HOUSE OF ASSEMBLY

HANSARD

OF MEETING

HELD ON 16 MARCH 1971

OFFICE COPY

REPORT OF THE PROCEEDINGS OF THE HOUSE OF ASSEMBLY

The Thirteenth Meeting of the First Session of the First House of Assembly held in the House of Assembly Chamber on Tuesday 16th March 1971 at 6.00 P.M.

PRESENT:

Mr Speaker . . . . . (In the Chair)
The Hon A J Vasquez MA

GOVERNMENT:

The Hon Major R J Peliza, Chief Minister.
The Hon M Xiberras, Minister for Labour and Social Security.
The Hon Major A J Gache, Minister for Information, Port, Trade and Industries.
The Hon J Caruana, Minister for Housing and Public Works.
The Hon W M Isola, Minister for Tourism and Municipal Services.
The Hon Miss C Anes, Minister for Medical and Health Services.
The Hon L Devincenzi, Minister for Education and Recreation.
The Hon R H Hickling, CMG, QC, Attorney General.
The Hon E H Davis, CMG, OBE, Financial and Development Secretary.
The Hon P J Isola, OBE

OPPOSITION:

The Hon Sir Joshua Hassan, CBE, MVO, QC, JP, Leader of the Opposition.
The Hon A W Serfaty, OBE, JP
The Hon A P Montegriffo, OBE
The Hon E J Alvarez, OBE, JP
The Hon M K Featherstone
The Hon I Abecasis
The Hon Lt Col J L Hoare

IN ATTENDANCE:

J L Ballantine, Esq., Clerk to the House of Assembly

PRAYER:

Mr Speaker recited the prayer.

MINUTES:

The Minutes of the Meeting held on the 14th January 1971, having been previously circulated were taken as read and confirmed.

DOCUMENTS LAID:

The Hon the Minister for Labour and Social Security laid on the table the following documents:

(1) The Regulation of Wages and Conditions of Employment (Forms) (Amendment) Regulations 1971.

(2) The Family Allowances (Qualifications)(Amendment) Regulations 1971.

Ordered to lie.

The Hon the Minister for Information, Port, Trade and Industries laid on the table the following documents:

(1) The British Commonwealth and Foreign Parcel Post (Amendment) Regulations 1971.

(2) The Money Order (Amendment) Regulations 1971.

(3) The Postal Order (Amendment) Regulations 1971.

(4) The Local Post (Amendment) Regulations 1971.

(5) The Post Office (Private Letter Box)(Amendment) Regulations 1971.

(6) The British Commonwealth and Foreign Post (Amendment) Regulations 1971.

Ordered to lie.

The Hon the Minister for Housing and Public Works laid on the table the following document:

The Building (Amendment) Rules 1971.

Ordered to lie.

The Hon the Minister for Tourism and Municipal Services, laid on the table the following documents:

(1) The Traffic (Experimental Scheme) Order, 1971.

(2) The Traffic (Parking and Waiting) Order, 1971.

Ordered to lie.

The Hon the Minister for Medical and Health Services laid on the table the following documents:

(1) The Hospital (Fees and Charges)(Amendment) Rules 1971.

(2) The Soft Drinks Regulations 1971.

(3) The Preservatives in Food Regulations 1971.

Ordered to lie.

The Hon the Attorney General laid on the table the following documents:

(1) The Gibraltar Regiment Regulations 1971.

(2) The Gibraltar Regiment (Pensions) Regulations 1971.

(3) The Civil Aviation (Investigation of Accidents) Regulations 1971.

Ordered to lie.

The Hon the Financial and Development Secretary laid on the table the following documents:

(1) The Financial Year Order 1971.

(2) The Decimal Currency Ordinance 1971 (No.4 of 1971) Order under Section 10.

(3) The Decimal Currency (No.2) Order 1971.

(4) The Decimal Currency (Appointed Day) Order 1971.

(5) The Decimal Currency (Stamp Duties) Order 1971.

(6) The Imports and Exports (Control)(Amendment) Regulations 1971.

(7) The Price Control (Draught Beer) Order 1971.

(8) Draft Estimates of Revenue and Expenditure for 1971/72.

Ordered to lie.

ANSWERS TO QUESTIONS

STATEMENT BY THE MINISTER FOR TOURISM AND MUNICIPAL SERVICES

Sir,

In view of conflicting pronouncements on Tourism the House will wish to have some authoritative information on the Tourism figures and the efforts being made by various means to achieve our objectives of Policy.

I now have the opportunity to give the House a brief factual appreciation of the trends in traffic during 1970 and what we propose to do in 1971.

Statistics are a controversial and boring subject but it is important that facts should be spelt out clearly so that our enemies may take no comfort from misleading and inaccurate statements deliberately put out by people and sources who should know better and our friends be reassured of the success Gibraltar is achieving in Tourism despite serious problems.

In relating the figures for 1970 and comparing them to 1969 I would like to remind the House that the Algeciras Ferry was operating to Gibraltar from the 1st January, 1969, to the 29th June, 1969. During that period of time the ferry accounted for 64,600 arrivals from Spain. When you add to this figure passengers arriving from London en route to Spain through the Algeciras ferry during this period and the guest nights sold by hotels in respect of many of these passengers who arrived stayed the night in Gibraltar and then went on to Spain you will realise the serious loss to our touist figures suffered as a result of the withdrawal of the Spanish ferry. Despite these serious incursions into our tourist traffic 231,785 guests nights were sold by hotels in 1970 as compared to 235,235 in 1969; a mere 4,000 guest nights less than in 1969. This means that as regards guest nights we had almost made up by the end of 1970 the losses of traffic directly resulting from the withdrawal of the Algerciras Ferry. During the months of January to June, 1969 11,366 guest nights were sold by hotels in Gibraltar and during the same period for 1970, 102,744, i.e., 8622

less nights than in 1969 during the period throughout which the Algeciras Ferry was operating.

5. All the other months of 1970 showed an increase in guest nights sold as opposed to 1969 e.g. between July to September 1970, 87,717 guest nights were sold as opposed to 84,794 during the same period in 1969. In October 1970, 18,222 guest nights were sold as opposed to 17,393 in 1969. The month of November showed quite an increase on the previous year when 11,845 guest nights were sold as opposed to 10,881 in November, 1969, an increase of some 8.9% on the previous year.

6. The trend of increase continued during the month of December, with 11,257 guest nights sold as opposed to 10,801 in December, 1969.

7. There are two factors to which I would like to refer which militated against an increased rate of growth during the months of July to September in 1970. These were, firstly, that scheduled flights of the airlines were fairly fully booked throughout the period in question and a considerable number of extra flights had to be put on the Gibraltar run; secondly as the average length of stay increased from 4.8 days in 1969 to 5.5 days in 1970 there were occasions during July to September, 1970 where there was difficulty in securing hotel accommodation.

8. With regard to the first factor it is, of course, of little satisfaction to my department which has undertaken intensive efforts to advertise and promote Gibraltar to learn that scheduled flights to Gibraltar during the summer 1970 could hardly cope with demand. Many potential tourists may have gone to other destinations because of the heavy demands for seats on the Gibraltar run. If we are to achieve rapid growth with tourism it is important that our tourists should be able to get to Gibraltar without undue difficulty.

9. The second factor to which I would like to refer is the question of hotel accommodation during the peak periods. So far as the economy is concerned clearly it

is in the interest of Gibraltar as a whole that there should be ample hotel accommodation to deal with tourist traffic during the peak periods of July to September. I would like to stress that the Government is successfully encouraging hotel development in Gibraltar and I am pleased to say that during this year two large hotel developments will get under way and I have no doubt that such hotels when fully operational will lead to a rapid state of growth of the tourist industry in Gibraltar.

10. I need not tell Members that tourism in the modern world is an important industry and also most competitive. Tourism depends enormously on salesmanship and promotion. The Government is keenly aware of this and is spending more money than ever before in promoting Gibraltar as a holiday resort.

11. The Winter Campaign promotion resulted in an increase of hotel nights sold during the winter of 1970 as opposed to the Winter of 1969, and as far as the Summer 1971 Campaign is concerned in the first twenty days of this Campaign 27,441 coupon responses were received as compared to 25,011 in the first 91 days of the 1970 compaign. Had it not been for the Post Office strike I am sure the response would have been greater.

12. At the same time as this Campaign was carrying on new point of sale material has been produced as well as a new colour brochure and poster. The material is of excellent quality and has been much appreciated outside Gibraltar where it has been distributed to Travel Agents in the United Kingdom through our London Office in conjunction with a specialist placement firm. As I said before tourism is salesmanship and promotion and it is a matter of sad regret for me and the Government that those who stand to benefit most through tourism in Gibraltar are unfortunately frustrating the Government's efforts with a destructive attitude instead of offering constructive criticism. If our main trading organisations, like the Chamber of Commerce decry the value and potential of Gibraltar as a tourist centre not only in Gibraltar but to travel writers and feature writers from outside how can they expect travel agents and potential

holidaymakers in the United Kingdom to take seriously our promotion and publicity campaign in the United Kingdom carried out mainly at the Gibraltar taxpayer's expense? The Government is undeterred by the lack of goodwill shown in these quarters and proposes to continue its campaign to promote more tourism in Gibraltar for the benefit of Gibraltar as a whole, but from which many in the private sector will particularly benefit.

13. Despite efforts of those who seek to denigrate Gibraltar and its potential by what appears to be antipathy to the Government; despite the withdrawal of the Algeciras ferry; despite the withdrawal of the £50 travel allowance; despite that travel writers are featuring more non-sterling area resorts; despite that more tourists are taking non-sterling area winter holidays; despite the fact of the highly competitive cost for holidays to other resorts that major tour operators are able to offer; despite all these factors, the numbers of guest nights sold in Gibraltar continues to rise. Furthermore the building of two entirely new hotels with their own new sources for attracting holidaymakers to Gibraltar will ensure the rapid growth of tourism in Gibraltar that we all wish to see.

14. Sir, I am confident that the realistic policy of the Government on tourism is gradually achieving success and that this success will lead to greater prosperity for Gibraltar as a whole.

HON A W SERFATY: Sir, may I ask a question or two from the Honourable Minister for Tourism and may I first say that I congratulate him on his speech, I couldn't have done it better myself. I am also glad to hear that somebody in the Government believes in the future of tourism.

The two questions I would like to ask him are whether he can - not now necessarily but at some future date - give us the number of entries into Gibraltar, which is perhaps more important than bed occupancy, or rather, guest nights. Undoubtedly these figures show that the bed occupancy has been almost as good as last year,

but they definitely reflect the fact that because occupancy has been greater than last year - 5.5 instead of 4.8 - it does bear out the fact that we have had less visitors to Gibraltar, considerably less than these figures bear out, and we would like to have these figures at some future time.

The other question I would like to put to the Honourable Minister for Tourism, and I am not doing it with my tongue in my cheek, is, that if he believes that the building of hotels is so important - as it is in fact so important - why doesn't he convince his Chief Minister, who apparently also acts as Minister for Economic Development, not to carry out the development of hotels one at a time. Apparently he is now going to wait until the Parcar . . . .

MR SPEAKER: Order, I am afraid that we are talking on tourism and not on how to proceed on hotel development.

HON CHIEF MINISTER: Mr Speaker, I would like to remind the Honourable Member that if he wants to debate this, the proper manner as we've said in this House many times, is to bring a motion on the adjournment and I shall be delighted to answer the Honourable Member.

HON A W SERFATY: This is not a matter, Mr. Speaker, that is really a matter for debate; it is a simple question and I can't get an honest answer from the Honourable Chief Minister.

HON CHIEF MINISTER: With all due respects, Mr Speaker, I think I have answered a question before which thoroughly painted the picture of the interest that the Development and Planning Commission is taking on this issue, and that I personally have taken, and I think perhaps the hotel developers themselves at some stage will be able to say the important part that I have played in expediting the building of these two hotels.

HON. M K FEATHERSTONE: Sir, may I ask which two hotels are being referred to, I dont know of two hotels, I know of one, Sir.

HON CHIEF MINISTER: The two hotels, Mr Speaker, if you will allow me to answer the Honourable Gentlemen, are of course the one at Governor's Parade, so called now the Holiday Inn Hotel,

and the other one, very well known and on the books for many years back, the Parcar Hotel.

STATEMENT BY MINISTER FOR INFORMATION, PORT, TRADE AND INDUSTRIES

Throughout history, people have combined for certain purposes, mainly for defence against common enemies. Consumers' Co-operation originated in Britain in the Hungry Forties of the last century, when the workers of the industrial north suffered a long period of low wages, evil conditions in employment and the exploitation of petty shop-keepers to whom many of them were in debt. Hardly the case in Gibraltar today, even after seven years of cold siege. Why then Co-operation? Why then the Bill before the House today.

2. This Government within a month of taking office decided to revive and press forward with the necessary legislation which would permit the formation of Consumer Co-operative Societies in Gibraltar; with the aim of bringing down the cost of living.

3. The Consumers' Co-operative movement in Britain was the pioneer, of modern consumers co-operation. When in 1844 a store was founded in Rochdale, Lancashire by 28 working men. The men, these working men known as the "Rochdale pioneers" based the operation of their co-operative society on principles which have been imitated throughout the world. Their four main principles were:

(1) open membership; (2) democratic control; (3) distribution in proportion to purchases; (4) limited interest on capital.

4. The Rochdale store was started by the members investing small sums of money at a low fixed rate of interest ($3\frac{1}{2}$ per cent). All members had an equal vote in deciding policy, irrespective of the size of their investment, and the net trading profits after payment of interest were repaid to members as a rebate on purchases. Later, new members could join on payment of one shilling deposit on a £5 share, the balance being paid out of accumulating rebates on purchases. Anyone could buy from the society for cash and anyone could join the society and become entitled to the devidend, i.e. rebate on purchases.

5. The Role of Government in relation to this bill is one of active helpfulness, intended to stimulate Co-operative enterprise, to guide it and keep it on sound lines without either attempting to compel or to replace local initiative or self help.

6. Membership of a Co-operative society is voluntary and is available without artificial restriction on any social, political or religious restriction, to all persons who can make use of its services and are willing to accept the responsibilities of membership.

7. Co-operative societies are democratic organisations. Their affairs are administered by persons elected or appointed in a manner agreed by the members and accountable to them. Members of primary societies enjoy equal rights of voting and participation in decisions affecting their societies. In other than primary societies the administration is conducted on a democratic basis in a suitable form, share capital receives a strictly limited rate of interest, if any. The aims of the Society are to bring the people together in an endeavour to curb rising prices especially those which have a bearing on the cost of living.

8. Surplus or savings, if any, arising out of the operations of a society belong to a member of that society, and are distributed in such a manner as would avoid one member gaining at the expense of others. This is done by decision of the members as follows:-

(a) by provision for development of the business of the co-operative;

(b) by provision of common services; or

(c) by distribution among the members in proportion to their transactions with the Society.

9. The possibility of establishing such a society in Gibraltar was raised by the Gibraltar Trades Council in 1966, as a result of which Mr T N Bottomley visited Gibraltar in 1967 under technical assistance arrangements made by the Ministry of Overseas Development, to advise on the subject. Mr Bottomley submitted his

report in 1967 which was forwarded to the Transport

and General Workers' Union, the Gibraltar Trades Council, the Gibraltar Chamber of Commerce and Housewives' Association in January 1968 for their comments. With the exception of the Chamber of Commerce, who expressed disagreement, all other Bodies had, by November 1968, agreed in principle to the introduction of the necessary legislation in Gibraltar.

10. In January 1969 the matter was considered by the previous administration who decided to promote the necessary legislation if the Unions were still prepared to take an active participation in establishing a society. This was duly confirmed by the Unions on the 28th January 1969, but the matter was again allowed to rest until it was revived by the present Government in November 1969, when it was agreed that the necessary legislation should be proceeded with.

