this is a budget where we've actually cut out considerable parts of what we might call essential work or provisions. It would be very helpful to me if the various Ministers could tell us about this

**MR SMITH** Thank you Mr Deputy Speaker I can say for my part that although most of my things fall into the GBE area, certainly there's never enough funds in the area that I have responsibility for. For example just in the Public Service the Service makes cuts to fit our cloth. Essential services you could look at the television services where we don't have enough money there to put up another transmitter for example. Things like that. Sure I agree. There's never enough money even if we had \$12m we still wouldn't have enough money to fund all the things that we would want to do, but this is the process that goes on. It's always been done this way that you don't try and find all the money for everything that you need. You do make cuts where you can. That's for my part anyway Mr Deputy Speaker

**MR ION ROBINSON** Thank you Mr Deputy Speaker. Mr Brown hit on a very important part, probably one of the most important parts of my budget area that we have to look seriously at. The problem is that at this stage we don't know what sort of money we are up for. Certainly by the time the review comes along we will know what we need to find and until that is I couldn't put it in the budget until I find out. As George says, on the other areas we could do with a lot more money to spend and rehabilitation of the reserves, signs for the reserves, in fact in almost every area you can find things that you could be and probably should be doing but as George said we also have to cut our cloth to suit our pocket to a degree so apart from the paddy wagon I have no great difficulty with funds in my area as it is with this budget

**MR ROBERTSON** Thank you Mr Deputy Speaker. All I can say is that within all of my portfolios we will manage. That's all. One of the things that has happened, as an example, in the Works Depot I think the original budget was \$2.4 M which obviously was there requests to be able to refurbish plant, fix up depots, do roads, fix up Burnt Pine, do whatever needs to be done and it's pretty obvious that that sort of figure can't at this point in time be allocated so instead of that we've got something in the tune of \$300,000 apart from salaries and wages which is an ongoing thing but for actual projects of the works and they do have enough to continue to scant their way through for the rest of the financial year, if they get it all. As far as tourism goes, there's about \$42,000 which I've mentioned many many times before that is sort of still owing from last year which never quite got there and the Bureau has done well to try and keep themselves contained, especially in light of the reduction in numbers that took place over the February, March, April period when there could have been an injection to increase the numbers but that just wasn't there to do that and there is going to be a good hard look further down the stream once we get over the next four, five months because there are going to be a number of new innovations happening. There's new initiatives happening, there's new wholesalers coming on and they all want a bite of the cherry as far as co-operative advertising is concerned so all of these things need to be looked at and this is over and on top of the original budget which was put in and obviously put in, in February March of this year so that would be very closely looked at an no doubt at budget review time words will be spoken about what we need and what we don't need at that point. As far as electricity and so forth is concerned, Brian has already made mention of that and quite frankly electricity can easily be fixed for about \$3m. Not a bad figure. As far as the lighterage is concerned and the Kato crane, that's already been mentioned as well and that's a real worry at the moment there's only the one crane which is causing some concern as far as repairs and maintenance it's doing well and it's thanks I think

mainly to the work of Peter Ely that kept it up to the condition it's in, and it's in pretty good condition but, it's starting to get to the end of the line. I think if you look at any plant and equipment that's required by the Administration, three years I think for vehicles or 100,000 miles for vehicle replacements as the recommendation and I don't think you'll find too many that fall into that category. I think you'll find that most of them are getting ten, twelve, fourteen or sixteen years old but that's one of the recommendations that was done some time ago, so all of those things will never take place at this stage until such time as the Island becomes more viable and there are means and methods being looked at which may hopefully allow us to increase. We've looked at population, John made mention this morning I understand, at the lack of number. Not of everyday effects but talking of increasing the GEP's from the ten to the twenty for the quota and the very relevant fact that the Island needs more permanent population on a regular basis in which case they can then help pay for some of these things. We've had people complaining to us up town regarding the imposts that have been imposed in these new pieces of legislation that were looked at this morning and indeed were tabled last meeting for increased fees. And it's just the few people who are now existing on the Island are getting hit harder and harder and harder. We're looking at a GST, maybe, maybe not. It might come in, it might not, but all of those things are not going to increase, but getting back to the original question John, as far as I'm concerned, we will get through but it certainly won't be an easy road

MR BATES

Thank you Mr Deputy Speaker. It's interesting to hear the Minister say we will manage, and we'll get through and no doubt we will but it does tell us that getting by and managing or really getting into the areas of neglect. Where is the fine line. A lot of people up there when you talk about increasing a few fees to raise more revenue, and it's not just the fees it's other things as well, I think each and every one of us know how difficult that is to find something that will give us the level of revenue that we really need. We have a few charges here and there that might bring in a few thousand dollars, but if you add up the areas, I mean we've mentioned \$3m for a power plant at the power house and it just gets to the stage where most of the small revenue hikes that we might put into certain areas are not only unpalatable but they bring in very little by way of the type of money that we need and the years we've basically been trying to take more projects or more things out of the same revenue stream. It's only here at this meeting today that we've discussed the possible funding for a Community Health Centre. We've discussed the possible funding for purchase of land and in our budget we do have for provision for increasing the size of the Public Service which always comes in for criticism. I think it's not hard to really see that the path we are on with our taxation system against the additional areas of expenses that we keep looking at and some of them really should be done, others we can manage, we can get by as the Minister has said but we are really getting into the area of neglect around our plant and equipment. If we have an accident with some of our equipment that should have been replaced I think we are getting further into trouble, nobody wants to see us have an accident but if we neglect some of our equipment and that does happen then I think we've all got a lot to answer for so it's quite obvious that we do have to keep this, as I think Mr Gardner said, keep following this up for the rest of the life of this Assembly and if some of the things in the pipeline do come good, well then some of these problems will basically be solved, temporarily anyway, in the short term. If these things we have in the pipeline don't happen then I think we are bordering on that area of neglect and I think that the writing's on the wall that we just can't continue along the way we are, expecting to have more things done on the same basic barrel of money. I think we've been over and over and around that many times and I do know that some of the people in this Assembly is prepared to address some of them. I think there are some Members who still think it's worth throwing some money at investigating a broad based consumption tax, a version of the one that was proposed by the task force and the

Members from the Inland Revenue Department put about three options, all of which in my mind, any one of them would be far better than what we've got today and I think the community needs to look at those three options and come to grips with them. The alternative is that we are going to continue to look at these little bitty ways of getting enough money to balance the budget, we are going to continue to neglect things that should be done and when we do make decisions to make a little bit more revenue they are going to be very unpalatable and if they are made too hastily, as we looked at increasing the customs duty, some of those could have devastating effects on the total economy and we could just really be getting further and further into trouble with taking steps like that. It's all been said before but I think we shouldn't just pat ourselves on the back and say we've balanced the budget and that's it for the rest of the term. We've got to keep continuing to try and find these ways, thank you Mr Deputy Speaker