11. As I announced in the House on the 7th July 1970, printing difficulties led to further delays in the preparation of the Bill which was, however, read for the first time at the last meeting of the House thus bringing to fruition a very desirable measure which we hope will be taken advantage of and used for the benefit of the people of Gibraltar.

12. For the reasons I gave at the beginning - mainly because of rising prices in Gibraltar as in the rest of the world - the Government has decided to produce this bill. In doing so the Government is providing the framework or machinery for others to use, because one of the dangers which assail co-operatives is too much Government interference. The position now, therefore, is that any group of persons, not being less than 10 in number, who wish to join together with the object of protecting themselves against rising prices, through a co-operative society, will find that the bill provides the statutory backing for and regulation of such an enterprise.

13. When an application is made to the Registrar of Co-operative Societies, who is to be appointed under the bill, the Registrar shall register the

applicant society if it complies with the various requirements of the law. There is an appeal to the Governor against the refusal of the Registrar to accede to any application.

14. Part III of the bill deals with the duties and privileges of societies registered under the bill. This part of the bill is mainly of a technical nature, affecting such matters as the amendment of bye-laws of societies, registered address, inspection of documents, and financial arrangements.

15. Part IV is concerned with membership. The salient points here are that members must be at least 18 years of age and resident as prescribed in the Society's bye-laws, that payment must be made before rights as a member can be exercised and that, generally, a person may be a member of only one registered society whose primary object is to grant loans to its members.

16. The remaining Parts of the bill, which on the whole is a technical bill, and not one which provides great interest or amusement, provide for the regulation of the properties and funds of societies, audit, inspection, inquiries, dissolution, surcharge, attachment and disputes. I will not weary the House with the recitation of such matters. If, however, any Hon. member has any query on any of the points dealt with in these clauses I will undertake to look into them and for this purpose would appreciate some degree of notice before the bill comes up for committee stage at the next meeting of the House.

Dangers

There are two dangers which must be avoided in this matter. The first is that Co-operatives may be used by the Government to such an extent and in such a manner that, owing to Government control of finance and other controls or plans imposed by the Government they lose the liberty of full development claimed as a right. The second danger is when

the Co-operative movement allows itself so to be identified with one or other political party that the policies of the parties sooner or later become the policies of the the Movement.

The spirit of the Rochdale pioneers, who joined together in the face of a co mon enemy, to produce the co-operative system of trading is, I think, something which we should consider carefully when dealing with this bill. Let us hope that it will enable the people of Gibraltar to deal with the common enemy of rising prices, but may I also venture the thought that that same spirit can be harnessed to more positive ways of thinking about co-operation in other spheres, where there is no common enemy but only the artificial and barren enmities created by ourselves among ourselves. With co-operation we could make considerably greater progress than we are already doing.

MOTIONS

(1) Estimates of Expenditure for the year 1971/72.

HON FINANCIAL & DEVELOPMENT SECRETARY:

Mr. Speaker, I beg to move the suspension of Standing Order No.44(5) in respect of the Draft Estimates of Revenue and Expenditure for the year 1st April, 1971 to the 31st March, 1972 to enable me to propose the motion standing in my name.

This was agreed to.

HON FINANCIAL & DEVELOPMENT SECRETARY:

I am grateful, Sir, for your indulgence and that of the House. I hope that with your usual kindness you will allow me once again to read this address which, inevitably, is concerned with figures.

Sir, the draft estimates presented to the House are not yet in the final shape and form that I would like to see. They include Actual Expenditure for 1969, the Approved Estimate for 1970 and the Estimate for 1971/72; but where revised expenditure is concerned they have to refer, as far as possible, to the 15 months period for 1970/71. This, of course, makes comparison somewhat difficult, although it does enable the House to

appreciate at a glance the vast increases which have taken place in expenditure in the 15 months since 1969. The House will understand that this particular form of presentation is due to the transitional requirements of changing the financial year, and it will not be possible even next year to present a more uniform pattern because the actual expenditure shown will have to be in respect of a 15 month period. Nevertheless, Sir, by next year it should be possible to give the comparative figures in the Municipal Departments of Government, where because of the difference in accounting and budgetting systems, it has not been possible to do so this year. The House can, however, be assured, Sir, that slowly but surely we are sorting these problems out.

Sir, on the 21st October last, when asking the House to approve expenditure to cover us until the end of this month, I anticipated that the surplus we would then show would amount to some £183,000. I then explained, in what I hope were unequivocal terms, that this estimated surplus was due to two main reasons. First, that we were bringing to account a large part of Her Majesty's Government's special grant for 1970, £84,000 to be exact; and, secondly, that we expected to collect rates from the Ministry of Defence amounting to £125,000, which covered the period up to the 31st December, 1971; i.e. nine months more than would be due. Taking these two extra factors into account and balancing them against the estimated surplus, we appeared to be breaking even. I accordingly allowed myself the liberty of saying that we would not be in an unsatisfactory position.

The position as I see it now, Sir, is this. Instead of spending £5,590,000 as we expected, we will spend some £5,581,000 i.e. only £9,000 less, and that, Sir, in my experience, is unusual because normally the amount underspent has been quite considerable. And instead of collecting £5,773,570, that is

the £5¾ million to which I referred in October, we should collect approximately £5,685,000, or £88,000 less. And that, Sir, is also unusual, although it has a simple explanation. The result will be that instead of an estimated surplus of £183,000, the figure for the surplus should be about £104,000.

The explanation for the shortfall in revenue lies mainly in Section 4 of the Financial Year Ordinance, 1970 which was passed on the 10th December last. This enabled the House to levy rates only for the first quarter of 1971 in order to cover the transitional period between the end of one year and the beginning of a new one. As a result, the amount collected from the Ministry of Defence was some £31,000 and not £125,000. Hence, Sir, the reduced estimated surplus. Indeed, it was fortunate that, on the Customs side particularly, revenue should be some £60,000 better than anticipated and that a number of other Revenue Heads, notably the Port, Licences, Fees of Court, Lottery and Miscellaneous Receipts between them should yield £65,000 more than was estimated. The resulting total of £125,000 helped to offset an over-estimate in Municipal Department receipts of £213,000, £94,000 of which was of course in respect of the Ministry of Defence rates. The balance was due to the fact that actual collection have been less than accounts issued, a point I made in the House during the course of my budget speech in December, 1969, and to which I will revert later.

If, therefore, when we come to close the books at the end of this financial year, we show a surplus of £104,000 as estimated and the General Revenue Balance reaches the figure of £847,000, I think we shall have reason to be thankful. It will mean, bearing in mind the grant element reflected, that we are slightly better off than I had expected six months ago. And that, in view of the heavy expenditure

which has been incurred, particularly in wages and salaries during the last 15 months, is something for which to be grateful. It is, Sir, the resulting commitments that give me, as I am sure they do the House, food for thought.

Generally speaking, however, I think the House will agree that our budgetting has been pretty sound. Because to be only £9,000 out in an expenditure budget of over £5 million is negligible, whilst on the revenue side the need for prudence rather than optimism has been more than justified.

With these thoughts in mind I turn now, Sir, to the draft Estimates of Expenditure for the next twelve months. These amount to £4,620,000 which is 25.5% more than was estimated for 1969 and 11% more than approved for 1970. It is a somewhat staggering figure, but reflects the very great changes which have taken place in Gibraltar. As Honourable Members will have noted, the increase is due principally to higher wages, as reflected in the Main Works Votes, and higher salaries, as shown under personal emoluments. These higher wages and salaries have arisen from the two main Marsh Reports of 1970; the additional 3% increase on wages and salaries up to the Tedhnical and Professional level granted with effect from the 1st July, 1970; the supplementary Marsh Report on the Education Department; and the various negotiated settlements with staff associations. No account has yet been taken either of the cost of living allowance which may be payable during the period, or of the eventual implications of productivity agreements, although it is to be hoped that the latter would, to a great extent, be self-financing. And it is these latter commitments that I will be asking the House to bear in mind later in the proceedings.

It is not my intention, Sir, to deal in any great detail with individual Heads of Expenditure, and certainly even less

so in the case of those Departments which have Ministers at their helm. In the overall pattern, however, it will be of interest to the House if I draw the comparison between the cost of Departments as estimated for the forthcoming financial year and 1969. The latter was, of course, except for the incidence of the final 5% to industrials as a result of the 1967 Marsh Report, not affected by the more recent Marsh essays.

If I take the major spending Departments first, and they are - as they have always been - those comprised in the Social Services group, we have some interesting figures. First, Medical which has now topped the £½ million mark, and at £502,000, will cost nearly 38% more than was estimated in 1969. Some adjustment must, of course, be allowed for the Public Health side now incorporated, but the cost is bound to rise as the services provided develop. Second, Education, not far behind with an estimated 1971/72 figure of £416,000, which is 39% more than the 1969 equivalent. Here, I would like to under-line the heavy commitment which is already becoming apparent in providing scholarships. If Honourable Members will glance at Appendix I they will see that at the end of 1970 there were no less than 31 Government Scholarships in being excluding those granted for Teacher Training. To these we must add those to be provided this year, about which my Honourable Friend, the Minister for Education, will have something to say. We should not delude ourselves about the extent of the reduced contribution from revenue which this year is purely fortuitous because we are utilising balances carried forward. Having done so now, the contribution from revenue will be much greater in the future.

Third, Labour and Social Security. This is, in comparison, expected to spend more modestly - only

£315,000. But that is 53% more than was anticipated in 1969 and also reflects amongst other things the more recent increases in Supplementary Benefits which all Honourable Members have welcomed. Again, Sir, this is a continuing process of improvement.

I have not so far mentioned Housing because, as Honourable Members are aware, we are not at present making any capital contribution to the housing programme. This is being provided by Her Majesty's Government and the House, as indeed Gibraltar as a whole, is duly grateful. (tapping on the table). Housing, however, is so important that it is something that we ourselves will have to do something about pretty soon. On the recurrent side, however, the picture follows the pattern set in the Departments I have already mentioned. Nevertheless, it is more difficult to point to a percentage increase for two main reasons. First, the merger of the Public Works Department; and secondly, the transfer of annually recurrent and non-recurrent works to the Departments which are actually responsible, as for example, the Electricity Undertaking. This, incidentally, accounts, to a great extent, for the great increase which the Undertaking shows. Reverting, however, to the Public Works Department, the House will note that the cost of the three relevant Heads of Expenditure is nearly £900,000 or 20% of total estimated expenditure. Here there are only one or two items on which I would like to comment generally. In December 1969, I told the House that cleaning and scavenging would cost £80,000 during 1970. During the forthcoming year the same service will cost nearly £120,000. Similarly, Baths and Beaches will now cost £45,000 compared with £28,000. I mention these items particularly because it seems tragic that so much money should be spent on services such as these and that there should be so little co-operation from the public to make sure that it is not wasted. (Cries of

Hear, Hear). There are many other interesting figures in these votes on which I am sure the Minister will be commenting on in detail.

The House will have noted that the Electricity Undertaking and the Telephone Service are now shown as self-contained Heads of Expenditure. This also applies to the Fire Service. The considerable increase shown in the first, i.e. the Electricity, is due to the fact that - Marsh apart - all the works for which the Department will be responsible have, as I indicated earlier, been taken out of the Public Works votes anc classified together. As a result it will be seen that the Undertaking is estimated to cost £363,000. But it will, of course, also produce a tidy sum in revenue. The same considerations apply in the case of the Telephone Service but on a much smaller scale. In the case of the Fire Brigade, it is merely a question of providing a service but as we do not charge for putting fires out, it means that every head of population in Gibraltar should pay £2 a year as a premium against fire risk.

Appendix K of the Estimates, Sir, which I am sorry we were not able to print in time but which will be incorporated in the final version approved by the House, gives the notional accounts for each of the services formerly provided by the City Council. These accounts include the amounts required for the payment of interest and repayment of capital on loans from outside bodies. They also include the contributions chargeable to the various working accounts of the City Council, in respect of the programme of repayment adopted by the Council for internal borrowings designed to finance capital works. When the merger took place, the amounts outstanding against such works were written off against the General Revenue Balance of the Government. The notional charges, however, must continue to be made against the working accounts for each year, until the

whole amount has actually been written off the books. This is the only way to establish that each undertaking is paying its way.

I must, Sir, apologise to the House for a typing error which appears in the first column of the first page of the Appendix, where the letter "S" for Surplus should read "D" for Deficit. In pointing this out to me the Honourable and Gallant Gentleman opposite, the Honourable Colonel Hoare, drew my attention to two omissions for which I am grateful. In the first place, he pointed out that no provision had been made in the General Rates Account for the contribution of £11,000 which the Government formerly made to the City Council towards the upkeep of public gardens. This was shown last year as expenditure on the Government side and revenue on the Municipal side. This year, I decided to omit the figure from the cash estimates because it did not seem to serve any useful purpose and when the notional accounts were prepared, based on the cash estimates, the amount was overlooked. For the purpose of the notional accounts, and since this was direct subvention from the central government to the municipality, it should of course be included to complete the picture. The second was the effect of footnote (c) at Page 61 of the Estimates - which also incidentally has a printing error - and where it is stated that the cost of maintenance and extension of cables is partly offset by revenue in respect of private works amounting to approximately £1,500. Whilst the revenue has been duly credited to the Telephone Account in the Estimates - and I must here emphasise, Sir, that there is absolutely nothing wrong with the cash estimates - the amount was not included in the notional accounts for the Department and this is an omission which I regret, and which must also be rectified. The effect of inserting the two amounts in question in the Notional Accounts is to convert the deficit of £2,067, previously shown as a

surplus, into a surplus of £10,433. To have the record straight, I have had the Appendix retyped, and it will now, Sir, be circulated to Honourable Members with my apologies and thanks to the Gallant Gentleman. I would add that in having the Appendix rechecked against any further possible error we found that the Electricity Undertaking should be credited with £8,000 from the General Rate Account and with £1,080 from the Potable Water Account in respect of the maintenance of public lighting and running expenses of the Distillation Plant. This was indicated in a footnote at Page 84 of the 1970 Estimates. This, however, has no effect on the surplus shown but merely makes one account - Electricity - more in balance than the others.

The end result on the notional municipal department accounts is to show them in surplus to the extent of £10,433. This, Sir, justifies the measures taken in December, 1969, the more so if we bear in mind the inevitable increase in wages through adoption of the cost of living allowances to which I have already referred. Nor can we overlook capital commitments which next year's estimates only reflect in part. No provision has yet been made for the first and in regard to the second there are more to come.

The fact remains that as wages rise, so does the cost of public utlities and it is therefore more important than ever that the general public should be up to date with their accounts. Despite my efforts and those of the Collection Department which often provoke irate comment, the amount outstanding is still high. The latest figures show that last week the Municipal Department was still owed £193,000. This figure, includes certain large debts going back many years totalling some £50,000 where it has been necessary to agree to give facilities for payment by instalment. The figure, however

excludes about £90,000 in respect of rates for the first quarter of 1971, the demand notes for which, usually issued in February, are now, owing to unfortunate delays, being sent out. I would hope that these rates, which in any case are not normally paid until the end of the quarter, will not add substantially to the arrears. But I still feel that the position is unsatisfactory. It is unsatisfactory in the overall pattern of a community which not only expects service, and very efficient service at that, but also appears to expect that the Government should provide free overdraft facilities. That Sir, is no way to run any organisation. I have given a lot of thought to the matter and explored ways and means even of providing a rebate for prompt payment to balance off against a penalty for arrears. But I am sure that if we did so, we would have to increase our charges because then we would be collecting less than the services cost. In these circumstances, I have recommended, and Government has accepted, that I should make one final effort to reduce arrears. I will publish widely one more notice and if that does not produce results, then I will bring legislation to the House to apply a penalty. This has had an effect with Income Tax and there is no reason at all why it should not have the same effect with accounts for municipal services.