MR GARDNER

Thank you Mr Deputy Speaker John seemed to miss me out when he was asking for comments from the Ministers. Maybe because he has a very good detailed understanding of exactly what the difficulties are that surround some of my portfolios especially the health portfolios, and the difficulty of being able to accurately budget to what the required subsidies will be needed in the area of the Healthcare Scheme and the Hospital itself. We certainly are in a time of a requirement that's needed for tight fiscal management. The wonderful wish list that appear each year as far as what everybody would like to achieve and see being done. It would be very nice to be able to accommodate all of those wishes but we simply aren't able to do that. It's a matter of having to go back and prioritise the sections that we have, the portfolios that we have and determining the essential services that must be provided and the levels of subsidy that must go with them. As far as the global hospital budget was concerned I think those initial bids were somewhere in the region of about \$150,000 in excess of the current subsidy that's being provided under the group of Appropriation Bills that have been presented. So in other words there were cuts that were needed to be made there and as I pointed out in May when I was talking about this it was a matter of looking at the capital expenditure that was required at the hospital going back and very carefully going through that with the doctors and staff at the hospital to determine within that list the absolute necessities or the absolute priorities and then grouping them together and another group that yes will certainly will get us by for another two or three years but yes attention needs to be paid to replacing those later on and other ones that really at the end of the day were not absolutely necessary but again would be nice to have. Certainly small things that may improve the service or may improve the comfort of the patients. Things that you don't like overlooking but as I said when there's not buckets of money around it's not always possible to provide all of those things however in the area of the hospital subsidy we've settled on a figure that I'm confident will deliver the services that are required and also give us a bit of added equipment at the hospital that will assist in not only diagnosing patients conditions but will also assist in retaining some of the moneys here on the Island by being able to offer a wider range of services as far as Healthcare is concerned at the hospital and hopefully eliminate some of the need for the referrals offshore, in other words instead of that money disappearing into a hospital in Australia it will be circulated through our hospital system here. The revenues will increase and hence the smaller the call is on the subsidy from the Government to the hospital system in other words, they are not only the Hospital Board but our current Director and his staff, I think are very responsible in their attitude when it comes to managing the system at the hospital and are doing their utmost to try and improve the revenue streams at the Hospital and work more towards I guess balancing their own budget without the need of an increasing subsidy from the Government to the Hospital Enterprise. As I mentioned earlier the Healthcare Scheme, I guess there's always the argument that the moneys that have been handed to the Healthcare Scheme as a subsidy from the Government enough is inadequate.

I think if you had ten people in a room or nine as we have here, I think all nine of us would have a different view on exactly what the required level of subsidy is, however, as we all are around here I'm reliant on advice that is received from my officers, those that have had experience in this area, and the amounts tended to make sense, they've been carefully looked at, historical records have been carefully looked at and in some cases there could be a trend developing that there are increases and of course larger subsidies provided. I guess I took the unpalatable option last year of increasing the Healthcare Levy by \$100 per adult per six months which caused some concern and I understand. That causes concern to myself. It's not always easy to find those moneys when the levy comes about but what in effect that has done, is that it has reduced to some degree the burden that the Government faces as far as a subsidy is concerned and in my argument when the levy was increased I did say that there is always room there and I think a necessity for the Government to have to provide some level of subsidy in that area. It's unfortunate though, that with our Healthcare Scheme on the whole how it performs is really in the lap of the Gods. The way the system is structured, the uncertainty as to who is going to have an accident, and why they are going to have an accident and the numbers that will be involved in an accident, we just can't accurately determine what those figures are going to be and what the impact is going to be. As I said we are able to work to a degree of historical records, and we do, and we rely very heavily on advice that's provided, not only from the officers within the Administration but also from Consultants that we have and maybe returning to the inception of the Healthcare Scheme it could be argued that if the Risk Managers advice had been properly heeded in those days the scheme probably wouldn't have had the difficulties that it's had over the last few years but I guess that's interpreted in different ways by different people. Moving to Waste Management as I outlined this morning in my statement those types of things are happening. There are improvements that are envisaged in the Waste Management streams in the Island. there is the possibility of being able to receive a grant to assist in the development of the infrastructure and running of such a system. As I said we are not hanging our hats on that. The only money that occur in the budget for Waste Management side of things is the continuing contract at the tip. There have already been improvements made in that facility while our application progresses and while the strategy is developed. If the grant is not forthcoming in the Coast and Clean Seas application it doesn't cause me a great deal of concern in that there are a number of things that will certainly come into the fore in the Waste Management arena that are possible to implement without any substantial cost whatsoever and these are the educational side of things. A number of issues there.

Moving I guess to Gaming, everybody heard what I said about gaming this morning. Basically that is set up to be self funding. In other words there won't be a burden once it's up and running on the revenue fund of Norfolk Island however being able to guesstimate what levels of revenue we can expect to receive again, is another thing like the exposure to Healthcare. We have no idea. We won't know. We won't even get an indication of that until some of these things begin to operate, however, I think it is probably the light we have at the end of the tunnel as far as revenue or additional substantial revenue streams are concerned but certainly the most advanced measure addressing that. And it would be folly I think for us to ignore it and abandon it. I guess the old argument comes in, unless you're prepared to spend a bit of money you're not going to make some money. it certainly has the potential to overcome some of these problems that Brian was alluding to before and I followed up as far as infrastructure with generator sets and the Kato crane, the fire engines, and other bits of infrastructure that are around that do need replacing or improving. Even if we were to start talking about improvements in harbour facilities. This has the potential to deliver. How that gets handled as the revenue starts to flow is another matter and a matter that the Assembly will have to decide upon once that develops but overall I'm satisfied

that in certainly my portfolios the budgets have been looked at responsibly, they have been trimmed where necessary. There's not alot of fat in it, I can assure you of that but I am confident that its workable.

MR ION ROBINSON Thank you Mr Deputy Speaker. Before Mr Brown gets Mr Gardner away again, can I move that the question be put

DEPUTY SPEAKER The question is that the question be put  
QUESTION PUT  
MR BROWN NO

Do we call the House. No. That particular question is decided in the affirmative and therefore I will put the question. Honourable Members the question is that the Bill be agreed to in principle

QUESTION PUT

Would the Clerk please call the House

MR SMITH	AYE
MR BUFFETT	AYE
MR BATES	AYE
MR ROBERTSON	AYE
MR GARDNER	AYE
MR ION ROBINSON	AYE
MR McCOY	NO
MR NOBBS	NO
MR BROWN	NO

The result of voting Honourable Members the ayes six the noes three the ayes have it. Thank you the Bill is agreed to in principle. Is it the wish to dispense with the detail stage. Fine. We will do that thank you. I seek a final motion Chief Minister

MR SMITH I move that the Bill be agreed to

DEPUTY SPEAKER The question is that the Bill be agreed to. Final debate

MR BROWN Thank you Mr Deputy Speaker. I've voted against the motion in principle and I'm going to vote against the Bill. It's partly because I've been cut off from asking questions I wanted to ask. I'm not happy with this Bill. I think that the Bill has not adequately addressed what we really need to spend and at the same time, I don't think that enough has been done to give value to the community for what we are spending. Let me just give a couple of examples and then I'll quieten down. I'm very concerned about reserves because the work that has been done to reduce the risk of us being sued by someone who falls over is inadequate. Signs are not up. The pathways are not in a safe state and we are liable as the occupier if someone slips and falls as a result of something that we haven't done properly. The roads are another example. We've been told that there simply isn't enough to do any more on Burnt Pine this year and that there might not be enough to do much more then the most urgent of repairs. We can be liable if people have accidents, slip and fall as a result of us not having properly maintained the roads and the footpaths. We've seen in the last few months a fairly devastating drop in tourist numbers. And that in part is because the Minister was not given adequate funding to prevent it occurring. And Members are laughing Mr Deputy Speaker but the drop in June can't be called anything other than a devastating drop. Those figures were tabled

today. They were dreadful and accommodation proprietors across the Island have been concerned and what it has to do with the budget is that we didn't provide adequate funding to ensure that when the problem started to be recognised we were able to do something about it. It didn't happen. The fire engine at the airport. We are going to have to buy at least one new fire engine, perhaps more. At quite some time ago I sought the agreement of Members to start to put some money aside each year towards that. Members took a different view and that's fair enough Mr Deputy Speaker. Members to a view that they would prefer to pay for it in the year the expense arises, but I can only be concerned that when at the end of a record year for tourist numbers and at the beginning of another year that we expect to be close to a record year, we can't afford to do the things we need to do. What happens when the cycle changes, and cycles do change Mr Deputy Speaker. If the Chief Minister was telling us he recognises that there are very significant problems, is he going to do something very quickly to make sure that they are fixed, one could have some confidence but frankly I don't have confidence because in the good times we are not managing therefore it seems to me that in bad times we are in for a bit of trouble, thank you