For the rest, Sir, the estimates follow the pattern which the House knows only too well but it will be of interest to Honourable Members that I should traverse the ground very briefly.

The cost of Head VII, the Governor, continues to show a slight reduction because of the welcome taking over of certain responsibilities by the Department of the Environment.

Head V111, Judicial, increases quite considerably by £8,000, but £2,000 of that is to provide for the new Court of Appeal.

Head XV1, Miscellaneous Services, is increased substantially by £35,000 but £16,000 of that increase is due to the higher rates to be paid on Government buildings; whilst £10,000 is in respect of the larger establishment on which the Government now has to pay its share ofcontribution to the Social Insurance Fund. We also have there two new items, one for £7,700 in respect of our share to the cost of running the Industrial Training Centre at Landport; and the other for £6,300 - which is possibly underestimated - for running the new Victoria Stadium. The increase of £6,000 in respect ofthe Government contribution to the Gibraltar Broadcasting Corporation is to pay for extended hours of viewing during the winter months.

Head XV11, Pensions, is another head which shows a substantial increase of £47,000, bringing the total to £280,000. This is of course due to merger and increases awarded last year following Marsh. Further increase in this head to take account of the last 3% and future cost of living allowances is inevitable.

Head XV111, Police, increases by £35,000 to £221,000. £18,000 of the increase is to pay for overtime but against that there is a considerable reduction in establishment. Nor can we overlook that the Ministry of Defence (Navy) pay a percentage of the cost of the Force which next year will amount to £104,000.

Head X1X, Port, shows a slight reduction but that is only because the increases that have occurred have this year been offset by various decisions taken which the Min ister will wish to explain.

Head XX, Post Office, shows an inevitable increase of £25,000 but that is offset by Revenue.

Head XXI, Prison, will require nearly £5,000 more next year. This should take account of the increase in prison population which unfortunately been evident during last year.

Head XXII, Public Debt Charges, rises considerably by £71,000 to £522,000, part of which will be offset by a contra under Revenue. The increase is due to two factors. First, we have included £45,000 to service new loans amounting to nearly £½ million. Second, we are providing for the repayment of loans as they fall due.

Head XXIII, Revenue, increases by £33,000 to £188,000 but now includes all the major revenue collecting or raising agencies of the Government, other than the Post Office. The Department, however, is responsible for bringing in £3.75 m. so that every £1 spent produces £20. All other Departments together, which cost £4.4 millionk collect between them £.75 million, which is almost an inverse proportion.

Head XXIV, Secretariat, shows a reduction of £9,000 because staff which used to be included in the Town Clerk's Department

has generally been absorbed in other Departments.

Head XXV, Tourist Office, will spend £31,000 more, mainly because of the increase in advertising.

It is, Sir, against this bill for £4,620,000, with the commitment for further wage increases to take account of cost of living, that the Revenue Estimates have to be considered.

Let me hasten to say, however, that the bill would have been considerably higher had I not received the full support of Ministers in determining priorities and ensuring that Departments were made to realise one essential fact of life. This was that whilst the services provided to the community must not be impaired, and must indeed, where possible, be improved, the Government does not have a bottomless purse. Nor is it a question of thinking that the answer always lies in additional taxation. There is a limit to everything and taxation is an instrument which has to be used with considerable circumspection, bearing in mind very particularly the general effect on the economy.

The House will have noted that the Revenue Estimates for 1971/72, on present trends, are expected to amount to £4,536,000 being produced approximately 25% by import duties (£1.15m.); 25% by municipal services (£1.3m.) and 50% (£2.1m.) by other sources. Of the latter Income Tax represents a quarter (£.5m.). This total which is 23.8% more than at the corresponding period in 1969 is £85,000 short of the commitments shown under expenditure. To that deficit, there will have to be added the cost of the other commitments not shown in the estimates, particularly future wage awards to take account of the cost of living.

These Revenue Estimates, Sir, have been compiled very much on the basis of what the twelve months of 1970 produced. In the past, it has been said that the Financial Secretary is unduly conservative in his estimating and that he took advantage of presenting calculations based on eight months actual revenue and four months hypothetical. This year, I have not done so and I have taken, as I said, actual figures as can be seen by looking at the revised figures for the 15 months of 1970/71 and the estimate for 1971/72. Moreover, I have had to allow for a reduction in Income Tax to take account of the measures which the Chancellor of the Exchequer has already given notice that he proposes to introduce in Britain later this month. This is, the reduction of 2½p in the £. which when applied here will mean a loss in revenue.

I do not propose, Sir, to go through the various Revenue Heads in detailalthough I should say that, with the one exception I noted earlier, they all show a welcome trend to increase. I hope this continues. Perhaps we can provide some stimulation. I will, of course, be only too happy to endeavour to answer any questions which may be put to me.

The fact remains, however, that we cannot allow the deficit to remain because if we take £85,000 from the General Revenue Balance, we come down to £760,000, which is less than two months working capital. If on top of that we take account of the incognita of the future cost of living awards, we could find ourselves with a most unsafe figure. And that we must guard against straightaway by removing the deficit. At a later stage in the proceedings, I shall therefore bring before the House proposals designed to alleviate the position. (laughter). On the last occasion I had need to do this, I described what I intended to recommend as "drastic". Today,

I will limit myself to saying that I feel it will be adequate.

I must now, Sir, and I hope the House will bear with me, deal with the capital position. Here, I would invite the attention of Honourable Members to Appendices F, G and J of the Estimates. If I may take J first, the House will see that the Housing Account is in deficit to the extent of £307,000. The reason for this is not far to find. Up to the 31st May 1972, it is estimated that the Government will have spent nearly £9 million on housing and on that investment the return is about £¼ million per annum. That is under 3%. This is completely unrealistic and it is therefore the Government's intention to give serious consideration to the matter.

In so far as Appendices F and G are concerned, which deal with the Improvement and Development Fund, the picture is not complete because no provision has been made for schemes which have been approved substantively or in principle since the Estimates were prepared. On the one side, there is the Catalan Bay Housing Project estimated to cost £200,000, and, on the other, the Sports Centre and extension to Lourdes School, costing £100,000 and £250,000 respectively. These are projects on which a start should be made during the course of the next twelve months.

Without taking those projects into account, it is estimated that the opening balance of the Fund on 1st April, 1971 should be £124,000; that it should be credited with £1.6 million during the next twelve months, which includes a substantial amount of loan capital £450,000; that we should spend nearly £1¾ million; and that we

should finish the year with some £27,000. This figure is far too small to be either comfortable or comforting and underlines what I consider to be one of the main omissions in the recurrent expenditure estimates - the putting aside of an amount from General Revenue to inject into the Fund. This is unfortunate because unless we put money into the Fund it will not be possible to carry out the many schemes which the Government would like to tackle.

A good example of this is the Victoria Stadium, the first phase of which was estimated to cost £85,000. In point of fact, when the Estimates were prepared it was anticipated that by the 31st March 1971 we would have spent £100,000 and that further £15,000 would be required to completethe first phase. And here, Sir, I am sure the House will wish to place on record the tremendous debt of gratitude which Gibraltar owes the Royal Engineers for their work, not only at the Stadium but all over the Rock. (Tapping on the table). If the work carried out by the Sappers had been done by commercial enterprise, the cost factor would have been colossal. We now have to do the second phase which is over & above what the new Sports Centre will comprise. If anything is left over from the £15,000 inserted in the Estimates, it will certainly not be enough and the money will have to be found. Accordingly if, when we close the books for the current year, we find that the estimated surplus has been exceeded, I will recommend to the Government that a suitable appropriation should be made to the Fund. This is the only way in which we can keep it not only solvent but active, which is just as important.

Sir, the preparation of annual estimates is a thankless task which involves many people for a considerable length of time. Between the end of 1969 and the begining of 1971, it has been necessary to contend not with one but with no less than three sets of estimates. This has imposed a severe strain not only on the Departments of Government, but even more so on the

Treasury, whose responsibility it is to put all estimates into final shape. If the House will consider that this has been done whilst the accounts of the City Council and the Government were being unified; whilst the many problems arising out of converting wages and salaries to give effect to the Marsh Reports were being ironed out; and whilst Decimalisation was being introduced, the House will appreciate why I feel that the Treasury, which is usually a most maligned Department, deserves particular commendation. (tapping on the table) And if there are any more errors in the final product before the House, I hope that Honourable Members will be tolerant.

I would also, Sir, like to record my appreciation of, and gratitude for, the work done throughout the year by two Committees which are closely and permanently connected with the Treasury. The first is the Lottery Committee which has continued week in week out to be responsible for the Lottery Draws and for advising the Government on the management of the Lottery.

The second one is the Price Control Committee which has devoted its attention, throughout many meetings, to the many problems that Price Control poses. Theirs is a most important task. I am sure that the House will wish to record its thanks to the membership of both bodies. (tapping on the table)

Sir, I have, during the course of this address, endeavoured to present to the House an extremely factual picture, which may lack relief here and there, and if so, I am sorry. The figures, however, speak for themselves. This is the seventh occasion in six years that I introduce a budget and the time must come when one runs out of cliches. We must, however, guard complacency. We are not out of the wood by a long chalk and though the estimates before the House do not portray

a community which is suffering hardship, there is a danger that if we are not careful we could run into difficulty. But, if we want to maintain and improve our living standards; if we want Gibraltar to be a place of which we can all be proud; if, in other words, we want all the good things in life, we must work for them. And the harder we work, the greater will be our reward, and so much the more will Gibraltar, because it will remain viable, - benefit. (tapping on the table).

Thank you, Sir, and Honourable Members, for your patience with me, and I now move, Sir, that this House resolve itself into Committee to consider the estimates of expenditure in detail Head by Head.

HOUSE IN COMMITTEE

MR SPEAKER — I have given instructions to the Clerk to call out the Head exclusively and not the items and I will pause in order to give members sufficient time to raise any matter under the particular Head. Will you now proceed calling the Heads, please.

Head I Audit,
Head II Cemeteries,
Head III Ecclesiastical were agreed to and passed.
Head IV Education.

HON L DEVINCENZI — Mr Speaker, before I say a few words, which I would like to do, I would like in fact to ask the Opposition, especially the Shadow Minister for Education, whether he has any queries regarding the expenditure side of this Head?

HON M K FEATHERSTONE — Sir, I have a lot of queries, but surely, one should have a statement from the Minister in order to know what his brain is going to give us and perhaps he may answer many of my queries before hand. I think this is the normal procedure,

Sir. I think the Honourable Minister should start the ball rolling.

HON L DEVINCENZI: Well, Sir, I certainly will not keep you very long in order to give you an opportunity to ask those many queries. In fact I feel in a rather devastating mood today, but I shall restrain myself. We have heard that the overall expenditure for all departments over 1969 is 25% and over 1970 I think it is 11%. In my Department alone, Sir, the expenditure over 1970 is 31% and I believe that it is the highest increase at the moment when compared with the other Departments. I think this gives the lie to those who would argue that this Government is not interested in Education, because if this were the case, certainly we would not be spending so much money in Education as we are doing. Without wanting to compete with the Medical Department, Sir, the way I see it, if there hadn't been the merger involved, we might even have surpassed the Medical Department this year.

Now, if we go very briefly over this list you will see that there are some new features. One of them is the increase in school broadcast and the increase accounts for the fact that we are starting school television; it will just be a start, but it will be a new feature and of course I sincerely hope that next year, and in the years to come this will develop into a very interesting feature of education in Gibraltar. Another interesting thing here is that this year ten scholarships will be awarded as against seven last year. This is an increase of approximately 30% and I think again that this is very significant. Another increase worth mentioning is that given to the Youth Employment and Welfare Council. Here again last year they only received £2,900 and this year

it has gone up to £4,500. Another new feature is the provision of Secretarial help to Headmasters and Headmistresses. As I understand it this has been on the books for a very long time, it had been requested long ago but it never came about. Now it has happened. This will enable the Heads to concentrate their time and energies to education without having to waste time answering telephones and attending to minor details.

Very briefly going to the question of comprehensive education, which perhaps I will leave the Shadow Minister to touch upon, all I would like to say in this House, which is the forum where one should debate these matters, is first of all that there doesn't appear to have been a single question put to me on this basis.

MR SPEAKER: If I might perhaps interrupt; we are discussing the Estimates and I don't see an item on comprehensive education on the Head that we are discussing now. I know we are in Committee and that we should be slightly liberal but I feel that it is perhaps stretching the point a bit too much.

HON L DEVINCENZI: I will certainly give way, Sir, if you insist, but the thing is that a lot of the things have come up - the new features - are as a result of going comprehensive and I can assure you, Mr. Speaker, that I will not spend more than two or three minutes in just elaborating this point. In fact, I will not talk of comprehensive as such, but I will certainly give way if you insist.

MR SPEAKER: As I say, we are in Committee and I'll be as liberal as I can, and as the rules allow me, but you will realise that the Shadow Minister or any member of the other side of the House would be entitled to .....

HON L DEVINCENZI: Very good, Sir, I will give way. Another, not a new feature perhaps - but another step forward, has been the purchase of a new bus for schools. We had two which had been given to the Department and which were in very bad condition and now we are buying a new one.

Sir, this in fact is all except to say that this proves very substantially Sir, that this Government is very interested in Education otherwise we would not have gone to the extent we have done and I think that the features which I have mentioned are very worthwhile indeed. Thank you, Sir.

HON M K FEATHERSTONE: Sir, I am not as good as the Honourable Minister at Mathematics so I will accept his statement that the increase is 31%. But, Sir, I would just make a very slight comment; it's not a competition surely in the Government as to which department can spend more money; surely what they should do is to conserve money as far as possible to see that they get value for money; all this talk about whether we spend more than the medical department etc., cuts no ice with me. The first question I have, Sir, refers to page 50; item 31 Secretarial Service, which is most welcome. How many people are involved in this, Sir? Where are they going to work? Are they going to be full time in each school or are they going to rotate from school to school? In particular, will there be enough work in each school for a secretary or are they to do part time in one school and part time in another? Surely the job is not just going to be answering telephones.

HON L DEVINCENZI: The answer to the question is of course that if the Honourable Member Opposite looks carefully at the Estimates, one would imagine that he would have noticed

that with £2,600 one could scarcely pay for a school secretary for every school in Gibraltar. They will of course rotate and will go from one school to another, afternoons or mornings etc.

HON CHIEF MINISTER: Mr. Speaker, Sir, my Honourable friend the Minister has forgotten to mention that because of this there will be a reduction of teachers as well, so there is a saving, which, I think, is the point the Honourable Member was trying to make. It is not a question of just spending money but spending it wisely.

HON M K FEATHERSTONE: I don't follow,,Sir, how having a secretarial service in the schools is going to reduce the number of teachers.

HON FINANCIAL AND DEVELOPMENT SECRETARY If I might explain that, Sir, the idea is that a number of bodies will be utilised in schools to provide very much required assistance by Headteachers and Deputy Headteachers who have to spend a donsiderable amount of time in stock taking and issuing books and even, as the Honourable Member said, answering telephones, but at the same time when this new sub-head was included the Minister and his Head of Department agreed that they would also affect a reduction in the vote for temporary teachers which is shown under personal emoluments. Temporary teaching assistance will be reduced in numbers to take account of that increase.

HON M K FEATHERSTONE: I thank the Honourable Financial and Development Secretary. Apparently he knows more about the department than the Minister. The next one, Sir, on page 16 item 2 Books and Equipment. The estimates say £17,000, an increase of £2,000. Obviously Sir, the price of books and equipment has gone up I am sure more than 10% to 15% over the past year, so that the increase does not really

mean a greater quantity of books and equipment; the same money is perhaps being spent on an even lesser number of books and equipment. This I think is somewhat deplorable. Is this the case or are they actually getting more books and more equipment?