MR NOBBS Thank you Mr Deputy Speaker I voted against it and as I said earlier, I voted against it on the two major points really, well three actually. Firstly it's an Assembly budget. You can forget the Minister for Finance and the other Ministers, it's an Assembly budget of nine votes. Well I'm voting against it and the main reasons I'm voting against it is that simply it's in deficit and that we have a potential for it to go further into deficit and that we've increased the charges and what have you which is fine and they are long overdue but what are we using the money for, just to employ more people and I don't agree with that at all thank you

MR McCOY Thank you Mr Deputy Speaker I voiced my concerns about the budget at our previous Sitting of the House and I am surprised at some of the conversation around the table this afternoon because there was very little debate at the previous meeting. Maybe it's the fact that I'm a new Member and I don't understand these things but I thought there would have been quite an amount of debate around the budget at our previous Sitting when the second Supply Bill was tabled but the reasons I don't support the budget is simply because there are areas in Administration where they put in a budget bid and it wasn't a huge amount of money, which would have given that particular section the ability to increase their revenue and I'm talking about the amount of money that the Forestry area wanted so that they could start to harvest the pine trees for fence posts, that were planted on the Island as a planned project twelve years ago. The trees are now ready to come down, the equipment can't be purchased yet I guarantee there'll be fencing material coming off the ship and there are many other areas that I've got grave concerns with but I won't go on with that this afternoon because now it's an Assembly budget, the Assembly Members may have an opportunity to be a little more involved in it

MR BATES Thank you Mr Deputy Speaker. I certainly share some of the words that have been said by some of the Members that didn't support the Supply Bill. I remember getting quite disturbed with a Member that didn't support a Supply Bill because without supply there is certainly no Administration and without the Administration there is soon going to be no tourists and there's soon going to be no economy at all so it is important that supply goes on. It's all very well to say that once the Bill comes into the House then it's virtually no longer the responsibility of the Minister, it becomes the responsibility of the nine Members, they are really only just words because it's almost impossible for somebody from the backbench to change a Supply Bill. I think you need messages from the Administrator if you want to

increase any expenditure item. I'm not sure what happens when you want to decrease some of them, it may be a little bit easier, but you certainly can't bring in a Bill to raise revenue off your own back as a backbencher, to raise revenue to meet some of the difficulties you see in a Supply Bill so I object a little bit when I agree to a Supply Bill that's come into the House and then people more or less say well you agree, it's just as much your Bill as it is the Ministers. It just doesn't quite work like that I think it's quite obvious from the things that I've said that I'm far from happy with the Supply Bill. I'm far from happy with the financial management that's going on at the moment. I've said things that I didn't particularly want to say in an effort to at least have people wake up to some of the difficulties that we are facing and I'm sure that there is an awareness around the table that there are a lot of difficulties there but we must have supply and on that basis I thought we had agreed that we had eventually got to the stage where we only gave supply for three months to make something happen. Something did happen as a result of that. We further investigated the Broad Based Consumption Tax and we made some changes to our revenue stream. All things which go a long way to ensuring that we know at the end of our term that we don't leave the incoming Assembly in panic mode with their finances. They are things that have helped to eliminate that to some small degree. That's the worst thing that could happen that a new Assembly come in, find itself broke and be faced with the need to find additional revenue and in fact the same situation that we were at the beginning of this budget where we shoot off at a fee here and a bit of duty there and hit the cigarette smokers and leave the beer drinker alone and you do all sorts of crazy things. That's what I've been trying to avoid for the coming Assembly because the alternative is, well I guess we could have not passed the Supply Bill at this meeting and I guess we could have sent it back to the drawing board and we could have stuck by our guns and say until you sort it out then there'll be no further supply or you'll get supply month by month. That was not well accepted. I think it was something that nobody wanted to do but I think it did serve a purpose and our alternative at the present time is really just that. To continue to refuse to make supply available other than on a month by month basis until certain things happen but just not to support supply is something that I'm sure the three Members who didn't support this Supply Bill are not supporting it on the basis that supply would just cease and the Administration would dry up and then the whole Island would collapse. I'm sure it wasn't the intention of those who wouldn't support it. But we did get around to sort of agreeing basically on that budget and on that basis I'm prepared to support the Bill but I'm far from happy with it. Thank you Mr Deputy Speaker

MR SMITH Thank you Mr Deputy Speaker. Frankly this is a little bit embarrassing to me, some of the stuff that's coming up, particularly from two Members. One is Mr Brown and one is Mr Bates. Mr Brown the big spender and Mr Bates the expert on finance. Now I've listened to a lot of crap over the last three months about finance and budgets

MR BROWN Point of Order Mr Deputy Speaker. Some of the language that is being used by the Chief Minister is inappropriate for this place and I would ask that it not occur again

DEPUTY SPEAKER Thank is inappropriate language Chief Minister, if you would temper your tone

MR SMITH Mr Deputy Speaker I'll be more careful but when I get angry I just can't help some words do slip out and Members know that I don't get angry very often but I'm starting to with this process here. I've heard Mr Bates say here right now that a backbencher doesn't have any access to introducing money Bill. What...I was going to swear



again, sorry John. What does he think that these Bills that we've been passing today are. That's exactly how you get your input into the budget Brian. When a Bill goes into the House, you should know this. You've been here almost as long as John and he knows it as well. Any Bill that goes into the House belongs to the Members. You have the ability to do whatever you want with that Bill, even if I wanted to withdraw it I can't withdraw it without the approval of the Members so don't sit here and try and convince people in the community that you don't have the input into a Bill only because it's a money Bill. You have every opportunity to come forward with ideas, which you did before the last meeting. The reason we've gone through the process we have is exactly what you're talking about. You said you wanted to sort some things out. We've gone to a lot of work in this last month, getting these things together for this budget so that you will be happy. You are also the one who's been pushing for Brian's GST and that's fine and we're following that up. We have said what you have said we should be doing so to sit here and say that you can't have any input into a money Bill is a load of rubbish. You haven't come to me Mr Bates in the last... through you Mr Deputy Speaker... since the last meeting and said George, there's some other things that I've got concerns about in this Appropriation Bill. That hasn't happened since that last meeting. In fact neither has other Members who have shown concern. I appreciate what Members are saying around the table where it's real stuff. Mr Nobbs has raised the issue of extra staffing. That's an issue. It's identifiable and it's his view but at the last meeting Mr Brown had the opposite view. He wanted to spend more money and put in extra which is what's in there now. Members don't agree and they speak up and say so as Mr Nobbs has done. I've heard Mr Brown go on about the fact that the budget didn't provide enough money and we had a bad month in June. Mr Brown would know that it had nothing to do with the amount of money that was put into the budget for the Tourist Bureau last year because except for an amount that Gary specified was for a specific project that wasn't supplied in last year's budget, the Tourist Bureau which Gary would agree with me, did very well. It had nothing to do with the budget. It was other factors that came about and I don't want to raise those because we might get into another hours debate about what that has happened but the fact is that it's nothing to do with the budget there. This year the Tourist Bureau has more funds which Gary is happy with this year, which is getting close to \$800,000/900,000 and I'm sure Gary and his Bureau can manage with that amount of money. You talked about fire engines John. That's been raised twice this morning but the context that it's being raised in is about capital expenditure. Now I don't know if you've had a look at this, you probably have, which is the budget proposals that goes along with the Appropriation Bill, it has got a fire engine there, but all these things that we are raising about dilapidated capital equipment, you are talking about vehicles, you're the first one Mr Brown that says we always spend too much on vehicles, so just let me say that in the first place, but we've already talked about a process of funding another fire engine when it is needed and that's been talked about with the Minister for Health and a process that we'll go through to do that, but Members need to remember that over the last two years we have put in our budget a quarter of a million dollars to upgrade vehicles. Sure, there was a policy developed in 1989 that we should replace all vehicles after four years and 100,000 kilometres I think. We're the first ones who have really got a hold of that and done something with it, to supply \$120,000 each year in our first two budgets, went a long way to doing that. You can't just replace very vehicle unless we had another two or three million dollars to spare. The issue of the Kato crane is one that's under discussion. We discussed it the other day sitting around the table here. That's a necessary piece of equipment that probably does need to be replaced in this financial year. The electricity matter well that's a matter for Gary and he's working on things with that, but what we are all talking about is the capital expenditure here, but nobody has mentioned the other things. The ones who are opposing the budget because it's in dire straits. We are spending by the way \$500,000 more this year than what we did last year which is probably \$500,000 more than the

year before as well but one of the major things we are doing in this and we can't help but do it and we've all agreed to do it, is to upgrade the computer system in the Administration and that is \$265,000. That's where your roads money has gone Mr Brown. It's an unusual item for us to have in here but it's something that must be done, because if you find the Strategic Plan which I have here somewhere it's one of the things that was listed in the Strategic Plan that must be done. That we upgrade the financial systems of the Administration. So we are doing that. We are spending \$150,000 on the school toilets. We don't do that every year either but we are doing it for two reasons. One is that the current toilets are unhealthy and are not appropriate for a modern day school, but it's also to assist the games that are coming up in the next one or two years. There's \$200,000 for road reconstruction. Talking to the Programme Manager, there's various ways that the money can be spent and I think Gary touched on that earlier one. He has said that that's reasonable. \$200,000 in road reconstruction, if we've got any metal and we all know that we may not have any metal for it for a period of time and let's not get into that issue either, so there are things in here. For example we have \$50,000 in here for vehicle and plant just on the revenue fund even this year. The Programme Managers who helped us devise this budget said they would take a cut to what we gave last year in the amount I mentioned before, \$120,000 and this year it's \$50,000. They've got a fair few new vehicles. The other extraordinary items are the new staffing which is a matter of \$76,000 or something like that but that's what's been proposed around the table. It's in line with the Strategic Plan with the Howard Report. One of the next things we are going to be talking about is the Public Sector Management Bill, if we are going to be serious about that, we have to fund it and that as Mr Nobbs has correctly pointed out, I think that's gone a long way towards what has caused a deficit. Whether we run with a deficit or not is up to the Members. Mr Bates has always been a proponent of that. We should never go for balanced budgets. I hope that he doesn't say today that he doesn't think we should be going for a deficit budget after two years of saying that we should be but if anybody thinks that I don't worry about our finances, well you're wrong. Of course I worry about what's going to happen. I've seen us spend \$200,000 in the middle of the year that wasn't in the budget. That concerns me. Or was it actually more. I think it was closer to \$300,000 in a mid year review. But we do that. There's things where we get caught out. Let's look at the Healthcare figures that Geoff mentioned before which we hope we've fixed, but he's right. It could get worse. We could be up for another \$500,000 in this financial year. We don't know but that's the way it is. That's what happened the last time. Now as Geoff said we, we hope we've plugged that hole for the moment but that is what took most of our reserves in this last financial year. The fact that HMA and the Healthcare Fund blew out. There's no doubt about that. No matter what excuses people use. That's exactly what happened. We had to use the Reserve Fund to fund that. That concerns me but how else would it have been done to recover \$400,000 out of our community on a levy. You would be paying something like \$800, I think we worked it out to be, per person per six years to cover that amount of money, that came out of the blow out. Things like that really really worry me. I mean, it's easy enough and we all do it, and all Assembly's have done it. It's easy to point and say oh look at what Smith's done, or McCoy's done or whatever but we are supposed to be all here to fix these problems as the year goes by. We've got to that point with this one here. We've got an amount of money that I thought we had basically agreed at the last Sitting, even though I knew there was going to be a lot of debate about it, but for people to sit around here and say some of the things that have been said, are just ludicrous. Particularly from long term Members who have been on the Assembly. Let's get our act together and get this Supply Bill passed or not, whichever, you can pick on me for the rest of our term if you like about it, but let's at least do what we are supposed to do and pass this Supply Bill

MR BATES

Thank you Mr Deputy Speaker. I don't quite know where to start. I thought I had been over all this before. I think when I mentioned about the difficulty of backbenchers in bringing in revenue raising Bills and things was when I got a sheaf of Bills waved in my face to say look, you've done all this. The very thing that I've been talking about for years is to avoid that very thing from happening because every one of those revenue raising Bills except for the one that brings fees into line with inflation have been neglected for fifteen years or so, every one of those Bills is the very thing that we should not be doing with our finances. They are pointing in directions where we don't know where they are going to end up. We are just firing off where we can get some money. It's not sound financial planning. This is why I've been saying we must look to alternative means to raising our taxes and that type of thing is going to continue. The next Assembly is going to be doing the same things. I've said this over and over again. Most of those revenue raising Bills are just horrible things to be doing. There are things that I'm sure any Assembly Member would not want to look at and unless we face this properly and look at things sensibly and look at new revenue streams, these are the types of stupid and bad decisions that are going to continue to be made in future Assemblies. Then I get that I'm the one saying that we should never have a balanced budget. I've never said that we should never have a balanced budget. I have said that most balanced budgets create a surplus and the only way to spend that surplus is to have a deficit budget. I've also said that we can talk about the level of the revenue fund and we should budget around that. I've also said that we should use our budget in accordance with the economy of the community and I've got no problem with a balanced budget, I've no problem with a surplus budget, I've got no problem with a deficit budget as long as we know what we are doing. As long as it is part of our planning. If we are having a deficit budget to spend surplus that we've gained through a bit of luck in one year, well and good but to use that as an argument that I've said we should never have a balanced budget which I don't recall ever having said, is quite ridiculous. And when we talk about the \$500,000 blow out from the previous financial year, that was quite obvious when the budget was formulated and you've got to lay that blame fairly on Mr Smith. The budget that he brought forward to this House the previous year, the writing was on the wall that this would happen, and this is the very thing that we are trying to avoid happening here and now in this budget, another big blow out like that. I think he said, I don't know what his words were but these things happen. These things needn't happen if we do our budget correctly and I'm quite sorry that Mr Brown didn't go forward with his motion today because I don't wish to see Mr Smith removed from his portfolio but it's quite obvious to me that as a financial manager he's completely inadequate and that part of his responsibilities should be removed as quickly as possible, thank you Mr Deputy Speaker