HON L DEVINCENZI: Sir, with regards to books and equipment, what was requested has been granted. This is what the department asked for, but I should add that it has been agreed within the Government that if by any chance there is any need to make any further increases, whether it be £2,000 or £5,000 as a result of any possible changes which could take place, there would be absolutely no doubt that this would be forthcoming.

HON M K FEATHERSTONE : But is the Minister not aware that when Estimate time comes round Headmasters are told, "for goodness sake don't ask for a lot because you won't get it." The result is that very often they are scared to ask for the equipment they want. Is he not aware that the Grammar Schools in particular are sadly lacking in certain equipment which is essential?

HON L DEVINCENZI: I am afraid that I cannot accept that we are lacking in essential equipment, of course one could have even more. As I said before one could always improve and keep on improving and this is what we are doing, but one cannot expect to get everything one wants within one year, especially as we have to look after the money, as the Hon. Member Opposite rightly said before.

HON M K FEATHERSTONE: Then, Sir, I suggest that the Minister visits the schools, espacially the laboratories, and sees how little equipment is available. The next point Sir,...

HON CHIEF MINISTER: Mr. Speaker, before he leaves that point, may I point out that the Honourable Member must realise that we have

only been in Government for eighteen months and that he should compare the criticism which he is now drawing attention to with the figures for 1969, not 1971. He will then notice that there is quite a considerable increase between that and what was estimated to be spent in 1969. If he looks at Head II; if he looks at Head XVII, which is all part of the same thing; if he looks at Head XXI and if he looks at Head XXIII he will find that there was quite a substantial increase in the most difficult years of Gibraltar's history.

HON M K FEATHERSTONE: Sir, I cannot understand the Honourable Chief Minister. He takes all the credit for things that come along when it's in his interest, and when its not in his interest he says: "we have only been here eighteen months"; he has built two hotels in the last eighteen months, or got them going; he is going to build, according to his television performance, a thousand houses which people will be living in by 1973; he is going to do everything. We know he is a bit nymphaleptic in his attitude but we don't have to have it thrown at us at every opportunity.

Now Sir, we are on the question of.....

HON CHIEF MINISTER:- Mr. Speaker the Honourable Member should answer the question and forget about high falutin words. It's figures that we are talking about now.

HON M K FEATHERSTONE: I am not here to answer questions, I am here to ask them. It is the Government's job to answer (laughter and tapping on the table).

HON CHIEF MINISTER: The answers can sometimes echo back and this is what I' would like him to say. I've just drawn attention to all those Heads and could he explain why, when his side was in Government, they didn't take care of that. It would not have been so difficult now for the Government to find the equipment and find the books.

HON M K FEATHERSTONE: Well, Sir, I'm actualliny dealing with the subject of Education, why doesn't he ask his friend the Honourable and learned Mr. Isola who was at that time the Minister of Education. If any faults existed before they came to power, he is the one to blame.

HON P J ISOLA: Mr. Speaker, I'm itching to get up, but the Honourable Mr. Featherstone is dealing with the Estimates on a so called "cross examination" basis-item by item. We are not at school here I would have thought that he could raise all his queries on the vote, let the Minister answer then and let other Members participate in the debate.

HON M K FEATHERSTONE: I'm sorry, Sir, about this "cross examination". May I read from the Third Meeting of the First Session of the Fifth Legislative Council: "The Honourable Mr. Isola cross-examined the Minister item by item". He wanted to know about Government Scholarship; he wanted to know about the price of milk; he wanted to know about everything. If he can do it, why can't we? That's a question not directed to the Government, only to the Government's friend.

The next point, Sir, in my corss examination - I am entitled to do it - Libraries. We have an increase here Sir, of only £80. Allowing once again for 10% we are getting less money spent on libraries. Will the Honourable Minister admit that he is decreasing the overall amount spent on libraries as such, that the libraries are getting less spent on them in comparison.

HON L DEVINCENZI: No, Sir the position here with regard to libraries is as follows. It was arranged that so much money would be spent over a period of three years, and going over the number of books required and what was available we thought

that it would be better to spend much more next year and to cut back somewhat for this year, so that the expenditure over the period of three years would be substantial.

HON M K FEATHERSTONE: Last year we only had £1,120; this year its £1,200; next year it's going to be a colossal amount. Is that so, Sir?

HON L DEVINCENZI: I did not say colossal: considerably improved. This was agreed.

HON M K FEATHERSTONE: So that the pupils of this year and the pupils of last year can suffer at the expense of the pupils of next year.

HON L DEVINCENZI: This was started somewhere else.

HON M K FEATHERSTONE: But does the Honourable Minister not appreciate that VI Formers need their libraries very much for their information; often you can only get certain information from books in a library which you cant offer round as general text books.

H ON L DEVINCENZI: Mr. Speaker, there are in fact, as the Member should be aware, some funds provided under other contingencies and if there is any request for any specific book, as I have mentioned before, this would be forthcoming. If they are essential for a curiculum the money will be forthcoming.

HON M K FEATHERSTONE: In other words the Honourable Minister is going to ask for additional votes every two or three days. It's a pity he has not got a little more foresight and do it at first.

The next one is the contribution to the Scholarship Fund; this is a most welcome feature, Sir, but it appears from the Appendix that the maximum given on any one scholarship is around £800 - I think its appendix 'C', I am not quite sure.

Now, Sir, £800 in my mathematics - and again I admit I am not good at mathematics, I can't work out this 31% so quickly - I guess it comes to something - it's Appendix 'I', Sir - like 17 scholarships and they are only going to give ten. Why, Sir, are they not going to give a little more; they've voted the money why cannot they afford to give more Sir?

HON L DEVINCENZI: Sir, I am not quite with the Member in his question, but I said about 30% increase in the number of Scholarships being given this year. We've been granting 7 scholarships for the last couple of years, this year there will be ten and that is roughly a 30% increase in the number of scholarships granted. I don't quite understand where the figures are wrong there.

HON M K FEATHERSTONE: I didn't say anything about the figures being wrong, Sir, I said they are asking us to vote £13,500, the maximum amount given to any one scholarship is only £800 the money being voted would therefore amount to 17 scholarships. Apparently only 10 are going to be given. This £800 is the maximum figure for the cost of a Scholarship, some even may be less, therefore although there is some expansion it is not an expansion commensurate with the amount of money which is being asked for. Why cannot a greater expansion be envisaged at this point Sir?

HON L DEVINCENZI: I think I am right in saying that some of this money was obtained from last year's scholarship Fund.

HON FINANCIAL AND DEVELOPMENT SECRETARY: If you will allow me, Sir, I thought I had explained that if we'd asked for the full cost of the additional scholarships proposed, this figure would have been much higher than it actually is. In point of fact, by taking savings into account for next year, savings on the fund and the accumulated balance of the fund, we only need to ask for ten scholarships

in 1971 - £6,745, - and if the Honourable Gentleman opposite doesn't accept that figure I would be grateful if he would explain it.

HON M K FEATHERSTONE: I do accept it but it appears that you want to build up a large balance rather than give more scholarships at the moment.

HON FINANCIAL AND DEVELOPMENT SECRETARY: I am afraid that is a complete misapprehension, its the other way around. What worries me particularly - I won't say the Government because I have to fight the Government on this one and very much so - what worries me is that the cost of all these scholarships is rising so much that by the time we finish the House won't know what has hit it.

HON L DEVINCENZI: I don't think there is any money now in the Scholarship Fund at all, it has all been used up this year.

HON P J ISOLA: Appendix "I", page 78, Mr Speaker, shows a balance at the end of 1971 of £764 in the Scholarship Fund. If Honourable Members would look at appendix "I" they would perhaps understand the position.

HON M K FEATHERSTONE: You mean you are not coming back next year for more money for the same scholarships, the second part of it. Sir under.....

HON FINANCIAL & DEVELOPMENT SECRETARY: I must bring to the attention of the Honourable Gentleman that that amount is only in respect of a quarter, it is only in respect of three months October, November and December.

HON M K FEATHERSTONE: Yes, I take the point. I'm glad indeed that we've got some answer now. The Honourable Financial and Development Secretary has made it clearer.

HON FINANCIAL & DEVELOPMENT SECRETARY: If the Honourable Gentleman would qualify his remark by withdrawing that he has at last got something out of me; I am volunteering.

HON M K FEATHERSTONE: No Sir, I got an answer to my original question.

The next one, Sir, is item 11 Examination Expenses; these have gone up £500 yet, Sir, we are not having any 11+. How has the increase come about, Sir?

HON L DEVINCENZI: Other examination fees have gone up Sir, it's as simple as that.

HON M K FEATHERSTONE: Well, it may seem simple to you. I am grateful to hear about the school broadcasts as this.....

HON FINANCIAL & DEVELOPMENT SECRETARY: If the Honourable Gentlemen is interested in this, I will draw his attention to page 8 of the Estimates, where there is a refund of examination fees - Sub-head 26.

HON M K FEATHERSTONE: We recover £300 for loss of £500. Not too bad! I was very pleased to hear about school broadcasts, this was something that I was going to ask and it was very clearly explained by the Hohourable the Minister for Education. Sir, Sub-head 26, Staff Training and Teacher Development; why is that put as a separate item rather than not amalgamated with Sub-head 5, Training of Teachers in the United Kingdom? Surely the two could fit together quite reasonably.

HON FINANCIAL AND DEVELOPMENT SECRETARY: Staff Training and Teacher Development is an entirely different thing from Training of Teachers in the United Kingdom. The staff training and teacher development is designed to cope with teachers who have already been trained in the United Kingdom.

HON M K FEATHERSTONE: Well, this is only splitting hairs, it is only that one is "training" and the other "further training."

HON FINANCIAL AND DEVELOPMENT SECRETARY: Not quite. One could say the same for other items.

HON CHIEF MINISTER: Mr. Speaker, I thought the Honourable Member would have welcomed the explanation. He would have been the first one to try and find out how the money was distributed. We go out of our way to try and put it to him and now he is not satisfied with that. It appears that the Honourable Member is not satisfied with anything.

HON M K FEATHERSTONE: I never said I was not satisfied, you see, once again the Chief Minister doesn't listen properly - oh! why should I waste time with the Chief Minister Sir.

Sir, on Item 28, Holidays for School Children, this is a very welcome increase, Sir, but I did bring up the point could some of this money be devoted to granting holidays to young workers. I asked a question about it and the Minister for Education, in his reply, said in fact, "Having mentioned we would be prepared to send school children and other youths we are certainly prepared to consider any other categories of youth, in fact, I would go further and state that we are prepared to consider anyone." Well, Sir, I don't think this side would agree that education money should be spent on holidays for anyone - perhaps I might apply and get one - but can some of this money, or is some of this money envisaged to be spent on our young workers - especially the younger worker who is not too affluent - to have some form of holiday, if possible, in the U.K. or to be assisted, at least.

HON L DEVINCENZI: I haven't been listening, but I should imagine I did say that I also said, in fact, that last year 40 young workers had gone on holiday on account of this money. They were mostly from youth clubs, and of course, this could also be extended to other youths provided they come through some sort of organised grouping. I don't know whether one could

consider the odd man who could probably ask for subsidy but as I said, 40 went last year who were not school children.

HON M K FEATHERSTONE: I am very pleased to hear, Sir, that 40 workers went last year, because this was not what was stated at the time in Hansard. It just said 40 youths it didn't say they were young workers. Sir, the Hansard said; "The Honourable L. Devincenzi: Sir, in fact last year 40 youths from youth clubs were included in these holidays". That does not say to me, Sir," young workers". If he doesn't explain himself properly and he is picked up at a later date then surely, Sir, I am not to blame.

Just the last point, Sir. The amount of money spent on adult and continuation classes, this shows an increase of about £250, Sir. This is a very small increase, is it intended that the classes are once again to continue perhaps on a slightly lesser scale, in view that these must be increases in general expenditure, or is once again the Honourable Minister going to come back at a later date when he feels that these classes should be expanded?

HON L DEVINCENZI: Mr. Speaker the increases last year were so spectacular that it is difficult to go on increasing. In fact I think we went from 8 or 11 to 22, which is over a 100%, or at least 100%. What has happened has been that in a number of cases some classes had to close because of lack of attendance. There were just one or two persons attending and therefore it was uneconomical to continue with the classes, but even then, I think we still have 22 this year, and with the increase of £250 it is certainly enough to go on doing what is required. May I just add that it is really refreshing, and in fact I am very proud, Mr. Speaker, that the Honourable Mr. Featherstone has only been able to pick on minor things and

just tried to shoot down what he really cannot shoot lown. I think it's shame on him that he should try and....

HON SIR JOSHUA HASSAN: On a point of order, Sir, is it necessary, because a member is carrying out his duties to say that it is a shame, that he should not be doing something else. Is this the proper parliamentary way of dealing with it, the responsibility of a Minister; what does he want us to do, throw bricks at him ?

HON M XIBERRAS: As I understand it, the point of my colleague's statement is that he is trying to throw a gigantic smoke screen, having started saving that the expenditure was no measure of the success or the improvement of a department, he is now asking for increases in every single item and I think that my Honourable colleague's statement was very apt and very proper.

HON M K FEATHERSTONE: Sir, I don't think the Honourable Minister for Education needs any assistance from the Honourable Minister for Labour to try and fight his own battles and it is a great pity that the Honourable Minister for.....

HON M XIBERRAS: Nor does the Honourable Member opposite need any assistance.....

MR SPEAKER: Order

HON M XIBERRAS: From the Leader of the Opposition.

MR SPEAKER: Order.

HON M K FEATHERSTONE: If I may continue, Sir, I don't wish to give way to the Honourable Minister for Labour, he doesn't listen properly, I simply made a comment at the beginning that it is not simply a question of being able to boast "My

department has spent the most money or is the second biggest." At that rate one could say that the Honourable Financial and Development Secretary could pat himself on the back, he has a department which spends far more than any of them.

HON FINANCIAL AND DEVELOPMENT SECRETARY: Would the Honourable Gentleman like to repeat that.

HON M K FEATHERSTONE: I said, he has a department which spends far more than any of them. He has the whole lot on his shoulders, Sir.

HON FINANCIAL AND DEVELOPMENT SECRETARY: And collects a lot more.

HON M K FEATHERSTONE: Item 6 Sir, the rent of school buildings, Does this include anything at Catalan Bay?

HON L DEVINCENZI: What do you want to know ?

HON M K FEATHERSTONE: Item 6 states: Rent of School Buildings. Does this include anything at Catalan Bay. For the Minister's information, Catalan Bay is somewhere round the other side of the Rock where there are a number of people.

HON L DEVINCENZI: Mr. Speaker, I am a bit confused the Honourable Member opposite starts at item 23 then goes on to Item 21 and then to Item 6. Quite frankly I am not able to follow. I don't know whether it is meant for any school building at Catalan Bay or not, it's just rent for school buildings. Whether they are in Catalan Bay or wherever they are, I am frankly not very much interested.

HON FINANCIAL AND DEVELOPMENT SECRETARY: May I put the Honourable Gentleman's mind at rest, Sir. That does not include Catalan Bay, we don't pay rent for Catalan Bay.

HON M K FEATHERSTONE: Well I'm glad to hear at least that answer, that the Honourable Financial and Development Secretary knows more about his schools than the Minister. What I want to know Sir.....

HON FINANCIAL AND DEVELOPMENT SECRETARY: Sir, with the greatest respects as Financial Secretary I am supposed to know a bit, I hope a bit about the estimates that I present to the House and there are details where obviously any Minister must expect me to be able to answer. But I've been put in a most embarrasing position by the Gentleman opposite.

HON M K FEATHERSTONE: I am sorry that the Honourable Minister is blushing, I didn't wish to make him blush at all.

HON CHIEF MINISTER: With respect, Mr. Speaker, I think that he cannot expect any person to have details of that nature in his mind. And even the Hon Financial & Development Secretary had to ask an official to bring out a piece of paper to show how much he pays at Catalan Bay. This is obvious.