MR BROWN

Thank you Mr Deputy Speaker, just one thing. Brian quite rightly earlier today pointed out that it is not desirable to refuse supply. I have the benefit of being the last one to vote and I have been able to count the numbers and I knew that I could make an appropriate vote in the negative without causing supply to not be provided. Had my vote been critical I would have certainly voted in order to ensure that there was supply because I agree with Brian in that regard. Mr Deputy Speaker Brian and I when in this room don't always agree with each other but I certainly agree with the overwhelming majority of what he has said today and it hasn't been just destructive criticism. He is trying to be constructive in what he is saying and I hope that once we are passed today the Chief Minister will take careful note of what has been said. Sure it hurts when it's said at the time but I hope he'll take careful note of what's been said and really think about it and then having thought about it I'm sure that he'll realise that there's a lot of common sense in what's been said, notwithstanding that it seems to be critical and having done that, perhaps we can settle down and start to get things right

MR SMITH I'm not wanting to prolong this debate too much longer but I feel I need to say a few things. Brian's raised the issue of the Healthcare. John has said that we shouldn't be too hurt when we are criticised, well that's good and I don't get hurt, especially around this table and especially with criticism but what I get annoyed with is people saying things one month and then contradicting the next. I've just heard some more from Brian about we're wasting time or something introducing all these Bills to adjust the fees. That was his idea! And the other things, with this Healthcare thing. Now it's probably no point me going into that issue, except to say again, the Healthcare Fund

MR GARDNER Point of Order. I'm just wondering if this has any relevance to the Bill that's before us. We seem to be talking about things in the past. Historical budgetary items rather than the Bill that's before us in the House today

DEPUTY SPEAKER Yes Mr Gardner, the debate has certainly ranged widely over the budgetary process. My interpretation is that whilst some of them may be significantly remote, they all do relate to the budgetary process. My cautionary note however in saying all of that is that we are becoming quite personal now in some of the content and it would be best to confine the primary stakes of the debate to the specifics of the budgetary process.

MR SMITH Thank you to Mr Gardner and also to Mr Buffett for sorting that out. I think that I'll just move that the question be put

DEPUTY SPEAKER I'll put the question unless you really want me to put that question. Mr Nobbs, you had indicated..

MR NOBBS Yes, I just wanted to make a point. I mean it's a waste of time in voting if it's not an Assembly Bill. I can't believe that we're saying that the backbenchers haven't got a say in it. I mean we've talked about it and now we're going to vote on it for the second time. I don't know what the other vote was for but anyway we voted on it and we are going to vote again, so I mean if it's not our Bill Mr Deputy Speaker I don't know who's it is

DEPUTY SPEAKER The question Honourable Members in the final stages of this Bill is that the Bill be agreed to

#### QUESTION PUT

Would the Clerk please call the House

MR SMITH	AYE
MR BUFFETT	AYE
MR BATES	AYE
MR ROBERTSON	AYE
MR GARDNER	AYE
MR ION ROBINSON	AYE
MR McCOY	NO
MR NOBBS	NO
MR BROWN	NO

The result of voting Honourable Members the ayes six the noes three the ayes have it. Thank you the Bill is agreed to

**TOURIST ACCOMMODATION OWNERSHIP ACT 1989**

We are resuming debate on the question that this motion be agreed to and Mr Robertson you have the call to resume the debate on this matter

MR ROBERTSON

Thank you Mr Deputy Speaker. At the last Assembly meeting I tabled an application by Resorts Investments for an additional registration of eighteen units. There was some debate, not much as the motion was left lying on the table. Just a couple of things that I need to probably clarify. Members of this House have expressed on many occasions that maintaining or increasing visitor numbers is desirable in light of the fact that tourism is our major industry however, they have also stated that it would be even more desirable if we could attract those with the bigger disposable dollar and that is similar numbers, bigger spenders. Studies have shown that those areas that are wooing the MICE activities, and the MICE is Meetings, Incentives, Conventions and Exhibitions have a huge potential to attract international and other non local visitors. While this potential has long been recognised there has been little statistical information available until recently and the Bureau of Tourism and Research was commissioned to investigate and report on the findings. The main findings were simplified and they showed that meeting attendance, people from the corporate world, 46%, association 21%, from governments 17% and from private 16%. Delegates were most likely to be males between the ages of 40 and 49 and employed as managers and administrators and over 90% travel to the meetings unaccompanied. The average expenditure per delegate at conferences or exhibitions was \$529 but this differed considerably by delegate types. For example, the local person spends around about \$138. A domestic day trip was \$250. Domestic overnight was \$1,143 and international visitors tended to lead \$4,429. Overnight expenditure for interstate was \$256 and international \$400 and the largest expenditure item was the events registration fee of 30%, accommodation 16%, food and drink 12%, airfares 14% and more than half of all the delegates spent less than \$500 but the majority of the international delegates spent more than \$2000 on these trips. Comparisons with other visitor surveys shows that the delegate spent more than on average visitors as a whole particularly when expenditure was expressed in a per night basis. Now up to 13% of delegates undertook pre event or post event tours and accounted for 46% of the total delegate expenditure. The restaurants, hotels, clubs and air transport industry were the main recipients for tourists, and shopping enjoyed excellent returns. MICE events attract both tourists and locals although it is the potential to attract international and interstate visitors that drives much of the policy and marketing interests in the industry. The MICE sector differs from other segments of the tourism industry in that communication rather than leisure travel is the underlying motivation. The primary objectives of attending MICE events are to conduct business, learn, share information and present a paper and meet professional colleagues. MICE visitors generate revenue throughout the economy, not just for the venue and the event organisers, accommodation facilities, caterers and support services that directly provide for MICE events. The sector provides the potential for tourism providers especially accommodation facilities, to offset periods of low leisure travel activities. While MICE visitors tend to have a shorter duration of stay than other visitors the participation in pre and post event trips ensures that the economic impact is not confined to just one area. All the meetings whether they are of short or long duration, 90% of those attending preferred to stay at the one accommodation establishment recommended by the events organiser. Nearly all conferences or meetings face a big proportion of their activities on bonding so that the delegates are better united to achieve the best results. The Colonial application is one that is heading along those lines. Upgraded facilities, controlled locations and ability to host under one roof. Conventions and events and

above all it is intended to cater for the very market that we have all said we need. Mr Deputy Speaker were are a couple of things said last meeting that I thought we would look a bit further into. One of the things mentioned was that there was a feeling raised by Mr McCoy that the standard of accommodation is a huge issue and that properties that wish to expand who are already in the tourist accommodation industry should have to upgrade their existing holdings before they are given approval for a further extension because if we allow larger properties to expand and simply build new units there is no onus on those properties to upgrade their existing units to meet the regulations that have been formulated. That's fine. In the case of the documents that were distributed with the Colonial, one page of the document referred to the amount of upgrade they are currently doing. They've put in or have spent in the vicinity of \$300,000 recently and there's a further \$30,000 to be spent. The plan that has been submitted to most Members is a large plan, it incorporates the building of eighteen units at the front, it incorporates the tidying up of those existing facilities within those areas of food and beverage and it also includes eventually the knocking down of those units at the back and rebuilding. It also means that there is a large amount of work to take place over the next six months. There's a large amount of goods to be imported, you see the project actually presented creates jobs for people plus contractors which in itself creates a good cash flow throughout the community. We've sat around the table over the last hour or so and have heard the difficulties that the Island is about to face regarding trying to raise money, but through all of the raising of money throughout the Island or for the Assembly to raise it we need also to ensure that we have a viable industry occurring within those that require work in this Island. I'm not sure if I should put this motion today because I understand that there was an invitation sent to all Members of the Assembly which from what I gather a number of Members did not get and it was to go and inspect the properties that had been upgraded in view of what Mr McCoy said and that perhaps as nobody turned up, there needs to be obviously an area of concern from within the Assembly that they should be fully informed of what is going on. I feel that I would probably move this and adjourn the debate until the next meeting but I'll leave that to the Members at this stage

DEPUTY SPEAKER

Is there any debate before Mr Robertson's motion of adjournment

MR McCOY

Thank you Mr Deputy Speaker, my name has been mentioned a couple of times on the deregulation an upgrading of accommodation units but my main concern is there is no intention to put in water holding capacities in this first upgrade. That is what I'm referring to when I say existing accommodation properties should be brought up to regulation because I had investigated the Colonial's application. I have not sat back and waited for it to come into the House and then make a decision on it. I've looked into it and if we want to go down the path of allowing existing accommodation that are already above the trigger market share to expand without putting in the water holding capacity well then we just sit up and say that we'll take the risk that one day Norfolk will have another drought and tourism will not be there. So, I leave it to the other Members to make their own decision

MR ROBERTSON

Thank you Mr Deputy Speaker. I should reply to that. All conditional permits that have gone out to any conditional applications all have written in them that they must comply as part of the requirements to the water, every single one that goes out, so if this is to be successful and instructions was carried then that would be one of the criteria to put in there, they must comply in which case they would have to put water in there. That goes out with every conditional application

MR McCOY Thank you Mr Deputy Speaker, in that case of course I cannot support this proposal because it's not in the application to put in the water supply so what are we saying

MR ROBERTSON Thank you Mr Deputy Speaker perhaps I might rephrase that. If the eighteen units are agreed to then the application will come before me for approval in the first instance and the conditions of that approval will be laid out and spaced out and in that the conditions that we are putting in is that they must comply with the water catchments that have been agreed to by this Assembly I guess, I still ask Ric to tighten it up but that's in every application at that stage

MR NOBBS Thank you Mr Deputy Speaker, I'm just interested in Mr Robertson's talk. We got MICE now and we had DINK's last year and I think they're the ones we need to get, double income no kids, plenty of bread and we're laughing. Now that's fine. One of the biggest things that you are going to find with your tourist industry so I'm led to believe is that fact that Australia's getting GST and if we manage our situation reasonably well we should be able to cash in on that. Some of the areas in here will go down a bit but others will be really far better off, so I'm led to believe. The situation as far as the invitation goes, I understand that there was a mix up in the invitations in that most people didn't get them so please don't say that we didn't turn up because we didn't get the invite and that was because George was away and the whole business, but I mean I don't mind. As a Member and I'm still on the Planning Board once it comes to us we usually go round and have a look at these places and see what they want to do so I mean I'm easy, if you want to put it off to another day that's fine for me

MR GARDNER Thank you Mr Deputy Speaker. This is an unusual motion I guess in that following on from the remarks made regarding the Supplementary Appropriation Bill, the last Order of the Day it seemed to be a reference to some doom and gloom in the tourism market and I guess my initial reaction would be to take the sympathetic approach not to support the motion and thereby not contributing to enormous financial loss suffered by the proponents of this proposal. However, I look at things in a little different light to that. I always like to have a look around to see what activity is out there in the marketplace, what's happening. I think in a dead market the expansion of airline services into the Island, the expansion of the Qantas Holiday programme into the Island and I understand maybe Ansett to some degree may be getting involved in marketing the Island, those are encouraging signs to me Mr Deputy Speaker. Things may be changed, there might be moves afoot but as Gary pointed out in his introduction when he made some reference to Members believing that if expansion is over and above the trigger market share if it were to take place then certainly proprietors of these establishments would probably be required or need to have a very good look at doing up to a standard their other accommodations that they have on the property and it seems to make no sense to me that you would want to put a five star establishment at one end and have the dog boxes down the other end. That is not intended to be derogatory towards any of the establishments on the Island but I guess to give the best comparison one possibly can in a situation and there seems to be merit that that is what is required. I'm supportive of seeing upgrading proposals come before the House and to be discussed openly, I think it can only benefit our tourism industry in the long run if our standards are set at a certain level and we try to achieve above and beyond those and not drop underneath them. I certainly agree in having spoken to different people about it, a need, and I think different Assembly's in the past have looked at the need for a five star establishment. I think there was debate about hotels and things like that so that you could cater for the

conferences, the bigger spenders, there's all sorts of different suggestions and comments that have been made over the years but I'm supportive of seeing that pursued on the Island. I think one of the difficulties that comes in here is personalities and I guess it's one of those things that really sickens me is when personalities are brought in to make things that have an over-riding benefit not only to the potential revenue streams for the Norfolk Island Government but for the community as a whole and the light that it's held in overseas and internationally as far as the tourist side of things is concerned, so I try as far as possible to leave the personalities aside. They should never come into an issue like this. I see merit in this. I see value in it, I need to apologise to one of the proponents of this scheme that I was unable to go up and have a look at the establishment yesterday. Some of my other duties didn't permit me yesterday to be able to do that but if Gary's intention is to hold this motion over I would be supportive of that. I understand a helluva lot of work has been going on in this area. I have seen the plans for the complete project, I'm encouraged by it, there are people basically I think at the end of the day putting their money where their mouth is so to speak, and investing in the future. That needs support but I think that's all I need to say at the moment

MR McCOY

Thank you Mr Deputy Speaker, if Mr Gardner is inferring that I'm letting personalities come into my decisions here, well, I would like to make it very clear that I don't let personalities come in. I look at things before I make a decision. Now the Minister for Tourism has brought this into the House and a dominant market share will be created if the Colonial gets the eighteen new units. That's what I believe we are addressing. Well eighteen new accommodation units on top of the present 55 will increase the trigger share market by 2%. Increasing them to a 15% share market. But not only that, we are increasing the hotels accommodation units by 13% therefore I believe triggering a 13% market concentration to the Colonial. Increase. Now within the hotel segment of the market the quota is set at five hotels, around 190 accommodation units. The Colonial has 28% of the hotel market, 18 more units increases the Colonial's market share to 38% which increases the critical mass capability to the Colonial by 10%. Now increasing the Colonial's critical mass capabilities by 10% would allow domination in the market place through exclusive contracts between Resorts Investments Pty Ltd and overseas tourism industry counterparts. The last one was the water which I've already mentioned so there are a few facts for people who think I'm bringing personalities into it. I don't bring personalities into it, I look at it as an overall picture for the Island and I heard all these stories years ago with the five star units and the five star accommodation and the high yielding business. The fact of the matter is you look at the stats published by the Tourist Bureau on what the visitors are spending, it's not high yielding. We marketed very strongly to reduce our base age group coming to the Island, which we achieved. We got that market down to increase the 45 year old to 65 year olds but unfortunately it backfired because we provide a tourism industry for the more mature traveller so what are we going to do. Are we going to put the horse before the cart or put the cart before the horse