HON M K FEATHERSTONE: Well, I want to elicit some information which from this Estimates I thought could be elicited. Is the school going to continue at Catalan Bay even on a rent free basis?

HON L DEVINCENZI: This is not a question which I think I should answer now, but I will do so, why not.

HON SIR JOSHUA HASSAN: Of course you have to.

HON L DEVINCENZI: I don't have to. I hope that is accepted.

HON SIR JOSHUA HASSAN: It is a proper question.

HON L DEVINCENZI: It has nothing to do with the Estimates.

HON SIR JOSHUA HASSAN: Of course it has to do with the estimates because it can be asked whether provision has been made for carrying on the staffing of the school at Catalan Bay and that is a question that has to be answered.

FINANCIAL & DEVELOPMENT SECRETARY: We are talking of rent.

HON CHIEF MINISTER: Mr. Speaker, the question has nothing to do with rent.

HON SIR JOSHUA HASSAN: I can put it in another way.

FINANCIAL & DEVELOPMENT SECRETARY: Well, do so.

HON SIR JOSHUA HASSAN: Is the Catalan Bay School going to continue?

HON M K FEATHERSTONE: How much of the total personal emoluments of £231,022 will be spent on the school at Catalan Bay?

HON L DEVINCENZI: Any figure that is needed during the course of the year.

HON M K FEATHERSTONE: I would like an answer in figures please.

HON SIR JOSHUA HASSAN: Mr. Speaker, I think we might get on much quicker - I would say this for both sides - if we tried and get straight answers and if we attempt to put straight questions,

I don't think we are concerned now whether it is £300 or £409, but the whole thing has been elicited by the apparent lack of co-operation from the Minister in saying "I don't have to answer that". Surely, the Minister should be co-operative and perhaps he should give an example of answering as much as possible in order to avoid this pettines that is going on. If we are going to go on like that for the rest of the Estimates we are not going to make much headway, but I would invite him not to take the attitude of trying to fight, and that is why I asked the question in another way, in order to elicit the answer and get on with something else.

HON L DEVINCENZI: Mr. Speaker, when the Honourable Mr. Featherstone asked the question I said I did not have to answer it - and I still maintain that - but I did say I would answer it, but when I saw the Honourable and Learned Leader of the Opposition nodding his head, I said, now I will not. But I said I would answer it.

HON SIR JOSHUA HASSAN: Of course you must answer it.

HON CHIEF MINISTER: With all due respect, Mr. Speaker, I don't think that the non co-operation is on this side of the House. The attitude of the Honourable Member, the Shadow for Education, - I don't know what name he called me - but there is no doubt whatsoever that I can very distinctly describe as a very cantankerous gentleman and if his attitude was more one of trying to find the facts and less trying to ridicule the Minister for Education, I think we would have proceeded with much greater speed.

HON M K FEATHERSTONE: Mr. Speaker, when one is sneered at by the Minister for Education who says "I thought this questions were going to be of some substance but they are absolutely a lot of rubbish

etc.," then one doesn't have a very co-operative attitude from Government. I think, Sir, the preparation of the Estimates are in the hands of the Minister, with the assistance of course of the Hon Financial and Development Secretary; he has all the facts, he has all the knowledge at his fingertips; he comes here asking for the second highest amount of money in the whole of the Estimates and he does not apparently like us to query one little point we are blithely, Sir, to say, "yes, we will let you spend all you like", without any information so that at a later meeting it can be thrust down our throats "you accepted everything, you never queried anything." We have had this thrust down our throats by the Honourable Chief Minister time after time. When we do query it, when we do ask things, then we are wrong; when we don't do anything we are told you are not constructive.

HON CHIEF MINISTER: I beg your pardon, Mr. Speaker, I would like the Honourable Member to substantiate his statement. When have I said that?

HON M K FEATHERSTONE: When the Hansards are all printed I shall be very happy to read them out to you.

Another point, Sir, I understand that the school is continuing at Catalan Bay through 1971. Is that correct?

HON L DEVINCENZI: I cannot foresee at the moment the school closing down during the course of this year.

HON M K FEATHERSTONE: Good, Sir, Item 7 - this follows item 6 Sir - Milk Meals for School Children, there is an increase of £164. Is this, Sir, entirely due to an increase in the price of milk, or is it a reduction in the number of children having these milk meals?

HON L DEVINCENZI: A fair question, perhaps a good question. Increase in the price of milk.

HON CHIEF MINISTER: In fact under footnote (d), at the bottom of the page it can be read.

HON L DEVINCENZI: Increased cost. D follows C!!

HON M K FEATHERSTONE: It seemed to me that it was a very small increase so I wondered if it was probably offset by a reduction in the number of children. I am sorry this is a very petty question it also follows the Honourable P.J. Isola who also asked this question, almost in the same words.

HON P J ISOLA: When was this?

HON M K FEATHERSTONE: The 10th December 1964, Sir (laughter). That will be all for the moment, Sir.

HON P J ISOLA: Mr. Speaker, Sir, I had been studiously looking through 1969 to see where I had been saying all these things. May I, in the spirit - I assure the Honourable Mr. Featherstone - in the spirit of some co-operation, suggest to the Minister that he invites the Honourable Mr. Featherstone to visit some of his schools to see how they run because it seems to me that a lot of the questions he has put and the information that he seems to be seeking, is easily obtainable by visiting schools and the reasons why there have not been the requests he talks about - for instance for increased expenditure in books and equipment - become apparent when one sees how schools work and how Headteachers work. Sir, for instance on the point of milk meals for school children, this is a vote that has been increased over the years, but there has not been an enormous response to it and the simple reason why

more children don't drink milk is because they don't want to. It's as simple as that and you can't open their mouths and pour it down. In the same way, with books and equipment, the Honourable Mr. Featherstone asked the Honourable Minister to ask me why more money had not been spent in 1969. Again, there is a very simple answer for it, in my experience as Minister for Education - and this ranged over a number of years - you order, as the Minister quite rightly said, you order books and equipment in accordance with requests made by Headteachers of schools and I do not accept the argument that Headteachers don't ask for more money because they are told not to ask for it. Nothing could be further from the truth. I would invite the Honourable Mr. Featherstone to look at the personal emoluments section in Education where he will find - and I would like the Minister actually to assure me that I am correct in my mathematics in this - where he will find that the Headmasters and Headmistresses salary went up by about 11% and their allowances, by some 1300% which is a very, very considerable increase and I am sure that if the Headteachers were told,"don't ask for more money" that they therefore do not ask for more. Everybody asks and I think a Headteacher would not be worth his mettle if he were to be cowed into submission, either by his Head of Department or by his Minister and my experience of Headmasters and Headteachers, and indeed of all teachers, is that they are an extremely independent body of persons and that they speak their minds out with clarity, as the Honourable Mr. Featherstone no doubt realises in his other capacity, as a journalist. They are very quick to call a press conference and say what they feel and what they want, so I cannot accept for one moment that Headteachers don't ask for more money because they are told not to. Headteacher's job, and their duty to the children, who they are meant to

be educating, is to state the needs that they, in their professional opinion, require for their schools and I think that the Honourable Mr. Featherstone's criticism that the increases in expenditure do not allow for increased cost are not well founded because the expenditure proposed for 1971, two years after 1969, is something like 33 1/3% more and this is quite.....

HON M K FEATHERSTONE: Sir, on a point of order, if, I may, Sir. I did not say that they did not allow for increased cost, I said they only appear to allow for increased cost, not for expansion of anything. That if something cost £100, today it would cost at least a £110. If therefore the Estimates had increased from £100 to £108, this would actually be a decrease not an expansion. Perhaps the Honourable Mr. Isola did not quite get my point when I said that.

HON P J ISOLA: Mr. Speaker, I thought I was dealing with that point i.e. an increase in the vote by 33⅓% from 1969 to 1971, surely cannot be attributed to increased cost exclusively.

I know the Cost of Living has gone up, I know prices have gone up - but I cannot believe that in books and equipment, and I have some personal experience as far as books are concerned, that they have gone up by 33⅓%. So, obviously there is a provision being made for expansion in the programme. And quite rightly, Headteachers are meant to be responsible people, they don't just throw books away every year so they can ask for more money. Their requests are made responsibly and, as the Minister has said, his job is to scrutinise what they ask for, and if he has told us "we have given all that we have been asked for in regard to books and equipment", then if they haven't got sufficient books and equipment the fault obviously lies with the Headteachers of the schools concerned, and we should have no hesitation in saying so. The general question I

would like to put on the question of the education estimate, if I may, is that these do seem to my mind to bring out very clearly what the facts are, for instance, with regards to salaries and conditions of service of the teaching profession, and I think it is a matter that should be noted. From what I see, looking at the figures and making rough calculations, I have already talked about the really significant increases there have been in headmasters and headmistresses allowances amounting to some 1300% to what they used to be. Ordinary teachers appear to have had an average increase of 25% and there also seems to have been almost three times the amount provided for Responsibility Allowances in the period 1971/72. So that I would have thought, that all in all, the teaching profession should be reasonably satisfied and we here should be reasonably satisfied that they have been given a fair deal and a fair cut of the cake as far as their allowances, the creation of additional responsibility posts, and so forth are concerned. I think this is something that we should bring out because these are facts. One is subjected in Gibraltar to so many differences of opinions and so many different approaches to the facts that you don't really, I think, know what the truth is until you see figures showing what in fact is going to happen. And the figures, as far as salaries are concerned, show to my mind a very healthy advance, and I am sure a very welcomed advance, in the salaries being paid to the teaching profession in Gibraltar.

Sir, the point of scholarships was raised by the Honourable Mr. Featherstone - and I won't quote at him what he said in 1969 - but I am glad to see that he has not pursued the idea in his party manifesto, which he said in 1969 he would pursue by a substantive motion or by requesting a

committee of the house, I am glad he has not pursued the suggestion in this manifesto that all Scholarship grants should be by way of loan to applicants, and that he welcomes the present system of the grant of scholarships. I know the Financial Secretary is uttering and has uttered many words of warning, but I would like to utter a word of warning to the Financial Secretary on the question of Scholarships, and that is that as education improves - and the standards in education are undoubtedly improving - whoever is in power and whoever is the Minister, the demand for further education will rise and the number of people with higher qualifications fitting enough for further education will rise and the future of Gibraltar undoubtedly depends completely and utterly on the skills of people that we can produce in the professions, in the science and of course right down in the skills of craftsman. I would like the Minister to consider, for the future, the idea of looking at the whole question of further education as part of one scheme of things, and that is first: thinking of further education not just in terms of further education in England, but of course further education in Gibraltar, and I'm here particularly referring to the expansion of the activities of the Gibraltar and Dockyard Technical College into some sort of Terciary College. I know the expenditure may be great on this, but I think this would be well worthwhile for the future of the education in Gibraltar. The expansion of the activities of the Gibraltar and Dockyard Technical College into some sort of College of Further Education where, alongside the learning of the ordinary trades by those children not so highly gifted, alongside them, we provide courses for further education in a lot of the activities of education which one knows about. I had the privilege of visiting

the school recently and I must say I was enourmously impressed by the great variety of courses being offered today by this College to young people, to employers on a day release basis, and generally to fit in with the requirements of the Gibraltar economy as a whole and with the requirements and need for skilled in in all sorts of things in Gibraltar today. I must say that in that connection I do welcome very much the increase in the contribution to this school, which I hope is not just due to increased cost, but an increase in its activities and I do welcome too the h e increase on the expansion of the Adults and Continuation Classes, which again, I think, has to be limited because the demand is not necessarily there. A lot of people say; "you must train people in this, that andthe other" yet when you provide the facilities of Adult and continuation Classes, they don't necessarily respond to it.

? The missing word could be:- people workers labourers traders

But I think the idea, the general idea of intergrating - if I may use that expression in a possibly inn ocent sense - the idea of intergrating the whole of the further education programme in Gibraltar to comprise a College of Further Education the expansion of the Adult and continuation classes and the scholarship fund, intergrating all these activities into one orgainization, will be very helpful and very welcome. I don't think that this Government, or the Opposition either, will shun for one moment the financial responsibility that this would entail for the Revenues of Gibraltar. I think that's all I've got to say. Thank you.

HON M K FEATHERSTONE: Speaker on another point of clarification; the Hon. Mr. Isola did not read out what I said in 1969 and it's rather useful that he didn't, because then he would have found that what he stated I had said and what I did say was slightly different. What I did say, Sir, was what we put in our electral programme that we would raise, either as a substantive motion, or we would

try to implement when we are in powere; either or: he left out that little bit.

HON P J ISOLA: When you are in power: well that dosen't arrise until 1973 possibly!!

HON M K FEATHERSTONE: Thank you very much for your confidence, Sir.

I also did not say, Sir, that we were going to make people pay for their education. What I did say, Sir, and we would reitemate even at this time, that we do not wish to fall into the trap of spending large sums of money on educatin g people who are going to do absolutely nothing in return for Gibraltar. We have had unscrupulous people who have done this and I think even the Hon Minist er for Education did agree with me at that time, Sir, that when we were talking about the person coming back and making a contract to serve Gibraltar for a period of time, a five year period was not such an absurd idea at all. It is, I believe only three years at the moment, but he did see five years as quite a good thing. There was no question of demanding payment in full from everybody. Even in our election manifesto we did not say this, we said those who could afford it might be able to pay something back.

Head IV - Education, was agreed to and passed.

Head V - Electricity Undertakings.
Head VI - Fire Arms
Head VII- The Governor

Head VIII-Judicial

were agreed to and passed.

Head IX - Labour and Social Security.

HON M XIBERRAS: Sir, the Hon, Financial & Development Secretary has already men tioned what the overall increase has been in this Department, I think he said something like 53%, and the major source of the increase can be relat ed to increases in Supplementary Benefits and Family Allowances, which were brought before the

House, not at budget time but in the period between budgets. I should say that even though Supplementary Benefits are now at a more realistic level, and I should repeat this, because I said at the time of the introduction of the changes that we were obviously still not satisfied with this. I would like to raise my voice a bit on the question of old people generally who I know are not contented with the present pensions and relate the one statement which I made dealing comprehensively with the question of pensions, the poor different types, to this item before the House now, the question of Supplementary Benefits.

I have heard the criticism now that out of Supplementary Benefits, which is non-contributory, people are deriving more than out of contributory pensions for which they have been paying during their working life and I think it is a sound principle of fairness that Supplementary Benefits should not be increased at this particular time. But I could assure the House that the Government as a whole and the Financial and Development Secretary are very much aware that the Two-year plan for Supplementary Benefits which I submitted to the Government some time ago, is realistic and that as soon as we are in a position to do so we would increase the Supplementary Benefits again, the same applies to Family Allowances. I'm not going to go into the percentage increases because I have done this on more than one occasion, but +I would like to spend a little while on the contributory pensions and to say that this year is the year for actual review of the fund and we have been stuck with a particular finicky set of auditors - and I mean that in the proper sense not criticising them at all - but there is a lot of work to be done at the request of the auditors. It has not been possible by know to have them here and to have them judge the state of the fund, but as soon as this happens we are going to introduce changes perhaps in the

contribution rates and certainly in the benefit rates to bring the contributory benefits to a more realistic level. Uniil this is done we would not be in a position to know how much we would have to pay in supplementation under Supplementary Benefits for those people who are in receipt of contributory pensions and whose income would have to be supplemented to the minimum level set by the Suplementary Benefits.