MR GARDNER

Thank you Mr Deputy Speaker, I don't know what it is with me but sometimes I think they seem to carry guilty consciences and it seems to go for a bait. Certainly there was nothing directed at what Mr McCoy had said or what any other Member around this table had said, I was just basically trying to ensure that when decisions are made on these types of things, whether it be tourist accommodation, whatever it is, shipping services and things like that, for goodness sake try and leave any sort of personality clashes or bits and pieces out of it. I mean after the debate that was going on last time I guess if personalities wanted to come into it I guess George certainly wouldn't be looking on this proposal favourably. What I'm trying to say is put all that aside. Look at a case on its merit and John if you felt as though I was



having a go at you that certainly was not the intention and why you seemed to take the bait like that goodness knows, but that's all I have to say at the moment Mr Deputy Speaker

MR ROBERTSON Thank you Mr Deputy Speaker I'll just make one mention and then wind this up. Exclusive arrangements John can be done with a person that owns one unit, two units or three units. It's one of those situations that if you feel you want to let your flat for \$5 then you can do so, so I mean you don't have to have 100 units or fifty units or one unit, if you want to make an agreement where you let your flat for \$5 then you can do so, or \$10 per night so be it and you can make an exclusive arrangement for that if you so wish so that's sort of a situation that really doesn't come into it. Critical mass of course is relating to make the thing viable. Now you are going to get pressure put on you no matter what you've got, once again, one unit, ten units but there is a point of time with the amount of expenditure that goes on with a proprietor has to meet, that there becomes a critical mass as to which is the best numbers to make it profitable and if you get above that well you can make it more profitable and you can offer service and once you start offering service then you get people coming back. You look after your people so that if you are struggling all the time, it's a little bit like our budget debate we just had a few minutes ago, you are talking about the fact that we are struggling and we just get enough money just to keep the thing ticking over but if you can get accommodation units that are above that and doing better then it's to the benefit of the Island because the people are very happy when they leave and they are the ones who are the ambassadors for the Island. There's around about 68% of the people who come to Norfolk Island because they are told by word of mouth that it's a great place to come because the person who had been here was very very happy so I don't think anybody in accommodation particularly in that one wants to reach the stage where they are bad mouthing the visitors, they want to make sure they have a great time. Anyway at this point Mr Deputy Speaker I move that the debate be adjourned and resumption of debate be made an Order of the Day for a subsequent day of Sitting

DEPUTY SPEAKER

Thank you and I put that question  
QUESTION PUT  
AGREED

MR ION ROBINSON

ABSTAIN

MR BROWN

ABSTAIN

Thank you the ayes have it, that matter is so adjourned thank you

### **CUSTOMS AMENDMENT BILL 1999**

We are resuming debate on the question that the Bill be agreed to in principle and Chief Minister you have the call to resume

MR SMITH

Thank you Mr Deputy Speaker this is the simple Bill that was introduced to promote primary industry that was generally supported around the table, it was just to reduce the duty on seed potatoes from 10% to 6%. I've no more to say at this point but I understand there may be an amendment coming in

MR ION ROBINSON

Thank you Mr Deputy Speaker Members have been copied with the amendment. I copied to Members a letter I received from the Growers Co-op which explains that the shipment I thought was received on the 1st May was in fact here on the 28th or 29th April so I would like to amend the amendment to read that the date 1st May 1999 be

removed and in its place inserted 26th April 1999. I figures that if we are concerned that we should be fair about the rate of seed potatoes I can't see why we can't be just as fair two or three days earlier then my original amendment was there so Mr Deputy Speaker I would like to move

DEPUTY SPEAKER If we could just deal with the matter of agreeing to the Bill in principle before I put that to the vote and then we will move to the detail stage and I'll seek that amendment at that stage. Is there any further debate on the matter that the Bill be agreed to in principle before I put that to the vote

QUESTION PUT  
AGREED

The Bill is so agreed in principle. Could we come to the detail stage and if you would move your amendment now please Mr Robinson

MR ION ROBINSON Thank you Mr Deputy Speaker on Clause 2 page 1 lines 19 to 20 omit and insert the following "2. this Act will be taken to have commenced on the 26th April 1999"

DEPUTY SPEAKER 26th April, not 1 May. That is correct. Debate

MR BROWN Thank you Mr Deputy Speaker, this is a ridiculous amount of trouble for \$5 or \$6 worth of duty but it is equally ridiculous for me to oppose it because I would take more of the House's time then it is worth, for that reason I'll support it

DEPUTY SPEAKER Thank you. Further debate. No further debate, I'll put the question to you Honourable Members that that amendment be agreed

QUESTION PUT  
AGREED

Thank you. That amendment is agreed. Can I ask you whether the remainder of the Bill is agreed Honourable Members

QUESTION PUT  
AGREED

Thank you. I will now seek a final motion which is the Bill as amended be agreed to

MR SMITH Thank you Mr Deputy Speaker I so move

DEPUTY SPEAKER Thankyou. Any final debate, I put that final question which is the Bill as amended be agreed to

QUESTION PUT  
AGREED

The Bill as amended is agreed to thank you

### **TOURIST ACCOMMODATION AMENDMENT BILL 1999**

We are resuming debate on the question that the Bill be agreed to in principle and Mr Robertson you have the call to resume

MR ROBERTSON Thank you Mr Deputy Speaker. The Tourist Accommodation Amendment Bill 1999 was introduced at the last Sitting of this House. That Bill sought to amend the Tourist Accommodation Act 1984 to introduce Homestay

Accommodation as a regulated class of tourist accommodation and to distinguish development approvals from registrations under the Act and to replace the accommodation levy with a system of registration fee and to extend the term of registration under the Act from one to three years and to make other miscellaneous amendment to the Act. It is important that these amendments are made before the next round of registrations are commenced on the 1st August, however, since the introduction of the Bill the government has done some rethinking in the aspects of the Bill that relate to preconstruction approval. The Bill replaces subsection 7(4)(a) Condition Registrations, with a system of approvals under an upgraded section 19. This amendment dealt with the concern that subject 7(4)(a), Conditional Registration were taken into account in determining the size of the trigger market share purposes. However, it was realised that the amendment had also had the effect of reducing the Legislative Assembly's oversight under the Tourist Accommodation Ownership Act of the issue of binding pre building approvals therefore the detail stage amendment amends the Bill to retain existing conditional approval process under section 7(4)(a) however the Government intends to apply a future policy of issuing shorter term approvals subject to more stringent conditions. This will over time reduce the number of conditional approvals with a consequent reduction to distortions to the trigger market share calculations. Thank you

MR NOBBS

Thank you Mr Deputy Speaker. I thought the Government and the Members were supporting a 10% trigger share and that it would be fairly simple on the paper that we had to fix up some anomalies that had occurred when it was originally drafted. It seems that we have gone into a long convoluted set up and I'm not too sure where we are at the present time. Are they being classed in the 10% conditional, are they still being classed in that or what