The advance in this field, which the Financial Secretary pointed as being very acceptable to the whole of the House, will however continue and I'm authorised to say this. There is a slight increase in staff in the Department and I would like to mention the increased weight of administration that has fallen upon the Department, particularly in relation to the accommodation and in speaking at the opening of the new Hostel at Devils Tower Road, I did mention that by the time the extra beds at Casemates were available -150 of them - the Department would be running 1,150 beds. No doubt the Hon. Mr. Serfaty will welcome this increase in the number of beds (laughter) and I can assure the Hon Member opposite, that the amount spent towards the economy of Gibraltar, with very little publicity, is quite considerable. I should qualify this, perhaps little publicity outside Gibraltar; and perhaps less publicity would be needed on the Government side if Hon. Members opposite were to contibute their very strong vioces - as they appear upon occasions - to the general chorus - a joke which has fallen rather flat on the opposite side, for which I apologise Sir. Sir, the other increased commitment of the Labour and Social Security Department is that entered into as a result of the Control of Employment Ordinance, which since October last year is beginningto function properly. Most of this has been done with no increase in staff at one stage, but by now we are ready for some additional staff. The other commitment will be in respect of the Rgulation of Wages and Conditions of Employment (Amendment) Ordinance; that is, the

contract of employment for all Gibraltarians earning less than £1,500, the contract form, which I had the honour to lay on the table at the begining of the meeting. This again will start operating very shortly. The approval of the form was the last step, andI think that by then the working man will appreciate the value of the Ordinance that was passed sometime ago in the House. I should say that there should be further publicity about the contracts of employment in the near future from the Union Side of the Regulation of Wages and the Conditions of Employment Board; from the Management or Employers side of the Regulation of Wages and Conditions of Employment Board and perhaps from members of my Department. We are already sending out inspectors who are putting across to workmen and employers the intention behind the Ordinance and how they can best benefit from the contracts and from Labour inspections. May I say that the labour inspections have multiplied by three since 1969 and that the labour inspector is a much more obvious and know figure these days in the various small establishments in the private sector.

As with the Supplementary Benefits, of which I am talking rather out of season because the increase has not taken place yet, I would like to raise two other points; the first is the establishment of a Productivity and Training Unit which will cater for Industrial Training, Work Study and O & M and which is expected to cost some £10,000. We hope that the results of this will be offset by major savings in Government spending and perhaps this might be extended to the private sector in one form or another. Again I hope I shall be able to come to the House with a firm proposal - the proposal is firm already and agreed - at a later dat ed. Similarly consideration is being given to the Thayer Report which has to do with a Family Care Unit for families who cannot quite cope with the modern speed of life and are in difficulties in one way or another. We do have a need for extra visiting and trained people to visit

them and so on, and this again is being considered and I shall be making, I hope, some sort of statement in the House at a later stage.

Sir, perhaps at a later stage in this meeting I might say something about wages and especially about the formula which the Financial and Development Secretary spoke about, but I don't think that this is a direct responsibility of my Department, though the House is aware that I do take an interest in movements in wages and salaries.

Perhaps I could harp back to the productivity question and say that we have been honoured with a visit from Mr. A. P. Berry, of the Coventry Management and Training Centre, who has had a few rather hectic days here and as a result of this visit we hope to be able to bring in a permanent O and M Official from Coventry Management and Training Centre plus perhaps give consideration to Group Training Sessions for the non-industrial staff, which will fill the gap between now and the time that our own productivity and Training Unit gets under way. I should mention too that Mr. Berry was particularly interested and favourably surprised by the Construction Training Centre which will also figure in the proposals which I hope to make about the Productivity and Training Unit. His words were, more or less, that many places in the U.K. did not have that sort of training and that everything that was being done was good in his view and that he hoped that the Construction Training Centre would in fact expand as it will expand under the Industrial Training Ordinance and under an expansion of the Apprenticeship, and a scheme which is being prepared to take the factory into the school, to which major employers are willing to contribute and which I have discussed already with my colleague the Minister for Education.

I should also say something, Sir, about career pattern; we now have a scheme ready, the general object of which is to implement the recommendations of the Week Victor Report produced some years ago now, and to ensure that young people will be attracted to good careers in the Technical Grade scale, by having avenues of promotion clearly mapped out, having vacancies charted in advance and also to increase the amount of training available to the existing Technical Grades. The object of the scheme therefore is a double one; to give good career prospects and at the same time to strengthen Middle Management.

Sir, the income which my Department pulls in as a result of accommodation, a fact which no doubt will please the Hon. the Financial & Development Secretary, is shown under a different Revenue Head - page 8 Item 30 Accommodation of Imported Labour. I should repeat, as I normally do in these occasions, that improvements are being carried out to existing hostels, and not just because we have a new one we are going to forget the other ones. The public may have noticed a bit of a face lift beginning on the North side of Casemates which will be complemented by Public Works Department on the Archway over the road, and with the Medical Centre that is going to be built - and the tender for this has already gone out - on the clock side of Casemates. There is also the Development mentioned by my Hon and Gallant Friend, the Chief Minister, on the opposite side of the clock, which I hope does go forward and this should serve to produce, apart from a very useful contribution to the accommodation, that we have, an embelishment of the area which is concentrated and about which the Minister for Public Works knows much more than I do.

I do not pretend to be any great expert on the figures and I shall not attempt to deal with figures except insofar as they affect the policy of the Department. In summary,

what I should say is that I am satisfied and I thank my colleagues for the movement forward in the work of the Department, that the work will be continued during the year, that certain major improvements can be expected by the House and that I reserve my position on the question of wages and salaries for a later time.

HON A P MONTEGRIFFO: Mr. Speaker, I hope the Minister for Labour and Social Security will forgive us if we were not quick-witted enough to understand his joke, but, I can assure him that we still have a sense of humour - in any case it is a long time since I was a choir boy - but, Mr. Speaker, I would like to deal mainly with the Social side of the Labour and Social Security Department which, is the side that I'm shadowing.

Perhaps it could have been expected of me, Sir, to have stood up and lashed out with hell and thunder, especially regarding Supplementary Benefits. I know they have been increased and they have been increased substantially in the past but perhaps as a member of the Opposition it would have been expected of me to say that they had not been raised enough. It is a very popular gimmick which I will not fall for, Sir. I would like to remind the House, of the statement I made at Estimate time last year, that it was very easy when you are out to shout of what you ought to do when you are in but having been in myself I am the first to appreciate the difficulties. We all have grandiose ideas, we politicians, if only because we can afford to be verygenerous because the money we give is not our money, so when we do not give more it is because there is not enough to give out. We have also got ideas which we have got to convince our colleagues about - they have got their petty whims and their priorities - and once we have gone over that hurdle we are subjected to pressure groups all of which want to govern Gibraltar their own way. But lastly, Sir, and this is what is relevant to

the estimates, we come to the almighty Treasury - I won't say the maligned Treasury - the almighty Treasury, and there some of our schemes, at least some of mine have, gathered dust in some pigeon hole in the office of the Upper Room, as we used to call it, Sir. So, I am sure, Sir, that the Minister, in not having come to-day with more money to give to these people on Supplementary Benefits, must have applied a lot of pressure and I can assure him that if he carries on doing this I, and I am sure my colleagues on this side of the House, will be urging him on in spirit to carry on the fight, and on any opportune moment that comes our way we shall only be too pleased to vote more money for those who are dependant on Supplementary Benefits. (tapping on the table).

But, Sir, I think that there is a better way, - and I think the Minister mentioned this one - a better way of giving money, particularly more money, to those of our own folks who have retired rather than subject them to the vagarism of mean tests and that is, Sir, by expediting the actuarial report so that we can then be in a position to look at the whole thing dispassionately and find out, in relation to the wages being obtained at that time, how much we can increase the contribution so that we can give higher pensions, more in keeping with the wages that people will be getting and perhaps looking a little bit towards the future. And I hope, Sir, that the moment will not be very far off when the Minister will bring an amendment to the relevant Ordinance so that both sides of the House will most willingly give their support.

I would like to say one more thing, the Minister mentioned that he was rather reluctant to touch Supplementary Benefits until such time as the actuarial report and the whole exercise of the Social Insurance scheme has been looked into. I'm sure that this is not an absolute decision because it may well be that due to

unforeseen circumstances the cost of living may rise to such an extent that we may have to increase Supplementary Benefits even before we have the Actuarial Report; and in any event, Sir, those who are getting the pension, though they are not paying for more, they would all be supplemented.

That is about all I wanted to say in a general way but there are two questions that I should like to ask the Honourable Minister. One is on Family Allowances, and what I would like to know is, how much money do they get back in income tax as a result of the increase in Family Allowance, as a result of the amendment, of course, to the Income Tax Ordinance, and if he hasn't got the figures with him I would be happy to get a little note on this from him sometime, either during this meeting or later on. The other one is, what is the breakdown of the £39,840 which are being spent on the Accommodation of Labour, and that is Item 40, Page 27?

HON M XIBERRAS: I would like to thank the Hon. Member opposite for his encouragement and for his voice in this chorus. He might not be a choir boy but in fact he can raise his voice again upon occasion and all this is encouragement because the Government does like to please all Hon. members opposite upon occasions as well and this is always good with the Treasury. But, I would repeat that on this occasion it is for considerations other than the Treasury that I have exerted pressure certainly, but also at the same time made sure that the pressure would produce the result at the right moment. The Hon. Member is absolutely right in saying that this is not an absolute; in fact if the cost of living were to go up - and it is going up - when it has gone up enough to justify an increase I hope an increase in Supplementary Benefits will be possible. Again, if it is impossible to speed up the Actuaries, then it will be done, but I've had a bad piece of news today, particularly, in hearing that they want yet another breakdown of another set of

figures and it is going to take some time. But I think there is no division upon this point whatsoever, that Supplementary Benefits must go up, that contribution should go up, and certainly that benefits should go up in the contributory benefits scheme.

The fund, I have it at first hand, seems to be in a healthy condition so the objective is to reduce, or rather, not to increase the contributions so much but as to increase the benefits, insofar as this is possible. The fund is solvent, this is the word. On the other two points: on income tax I'm interested generally on yield. I should mention, however, - and there is an agreement on this - that members of the public who can afford to bring up children should pay something back in income tax; on this there is agreement. I'm afraid I don't know the figures for this, but I shall ask the Hon. the Financial and Development Secretary to produce them if he has them. I wasn't expecting this question but if he has it the Hon. member should know straight away.

I've also been supplied by the Hon. Financial Secretary with the breakdown of the various hostels and I shall go through them religously - though I should confess here that I know more or less how the hostels were staffed and how they were run and so on:

North Pavilion Hostel: A1, one Maintenanc Caretaker £339 18s. then with certain increments £469 - I'm terrible at reading out figures - Two charwomen at £9 1s; Miscellaneous stores at the rate of £10 per week; Maintenance and repairs and unconsumable stores at the rate of £20 per week; provision for sick pay, holiday and overtime, say some £25 in all.

Casemates Hostel: one Caretaker at the rate of £12 13 - and his wages are being raised I hope soon; one watchman at the rate of £11.2; one skilled labourer at the rate of £10 10;

ive labourers at the rate of £10.10; provision for sick pay, holiday and overtime, say £100; Electricity and Water at the rate of £120; Miscellaneous Stores at the rate of £30 per week; Maintenance Repairs and unconsumable stores at the rate of £50 per week.

DEVIL's Tower Hostel: one House-keeper - for the time being we are employing a House-Keeper and not a Resident Caretaker - at £12 18s. per week; 12 cleaners at the rate of £9 1 - and we will take these on slowly as the Hostel fills up; four Quarters at the rate of £10 1; provision for sick pay holiday, £200; Electricity and Water at the rate of £100 per week; Miscellaneous stores £20 per week; Maintenance and repairs and unconsumable stores at the rate of £60 per week; Laundry at the rate of £50 per week. The total is £39,838 - which the Hon. Member knows I think - but this is roughly what the position is. I do know that within this there are certain jobs which are given out extra, on overtime or J.P.C. Things like the scraping of the walls and the cleaning up and so on, so this doesn't cover the picture as a whole. I would assure the Hon. Member though, that generally speaking we do make a small profit on Casemates, the rates are very reasonable - 10s. per week - and the cheapest in town are £3... Well, I did speak, Sir, at the opening of the new Hostel on what this supposed and what this represented in the line of a new venture into a particular kind of enterprise and I think it is significant that we are making a profit, even at these reasonable rates.

HON SIR JOSHUA HASSAN: Is it fair that we should be subsidising hotels and making a profit out of our own place?

HON M XIBERRAS: Sir, I don't know how the thing is going to work out and I don't know whether one should compare what is offered at one hostel as opposed to a Hotel, but I think the comparison will be a very interesting one at the end of a longer period.

HON FINANCIAL AND DEVELOPMENT SECRETARY: Sir, on the question of making profits, let us not delude ourselves; something has got to be put aside for the repayment of capital, if only to provide more money to provide another hostel at some stage in the future. On the question, Sir, that the Hon. Member opposite asked about Family Allowances, off the cuff I'm advised that the figure would be between £3,000 and £4,000 a year.

HON LT COL J L HOARE: Sir, may I draw attention to a little printing error; in note (h) "Offset by Revenue Head IV, not Head IX - £58,800".

HON FINANCIAL AND DEVELOPMENT SECRETARY: I'm most grateful to the Honourable and Gallant Gentleman.

HON P J ISOLA: Sir, I know how busy the Minister for Labour is in his department, I know the many major responsibilities that he has there, but I wonder whether I would ask him, on the question of holidays for the elderly, whether he would look into the question in the coming year of family holidays. I notice that the vote of £1,000, in the note to it, that this is an extention of a scheme introduced during 1970 and I would like him to tell me whether he would be prepared to pursue the idea of asking my Honourable Friend the Minister for Education to treat the vote of holidays for school children in the context that has already been raised, for young people and so forth, but that you treat it as supplementary, possibly, to holidays for the elderly and to consider, in a limited way, the desirability of allowing a family of up to a certain income limit, which he can choose, of drawing an allowance from the school children's holiday fund equivalent to the cost of a particular school - childs holiday, allowing them to draw it from that fund into his fund, to enable the family to take a holiday together. I quite appreciate that if this sort of idea, this sort of principle, was widespread and unlimited obviously you would not need £12,000 as your voting - £8,000 or £12,000 - you would need about £40,000, but I'm

thinking more in terms of a working class family, or a family of limited means, that desire to take a holiday together as a family and allowing that family to be able to draw from the holiday for School Children Fund, a sum equivalent to what would have been spent on that child had he gone with his school on a holiday, being able to draw on that amount of money to enable that family to go on a holiday as a family and I would like, since this question of holidays outside Gibraltar is something that is catching on in all spheres, quite rightly, of Government activity, I wonder whether consideration can be given to help those who are in between the young children and young men going off on a holiday and the elderly doing something for them and doing an exercise under which, perhaps without increasing the money required, it is possible for young families to be able to go on holidays with their children without being an increased burden on the Exchequer.

HON CHIEF MINISTER: Mr. Speaker, I'm most grateful to my Hon and Learned Friend for this suggestion. This Government has taken the question of holidays extremely seriously. As you know, before we came to power the number of children going on holidays was extremely limited; since we have taken office the numbers have increased very considerably. Not only have we arranged holidays to Morroco of an educational nature, but also we have been able to send a very substantial number of children to the United Kingdom. It is the intention to do the same thing this year, and we hope next year as well. We have also moved into the realm of providing holidays to elderly people with a degree of success, even if the number of people who took advantage of this last year was limited. We do hope we will be able to increase the number. What the Honourable Member is asking now of course is another step forward.

When we started - I know that even in the press I saw letters from people who were supporters of the previous Government who said it was impossible to subsidise holidays - we just didn't have the money; somehow we have found the money. This Government, I

think, takes some time to do the impossible, miracles of course will have to take a much longer time than that, but I can assure the Hon Gentleman that we shall do everything possible to meet what I think is a very justified demand and to be able to enable holidays to be taken as families and not just children on their own. How this can be arranged of course is a matter to go into very carefully, perhaps by means of contributions and subsidy at the same time it could be done. I know that this is one of the I.W.B.P. motions that was passed at our last conference, so this Government not only at the suggestion of the Hon. member but also at the suggestion of our own party members and in the interest of Gibraltar as a whole will look into this thoroughly and with every goodwill to try and carry it out.

HON M XIBERRAS: Sir, may I say that I should have mentioned on the question of holidays for the older people, that the trip that was taken was in relation to people in receipt of supplementary benefit and we found (a) that there was a certain unwillingness by the older people to go; (b) the question of proper remuneration for the staff who spend the weekend away - and this is the kind of holiday where supervision is very much needed, and special supervision at that; and (c) the question of pressure of work which my Hon and Learned Friend mentioned. Finally, and the most important, the question of the weather; we are hoping for the weather to turn and to judge each scheme on its merits rather than make provision for a definite allocation of money. The names that were drawn out of the hat at one time for this particular scheme had to be changed because the people who were luckyenough to be drawn in fact didn't want to go, and I'm sorry for one of the ladies who in the rush and nervousness in fact broke her leg, I think, on the very morning she was supposed to go. So it is something which must progress very slowly. On the question of family holidays, the point has been made already.

HON CHIEF MINISTER: Mr. Speaker, before we move this I would like to thank the Honourable Member who is absent at the moment, Mr. Montegriffo,

for what I thought was a very commendable suggestion which we all have very much at heart, and that is to look after the elderly people of Gibraltar who unfortunately through their weakness and incapacity are unable to present their case with the force that perhaps other sectors of the public can and therefore we tend to forget them. I have this very much at heart and I must say that on this score the Financial Secretary has never ever, when we have asked for added increases, shown any lack of co-operation and I think the Minister for Labour explained the reason why we have not been able to go any further than we have, but I think I would like to draw attention that in 1969, when we took over, the amount given on Supplementary Benefits was £75,268 and that now for 1971/72 the figure has gone up to £114,000, quite a substantial increase I should say, given the circumstances of Gibraltar and the short time that we have been in office. But I can assure the House that I personally am taking a great interest in this and I will see that before the time of this Government is over the old people of Gibraltar are properly looked after. (tapping on the table). Head IX Labour and Social Security was agreed to.

HEAD X PUBLIC WORKS

MR. SPEAKER: Perhaps, since the next Head is Public Works, which also promises to be long, this would be a good time to adjourn the House until tomorrow afternoon at 6 p.m.

The Committee adjourned at 9.05p.m.

WEDNESDAY THE 17TH DAY OF MARCH, 1971.

The Committee resumed at 6. p.m.

MR. SPEAKER: Before we proceed with the Estimates of Expenditure, I would like to inform the House that the Honourable Mr. Maurice Featherstone has given the required notice under Standing Order 25B(4) that he intends to raise the matter of the Government plans for comprehensive education, on the notion for the adjournment.

HEAD X PUBLIC WORKS

HON J CARUANA: Mr. Speaker, during yesterdays meeting we heard a resume of what my friend on my right, the Minister for Labour called certain revolutionary steps taken concerning his Head and it is worth noting that it is precisely at budget time that the policy of any Government is shown, although at time hidden and clouded over by figures not easily interpreted by people who might just glance at a page full of headings, abreviations, decimal dots and what have you. It is for this reason that one has to point out the very nature of the items which one includes, because it pinpoints in many cases precisely what course a Government is steering.

We heard yesterday of the many interesting new items for education such as T.V. for schools, extra facilities for children to go on holiday, indications of preliminary preparations for the comprehensive school, and so on. The Minister of Labour indicated the advance which had been made with regard to Supplementary Benefits, Family Allowances, Holidays for the Elderly and so on. It is only when one pin points these items that one can see whether a Government is just drifting with the wind, or is in fact being guided on the right course. It has been my privilege, possibly for my sins, to carry out the merger of the Medical Department at the early stages and recently the merger of the Public Works and the City Engineer's Department. I think people who are in the know will appreciate that this is not an easy matter, and I mentioned this because it is precisely in Item 1 of Head X that one shows the Director of Public Works, which is a new addition. It was precisely the intention of the Government to bring over to Gibraltar a very experienced person who would be able to implement the merger to its fullest. Any merger carries with it sometimes very unsatisfactory and unsavoury decisions, but it will also in the long run be to the benefit of Gibraltar, as will be seen throughout my Heads which cover

several pages.

To give the lie to what has been said previously that Ministers hardly ever have anything to do with the budget , with due respect to the Financial Secretary, that he is totally in charge of the items, I would like to pin point, not for my own benefit but for the benefit of all those people in my Department who have worked very very long hours, and days, and weeks, and months, in the preparation of the combined estimates, which now includes the figures, which used to appear separately as the Lands and Works Department and the City Engineer's Department, that I have personally worked for three full sessions, item by item with the Financial Secretary and possibly another six occasions with the various members and department in the new Public Works Department. I say this to give the lie that Ministers have a superficial idea of what is in the budget. This concludes, Mr. Speaker, what I have to say on page 28. If I could carry on, with your permission, so that members could follow, with Page 30 - I've very little to say on Page 29 which is Personal Emoluments and come to the Section on Page 30 which deals with Housing. The item itself, Mr. Speaker, is a very plain, very simply set out affair, but IT is pertinent to point out that it is the Department of Housing, as it has become apparent during question time, on other occasions and in the press, it is Housing precisely which is our biggest social problem. The Government is responsible for about 4,000 tenancies, half of which are post-war buildings, the other half being of pre-war construction which add significantly to the headaches of the Department as regards maintenance. The housing Department has about 2,000 applications for reaccommodation, some more serious than others, and it is the responsibility of the Department to work out our figures so that in a small way we can aleviate the hardships which some of the people of Gibraltar are suffering.

I said yesterday that the Government had initiated a general

review of the housing situation and with this aim we sent out about 1,000 letters; in the form of a questionaire, to ascertain the precise picture today in the housing front. Of the 1,000 letters 500 people or families failed to reply, which showed that either they were not interested in the new accommodation, they were happy with what they had, or simply that they misunderstood the circular. So we are at the moment left with about 1,500 live applications many of which, as I said yesterday, have already been re-assessed on the lines of the new housing scheme. It is pertinent to point out, Mr. Speaker, that this new Scheme includes some rather very important and perhaps belated innovations, which I set my mind to implement and which we have already put into practice. This is the way in which pointage is awarded to families; one of the very serious things which had not previously been taken into account was the award of points for waiting time. I'm glad to inform the House that now people will be awarded points for the number of years that they have been on the list and that they can obtain a maximum of 80 points, on a sliding scale, depending on the number of years that they have been on the list. There are few more important points with which I will not bore the House at this stage, I mention this because it is important to appreciate what is going on in the Housing Section and how the money is being spent and the importance that one must attach to this Department if we want the people in the Departments to work satisfactorily.

I'm glad to say that in approximately 4 weeks time we shall be giving the Housing Section what I call "the new look" and this will be mainly due to the fact that we are transferring the Housing Section from the back-waters of the Secretariat, from very inadequate, very dilapidated working conditions and surroundings, sometimes depressing, which leads people in fact to behave in a depressing manner, to the new block in the Haven

which has recently been redesigned by way of partitions to allow an orderly flow of people. I am confident that when The Haven is opened, this will add significantly to the atmosphere of the place and in fact to the general attitude of the public.

I would like to move now, Mr. Speaker, to page 31. There is one particular item that I'd like to refer to and that is Item 6, The Training of Apprentices and Trainees, and again you will see a significant increase of £12,330. This increase is due, I am glad to say, to an increase in the number of entrants into the Department - youngsters leaving school - and also to the money being spent, and I think wisely spent, on their training, both at the Gibraltar Construction Training School in Landport Ditch and also at the Technical College. It also includes for combined training for apprentices in the new merged departments of the City Engineer's and the Lands and Works. A significant increase which I think will bear fruit in the not too distant future.

I would now like to move, Mr. Speaker, to page 32 and ponder a little again on items which at least, as far as the headings are concerned, appear from year to year, but I'd like to say precisely that it is not only the heading or the money involved that counts, but rather the way in which one manages and spends the money in the department, and the way in which one goes about spending it. I think the Public Works Department has for many years now always come under very strong and very severe criticisms on the question of the painting of its buildings, the maintenance and repairs of its buildings and we have done several new things in this respect. On the painting of Crown Properties one of the first things we did was to employ a Maintenance Surveyor who would have experience in this respect, who would streamline the department and who would guide the

department and the men in carrying out efficiently the work that one does with Government housing. It is important to note various statistics of what has been achieved in this respect during 1970 following the appointments of the Maintenance Surveyor. One dwelling is re-habilitated every one-and-a-half days during the year, that is approximately 116 buildings rehabilitated during the course of the year. 80 calls are received from the public daily for general maintenance and general problems and 500 . . . . . .

MR. SPEAKER: I hate to interrupt, but I see that perhaps inadvertently you have moved on to another Head, to Head XI.

HON J CARUANA: Page 32 Head XI. Yes, Mr. Speaker.

MR. SPEAKER: We are now dealing with Head X.

HON J CARUANA: I beg your indulgence, Mr. Speaker, you are quite right. Yes I've moved over to the other Heads concerning my department.

MR. SPEAKER: Of course, if the House has no objection I see no reason why we should not do this, but we'll have to take the votes separately.

HON J CARUANA: Mr. Speaker, I beg your indulgence on the matter. 500 dwelling houses have been water-proofed during the course of the year and I think it is significant to note that it has been one of those years, perhaps because of the shortage of rain, when one hasn't heard too many complaints of leaky roofs. There are still quite a lot of them, but I think quite a big step forward has been taken and it's not an easy matter to repair 500 roofs in one year. I think that with good planning and good workstudy one can in fact achieve ones aim. On the question of maintenance it's pertinent to note that from 1965 till 1969, in spite of the fact that the responsibility of the Government increased with regard to houses - houses became older and newer houses came

into the section - the vote applied towards maintenance was being reduced; was being reduced and reduced drastically. In 1965 the figure for maintenance had reached £120,000 approximately, and by 1969 instead of increasing in power with the responsibility of the department it had been cut down to about £75,000. This is a thing which one could not accept because if anything figures should increase, if only marginally, to compensate for the increased volume of work and the deterioration of houses. One has quite a back log of work to carry out that would take several years to complete. Today you can see that for the maintenance and repair of Crown Properties we have increased the figure to £110,000.

We move now, Mr. Speaker to item 15, Purchase of Motor Vehicles and you will see that there we have provided for two new refuse lorries which will replace the rather old fashioned and dilapidated lorries that we have at present and I believe that this should be conducive to more efficiency in the collection of rubbish.

On the question of items 16 and 17, Operations of Depots and Operations of Stores, I am glad to say that this has been quite a busy year in so far as stores is concerned, because we have been centralising - we are by no means there yet - the whole of the Government Stores. It was also very clear, to anybody who took any interest in the matter, to note that we had dozens of little Stores and Depots, scattered all over the place in Gibraltar, taking up very valuable pieces of land and also stretching the resources of the department, the manpower and the paper-work. In a way one is limited in carrying out an exercise. One knows what one would like to do, but it is sometimes difficult to get people who know how to do it. With this aim in view the Government brought over a gentleman by the name of Mr. Streets, who works for a firm of Organisation

and Methods, Workstudy Consultants who did an extensive study of the situation in the Government Stores and actually lived with us for a few days telling us how we should go about the merger of the stores. This we have put into practise and it won't be long now before the two stores are completely rationalised, which will show a saving not only in the paperwork and in the issuing of materials and therefore a saving also in ordering, since there was and there is yet bound to be some duplication due to ordering for various departments, and holding the same items, but there will also be rationalisation in manpower because less Storekeepers will be required. Store-keepers need not be concerned as to what will happen to them because of this; there will always be some useful jobs for them to do in other sections where they are badly needed. If there is any question of cutting down, this will be done on the basis of retirements or vacancies will not be filled. This is the way to achieve rationalisation in this respect.

The House will notice a recurring figure for the illuminations for the GibraltarFair. On the question of the total page, this page summarises what in fact used to be printed in no less than seven pages, especially those items which came from the Municipality. We show for example pumping as one heading, where in fact there are five Pumping Stations and there were previously shown separately: now they are all integrated.

I would like to move over Mr. Speaker to page 33, Item 55, the operation of the North Front Distillery to show that this has been carried forward from the unicipality, a figure of £53,800, and to say that we have been able, although it was touch and go, not to have imported any drinking water by tanker and that we were also able to stretch it a little and stop the distiller for one whole month for a general overhaul. In this respect, I'd like to inform the House, if I may, that our

stocks today stand at 6,700,000 gallons which is about half of what it was at the same time last year. We hope to boost up our stocks during the course of the next few months if we get a little rain.

The Financial Secretary yesterday, Mr. Speaker, moving down to item 65, 66 and 67 under the heading of Refuse, indicated the colossal sum of approximately £100,000 being spent on the collection disposal of refuse in Gibraltar. It is a source of great sadness to us all I am sure that the public does not co-operate with the Department in its very difficult task of the collection, removal and disposal of refuse, which adds so much to the unsightliness of certain districts of our town. Especially when the Government has put at the disposal of the public at any given time, and just for the price of a free telephone call, a free collection service to collect their bulk rubbish. I am glad to say that quite a lot of people have made use of this free collection service, but not enough; there are still a few who leave their rubbish lying around, and believe it or not, that rubbish is expensive to the taxpayer. The question of rubbish - and I have said this on another occasion - demands that it should be disposed of, in the majority of cases incinerated. Our incinerator is pretty clapped up and a new one is about to be ordered. I am glad to say, that when this destructor is replaced it will actually be re-sited from its present locality. I think this will add significantly to the sky line, or rather diminish the sky line. The expectations of this new incinerator should be of a smokeless standard as used now in Great Britain under the Clean Air Act; it will be fully automatic; it will require only two men in white overalls to push bottons and dispose of the rubbish; it will only work from Monday to Saturday - no Sundays - on one shift alone. So when you take into account the pollution created by our present

destructor and that we have to employ 14 men in three shifts, this will be really an occasion to look forward to and see the new destructor installed. The destructor of rubbish is not on its own sufficient, we have to collect it and we have to keep our streets clean. I think the House will recall that it wasn't many months ago when the Government introduced an incentive scheme whereby the street sweepers became flushers at the same time, and this again is working very satisfactorily, since we have now no less than 18 flushers - the most that we have ever had is seven at any given moment, even when labour was plentiful - and I think the men are very happy too because they are earning an extra £2 per week without having to work overtime - they do work the overtime but they don't get this £2 for the overtime they get this for flushing the streets during their own time.

A productivity agreement was also made with the men working at the Destructor so that they could feel a little more inclined to putting the rubbish in the furnace once the rubbish got to the destructor, and this too has worked satisfactorily. We are also thinking of mechanising the sweeping of the roads and although it's shown on the following page, it really comes under the heading of refuse. These are items 31 and 32 in page 34.

MR SPEAKER: Again I have to call the Minister's attention to the fact that he is moving on to another Head.

HON J CARUANA: I beg your pardon, Sir.

MR SPEAKER: Perhaps we might be getting slightly confused.

HON J CARUANA: I was just referring to two items on the other page, still talking about refuse, Mr. Speaker. We are talking about rubbish, but it is rubbish that has to be burned and has to be tackled. The matter, I may say, is serious. When the Financial Secretary spends £100,000 on rubbish, then rubbish

becomes an expensive affair. We are mechanising the departments with regard to the sweeping of roads, and I hope to have here in Gibraltar very shortly a Mobile Road Sweeper. This is a little mini-car with brushes in the front and is also equipped with flusher. This little sweeper will be able to travel all along longer stretches of road in Gibraltar i.e. from Both Worlds up to Europa Point, Rosia or wherever it's required. This will be a tremendous innovation and it's more important than one can actually appreciate because this one mobile sweeper will in fact do the work that six men are now doing in the lower parts of the town. This is a case where rubbish is not rubbish!! For the men engaged in this work in town we are trying out a pilot scheme employing an electric truck which will carry the bins which are now pushed along the roads by hand. These bins will in time be conveyed in a truck, carrying six or eight bins, manned by a driver and three or four sweepers will work towards this truck. This again is a very important innovation and I hope it will work. It is a pilot scheme using the type of machinery we need in Gibraltar. It will also mean that the three or four men engaged in this work will be at all times under supervision.