MR ROBERTSON

Thank you Mr Deputy Speaker. Under the proposed amendments to this we will have to go back for a period of time to conditional registration because it's intended to do away with Section 19 and to do away with that is when somebody wants to change or alter an existing, that is basically now catered for under the Planning Act where before it wasn't to it overcame a number of anomalies there. There were also some anomalies in those that currently hold conditional registration and you may recall that the intent when deregulation took place was that whilst it was open for people to make application to building accommodation units there was a feeling that the last thing we needed was to have 100 units going up at the one time and that they needed to be spread out so the conditional registrations at that time were put out spreading the load I guess so that there would be a number of units coming along each six months so that the tourism numbers could be spread around I guess and at the same time make sure that builders and the rest of the community were not suddenly a huge upsurge and then everybody sits around twiddling their thumbs for the next three years. It was a continuity thing so those registrations, even though they were given at that time conditional registrations, it was the time frame put on them as to when they could actually build. You have been circulated from time to time a list of who is applying and what time those units are to come on stream, now that's in the conditional registration. There is a difficulty that if we knock them on the head and came back to the 31st July this year, those people would then have to reapply after being told by us that they can't build them when they wanted to build them and that they have to go out to the year 2001, 2, 3, 4, 5 and so forth, so we have to take that into consideration and there's two ways of doing it and the better way at this point is to continue with those that have already received conditional applications to build, conditional registrations to let them carry on but those that are coming on line in the future or as of now, those conditional registrations would last for only twelve months so we are keeping a tighter reign on that. Those

that have been extending out to the year 2005 will be written to see whether they wish to continue because there are still some of them holding numbers on those sheets which we've got printed, with the idea it won't happen so if that's the case then they'll be knocked on the head, but the reason being is that we tried to get the conditional registration side of it knocked down to more reality of people who are definitely doing it and in future all of those who apply will have pretty tight registration going on but that's what's going on in that area. It's one of those situations Ron which we thought we had answered, in actual fact I suppose if we look right through both the Accommodation Act and the Tourist Ownership Act there's some real heavy problems in amongst them and it really needs to be redrafted overall to take into consideration all of the things that apply because what is now coming into effect is that we've now got a Planning Act which took place in 1996 which has sort of superseded some of the stuff which is in the Accommodation Act. I mean you start to pull some of the stuff out and put it into another then you start to get into these areas of concern, however we are keeping as much as we can of the original amendment Bill which I placed last week but we are still having to tidy up just a few of the bits and pieces to ensure that we don't end up with some major problems which we would have if we were to go through in the form that it is currently in. The object of the amendment is to tidy up some of that area but at the same time, try and start reducing the amount of conditional registration so that it doesn't really become a major equation as far as the tourist market share, so that's all they are at this stage

DEPUTY SPEAKER Thank you. Debate Honourable Members. No further debate. The question before us is that the Bill be agreed to in principle. If there is no further debate I put that question

QUESTION PUT  
AGREED

MR BUFFETT	ABSTAIN
MR BATES	ABSTAIN
MR ION ROBINSON	ABSTAIN
MR BROWN	ABSTAIN

The ayes have it on that basis Honourable Members. The detail stage

MR ROBERTSON Thank you Mr Deputy Speaker I move that the detail stage amendments dated 20th July 1999 be taken as read and agreed to as a whole

DEPUTY SPEAKER Debate. No further debate. I put the question that the amendment be agreed to

QUESTION PUT  
AGREED

MR BUFFETT	ABSTAIN
MR BATES	ABSTAIN
MR ION ROBINSON	ABSTAIN
MR BROWN	ABSTAIN

Those amendments have been agreed to so let's move to the next stage that the clauses with those amendments be agreed to

QUESTION PUT  
AGREED

MR BUFFETT	ABSTAIN
MR BATES	ABSTAIN
MR ION ROBINSON	ABSTAIN
MR BROWN	ABSTAIN

The same people. Fine. We will record it as such. The final question to you Honourable Members is that the remainder of the Bill be agreed to

QUESTION PUT  
AGREED

MR BUFFETT	ABSTAIN
MR BATES	ABSTAIN
MR ION ROBINSON	ABSTAIN
MR BROWN	ABSTAIN

Thank you. We have completed the detail stage Honourable members and I will seek a final motion

MR ROBERTSON

Thank you Mr Deputy Speaker, I so move

DEPUTY SPEAKER  
Any final debate

The final question is that the Bill as amended be agreed to.

QUESTION PUT  
AGREED

MR BUFFETT	ABSTAIN
MR BATES	ABSTAIN
MR ION ROBINSON	ABSTAIN
MR BROWN	ABSTAIN

The Bill as amended is agreed to

### **LIQUOR AMENDMENT (NO 2) BILL 1998**

We are resuming debate on the question that the Bill be agreed to in principle and Chief Minister you have the call to resume

MR SMITH

Thank you Mr Deputy Speaker. This Bill has been on the table for quite some time. I might just remind Members of what it was about, the original Bill. This Bill amends the Liquor Act 1960 to vary the executive member's powers to issue a permit under section 32 which deals with permitting the supply and consumption of liquor at entertainments, that is, gathering of twelve or more adults. Currently a permit cannot be issued authorising supply or consumption of liquor on Good Friday, Christmas Day or another day prescribed for the purposes of the section and between the hours of midnight and 11.00am on any other day and the Bill amends the Act to allow permits to be issued authorising supply or consumption of liquor between the hours of midnight and 11.00am particularly on Anzac Day for the purposes of an Anzac Day celebration approved by the executive member or any other day other than Good Friday, Christmas Day or another prescribed day if the executive member is satisfied that the issue of that permit would promote road safety, law enforcement on the preservation of public order. Members will recall that this Bill was brought about on the recommendation of the police mainly I think last year to take account of liquor licensing on New Years Eve and it was certainly the view of the Police and some of the Members around the table









DEPUTY SPEAKER Further debate?

MR SMITH Thank you Mr Deputy Speaker I move that debate be adjourned and resumption of the debate be made an Order of the Day for the August Sitting as well

DEPUTY SPEAKER Thank you. I put that question  
QUESTION PUT  
AGREED

That matter is adjourned . We have concluded Orders of the Day Honourable Members

### **FIXING OF THE NEXT SITTING DAY**

MR McCOY Mr Deputy Speaker I move that the House at its rising adjourn until Wednesday 10th August at 10am

DEPUTY SPEAKER Thank you Mr McCoy. Debate

MR GARDNER Thank you Mr Deputy Speaker I understand that's a Tuesday isn't it and really the purpose of it being on that Tuesday is recognition of the twenty year life span of the Legislative Assembly to date.

DEPUTY SPEAKER That is the case Mr Gardner, yes. It will be the twentieth Anniversary of the Inauguration of the Legislative Assembly, our first Sitting. Any further debate? Then I put that question to you Honourable Members that the House at it's rising adjourn until Tuesday 10th August 1999 at 10am.

QUESTION PUT  
AGREED

The ayes have it

### **ADJOURNMENT**

MR BATES Thank you Mr Deputy Speaker, I move that the House do now adjourn.

DEPUTY SPEAKER Thank you.. Is there any adjournment debate?

MR ION ROBINSON I think everybody's talked out

DEPUTY SPEAKER That being the case Mr Robinson I put the question that the House do now adjourn

QUESTION PUT  
AGREED

Therefore this House stands adjourned until Tuesday, 10<sup>th</sup> August 1999 10am.