Mr. Speaker, with your permission I would now like to move on to Head XII Public Works Non-Recurrent and it is worthwhile pointing out Item 84 Repairs to Premises Allocated to Youth Clubs. £1,000 have been allocated to this and this money will be utilised for the rehabilitation of what is now the premises of the Labour and Social Security Department. These premises will house the youth clubs when they vacate the premises at Casemates to make way for the Health Centre. This will be a very welcome move for the youth clubs which will also add considerably to the amount of open space that they have in the area, providing a few amenities that they lack at present in Casemates.

Item II provides a sum of money which the Government is setting aside for work to be carried out by the Royal Engineers in the future, and it is here that I would like to associate myself, as Minister for Public Works and Housing who works very closely with the Royal Engineers, with the sentiments expressed yesterday by the Financial and Development Secretary when complimentingthe R.E.'s on the very good work that they have so far done for Gibraltar, and as planned in the estimates, we hope that they will be able to continue doing this for many years to come. There is one particular project that I would like to pin point which has not received any amount of publicity .I refer to that little bit of work that should be quite picturesque and should prove to be quite attractive and an amenity to the touristic as well as to the local ambient, and that is the scenic pathway along Europa Point going from Brewery Crusher, following the contour of the Rock on the cliffside, going behind the Lighthouse and stretching all the way up the other end to the flats occupied by the Services. Half of this work will be carried out for the Government of Gibraltar and the other half for the Department of the Environment. We are combining our efforts in order to do this and we have every expectation that this will be completed with the usual efficiency and speed that the Royal Engineers have always shown in their work.

I should like to anticipate an objection with regard to Item 16 before it is raised and that is that the £5,000 shown there for the re-habilitation of Government accommodation is but a token figure. We normally spend anything up to £12,000 on the re-habilitation of accommodation - which are in fact those mentioned under the heading of maintenance - and the department is now executing this work at the rate of 1 flat every 1½ working days.

Mr. Speaker, I would like to mention Item 19 in particular for

the benefit of the Honourable Mr. Alvarez where he will see that although we have been able to open Gardiner's Road - and I might say what a lovely road it is and what expectations we have for the area when, as announced by the Chief Minister, the plots on either side of the road are put out for public development - we have also provided this year another amount of money for further improvement to be carried out to the road. I think that one can improve this area gradually and what we have done this year is to provide for the lighting that is so much needed. I might add that provision for this had been made before any mention of it appeared in the press.

Mr. Speaker, for the benefit of the Honourable and Gallant Colonel Hoare, we have provided for the purchase and erection of more bus shelters. I am glad to say that the new bus shelters are a welcome amenity for bus users and we hope that if the costings we did last year are true, we should be able to afford at least another six during the course of this year.

As regards Item 21, Beautification of Devil's Tower Road, Mr. Speaker, we in the Government have worked as a team, and this includes the Attorney-General and his good offices, in trying to persuade some of the lessees of plots in Devil's Tower Road to either carry out some improvements or give up their leases. In this we have had a certain measure of co-operation but not quite enough. Devil's Tower Road is a major thorough fare and it is a crying shame that those people who can and should embellish the place by putting up simple and inexpensive screen walls are not doing so. But we haven't given up yet, there are, I think, three or possibly four localities which are being tackled at this moment. One is in fact the hostel, which I think goes a long way to improving that area, and we are in correspondence with the developers next door whose ideas of development happen to coincide with the opening of the hostel. We are able, in

this case, to get his co-operation and he has in fact removed that unsightly hoarding which has been a "touristic attraction" since the war - this was the rusty corrugated iron fence with barbed wire next to St. Theresa's Church. When Fr. Devlin asked permission to build his little church he received a note that said "please construct your church in keeping with the surroundings". On reading this Fr. Devlin said "By AlmightyGod I cannot possibly do it". (laughter) Mr. Speaker, Messrs. Anes are constructing in Devil's Tower Road and I know Constructors Limited have also applied for permission to erect a screen wall.

In connection with this item I would like to say that I am very keen, and I have been able to pursuade the Financial Secretary to allow me a little money for this, to tackle the Slaughter House area and flatten out that rubble of monuments so that at least the approach to our beaches can be greatly enhanced. We must bear in mind that the Destructor is going to be demolished, we hope, in the not too distant future and that the Slaughter House area will be cleared. We have also talked the M.O.D. into removing two of their big Wireless Masts - one in the middle of Eastern Beach where the Beachcomer is situated and the other one on the corner of the Slaughter house. These, we have been assured will be coming down very shortly.

I have also been pressing at Planning Commission and at Planning Committees and in gatherings with influential people in the Ministry of Defence and the Department of the Environment that the Department of the Environment should join with the Gibraltar Government in beautifying Devil's Tower Road by erecting screen fencing in the place of those rusty fences with barbed wire on the top. If we are able to do away with these eyesores and if the points made in my discussions materialise, I have every expectation that in the not too distant future we should see a tremendous improvement in Devil's Tower Road. I think that if anyone is sincere and goes down Devil's Tower Road today they will appreciate

that Devil's Tower Road today is not the Devil's Tower Road of yesterday.

Mr. Speaker, I would now like to move to item 26, Protection of the East Side against rock falls, Scheme C. The public is aware that following a rock fall which occurred sometime during last winter, the Government put in hand a little scheme for the protection of this areaagainst rock falls and we put up a series of fences and barriers and traps in order to minimise the potential danger of falling rocks. This was in the area immediately above Catalan Bay and the area in question in the estimates is in fact that area which is immediately above Both Worlds, which is also a source of concern, and we hope that with the co-operation of Hoods Development we will be able to do something, not only for protection against rock falls but also to enhance with shrub and fencing the asthetic value of that slope

Item 27, Mr. Speaker, refers to the purchase of a 1¼ cubic yard Container Refuse Vehicle. This vehicle brings the total number of vehicles in the Refuse Collection Department to three and is another very welcomed addition to our collection service.

Item 30 provides for the embellishment of the area opposite St. Mary the Crowned Cathedral. I think the House will join me in congratulating the Minister for Tourism for the good work that was planned for the area immediately in front of the Cathedral of the Holy Trinity and we hope to do something in front of St. Mary's Cathedral which will match the beauty of the other one.

Items 31 and 32 were the items I referred to previously i.e. the Mobile Sweeper and the Electric Truck for the Refuse Department.

Truck ?

Mr. Speaker, I'd like to conclude simply by repeating what I said at the very beginning, and that is, that budget day

reflects the importance andthe priorities of the Government. It should reflect a well balanced, well thought out plan for spending the money which comes from the tax payer in a satisfactory manner and which will improve the amenities and the services given to the public. I think that it would be ludricous to load this Department's work unduly, for two reasons. The first being that I have had a long enough battle with the Financial Sefretary to get the money that we have got; the second that one must only ask for money that one knows one can spend. We know that we can spend what we were asking for now, and I hope we can spend it wisely.

HON LT COL J L HOARE: Mr. Speaker, first of all let me congratulate the Honourable Minister for a very lucid, very comprehensive and non-controversial report on the work of his department, as he sees it, for the next year. I think a great deal of thoughthas gone into this and I am quite sure that he will get every support from this side of the House in carrying out these very elaborate and very enterprising projects.

Before I go on to deal with these items that I have noted - about which, I must say, we have already heard a lot - I'd like to take up just two or three little items.

First of all the question of housing repairs. This is a perennial problem. It is as applicable in Gibraltar as it is in any other part of the world, and whether it is this Administration the next Administration or the previous Administration, they have always done their best to keep houses in repair. Even under the present programme - I think there are about 4,000 Crown Properties - at the rate of rehabilitation mentioned, I reckon it will take 34 years to repair the lot. This is not a criticism, it just simply gives a picture of the magnitude of the problem involved. Once again everybody does whatever they can in this respect.

The second point I'd like to touch on is the question of centralisation of the Stores. This is something which was inevitable as a result of the merger and I am glad to see that efforts are being made to use O & M Methods, or as I know it at any rate, Work Study. But a word of warning; this can be carried to extremes and you will only arrive at the right results with practice. There will be errors, but I hope that the people concerned will learn from their errors and adjust them.

The third item I wish to refer to is the collection of refuse. This once again is a perennial one and I was reading an article in a paper of world renown which forecast that by the year 2,000 we'll all be buried in refuse because we are producing more and more refuse and less and less ways of clearing it. So I wish you joy there!!

The new incinerator; well, it seems to be the answer to a maiden's prayer and I hope it achieves everything that it is set out to be, but one must never pin the whole of ones faith on brochures; salesmanship can be a little bit flattering to achieve its object.

If I may, with your permission, Mr. Speaker, I will also deal with Heads X, XI and XII but before doing so I want to make it perfectly clear that these are not criticisms; I am seeking information. A great deal of the information which I would have sought has already been given me, but there are still two or three little items, so, in that spirit, perhaps we can get through this fairly quickly without any acrimony at all.

I refer first of all, Mr. Speaker, to Head X(b), item No.6, in which the Honourable Minister touched upon the question of Apprentices. £14,200 have been allotted here, and under another Head our share of the costs of the Industrial Training Centre is, I think, £7,700, making something like £22,000.

Now, my question is; how many Government apprentices are expected to be involved and is the response to the call for apprentices satisfactory? I know that we are calling for a change of mental attitude in the youth of Gibraltar but is the effort being responded to adequately?

If you will, I'll go on and then perhaps you can give me the answers in toto afterwards.

I'll then move on, Mr. Speaker, to Head XI, page 32, and would like to deal first with Item 4, Upkeep and Operating of Centres, and my question is in fact based on the footnote which states "reduced electricity consumption following individual metering". Also as a bit of a Shylock, my question is; is there any income to offset against this item? if so it would have been helpful if a note to that effect had been put against it. I move on to item 15, which refers to the purchase of the two new refuse lorries. Once again perhaps my Scottish ancestry has something to do with this - are we making any provision for any income for the sale of the two old ones? I see nothing here and I feel that this is relevant.

I now move on, Mr. Speaker, if I may, to page 33, item No.70, Maintenance of Beaches and Montague Sea Bathing Pavilion. This one is really a plea that arrangements be made for the Various changing rooms to be opened during periodsof good weather, particularly at weekends and even more particularly during the long Easter break.

I now move on to page 34 and here there are a number of questions. First of all item 22, £1,000 for the Bus Shelters, I didn't quite catch the number that the Honourable Minister said would be erected but he didn't say where they would be sited. My next question is, how many were covered by the £450 spent last year? And my third on that item is, can something much more imaginative and less austere be provided, something on the lines of those on

Queensway below Line Wall? These may be very utilitarian but they are hardly flattering to the surroundings.

Item 26 Protection of the East Side. I think you commented fully on this; and this we all agree is something very very worthwhile doing because no amount of money spent will compensate for one single life.

In Item 27 of course, you also touched on the new Refuse Vehicle as well as in Item 31, the Mobile Sweeper, and I have two little points on that. Will they effect an economy in cost and manpower, which is the basic aim of mechanisation; and ~~are you~~ is he satisfied, with the way cars are parked along all roads, that this is the answer? Unless the Sweeper is fitted with a fork lift, I can't see how it can get near the pavement. Finally, ~~you~~ we were also told us what the electric truck was to be used for, which is also very commendable. On that, Mr. Speaker, perhaps I might get a few answers.

HON J CARUANA: Mr. Speaker, I am most grateful to the Honourable and Gallant Lt. Col. Hoare for his encouragement for the forthcoming year and I appreciate the spirit and the tone in which he has put his questions.

Yes, maintenance and painting is a perennial problem which we cannot get away from. Buildings do deteriorate, but there is, I am told, a system whereby buildings are maintained and painted in rotation in such a way that by the time you reach the end you start from the beginning and so on.and so forth. For example a building which is well painted and well looked after should last anything up to 5 years, by which time, if all goes according to plan, you should come back to it. Provided, of course, that the preparation of the painting work is adequate and the paints used are of good quality. We are in fact, as a matter of policy, thinking in order to speed up the work and in order to spend..

the money which throughout the years does not seem to have been spent - there has always been a tendency to leave something in the kitty - to go out more to contract, on a schedule basis, whereby Contractors can tender for lots of particular jobs, which they know they will have to carry out during the year. Tendering will be carried out in a competitive manner and will apply mainly to those jobs which are of a significant magnitude and which would otherwise involve our direct labour force. This will also apply to maintenance, quite a lot of maintenance, the amount of which has not yet been determined, will be put out to contract in the same way as minor works are put out to contract.

The Department of the Environment is at this moment in fact working under such arrangements and this, I am told, works fairly well in Great Britain with the big Municipalities and where certain particular jobs are given out to a contractor who is given a schedule of this work which they have to do during the course of the year. This is one way of getting the job done quickly and efficiently and avoids duplicating our labour force, which we all know can be over stretched from many directions. This is the way that the Maintenance Surveyor is thinking; this is the directive he has been given by the Director of Public Works, based on the policy of the Government, - in this instance myself, and also I know the keenness which the Minister for Labour shows in anything concerning the rationalisation of labour. I hope that you are satisfied that if this can come about it should add significantly to improvement. It is in a way an inovation, it is extending the work that is done in Minor Works to Maintenance.

One has to bear in mind that at times Government Departments lacks supervision and if the supervision is not there the work tends to lag behind and this is why it is important to try and do this. Twelve months in a year is really a very short period.

of time to spend money and one must try and spend the tax payer's money as quickly as possible so that the benefit of this is appreciated. I know that the Financial Secretary probably raised an eye-brow at what I have just said but we will endeavour to carry out this very important piece of policy.

On the question of the centralisation of the Stores, I did mention that rationalisation would arise and there would be a saving in manpower. In fact part of the task which Mr. Streets undertook was to look into the administrative procedure and to a large extent he has turned this upside down and simplified it in a very significant manner. I tend to agree that there is and there always will be room for improvements and even I will admit that there is also room for error. This is part of the plan and I am grateful for the Honourable and Gallant Member's concern. On refuse, Mr. Speaker, we do live in the consumer age. This is the "throw away" age in more than one respect, everything comes in disposable form this day. People use more paper tissues to blow their noses than handkerchiefs, oil no longer comes in glass bottles it comes in plastic containers and so on and so forth, so it does add up to a volume of refuse. It is a significant contribution to the expenditure.

I take the point on the question of brochures, I agree that brochures tend to be pretty and one cannot go on that basis. I am glad to say that like the Health Centre, the prototype of which I brought over to Gibraltar came from Bassingstoke in Hampshire, of which, I had experience , and the Refuse Destructor which we have seen so far, seen photographs of and have read about its performance and all the selling material which the Gallant Member opposite was referring to, coincidentally also comes bron Bassingstoke, a place where I lived for six years. There's a very significant attachment for myself but I can assure you that it is purely a coincidental. I don't have any

first hand experience of the Bassingstoke Destructor, I can assure you, but I have seen that it is in fact smokeless and very tidy from the outside. It does not in any way spoil the very beautiful Hampshire countryside that I used to live in.

On Apprentices, Mr Speaker, there are approximately 200 people going through the Training Centre at this stage, of which 37 are apprentices. The response has been satisfactory to a point, especially when we consider that we started from scratch when there was a tendency for young men not to come forward to work in the construction trade in particular. Children in Gibraltar, and their parents in particular, shied away from the construction trade and any training coming from there and one found it very difficult to find Masons, Plasterers, Carpenters and Plumbers in any great numbers amongst Gibraltarians. I am glad to say that the majority of apprentices who have enrolled are taking a keen interest in these trades. This substantiates the Government's policy to make Gibraltar a little bit more self sufficient in labour. And also, whilst we are talking about the apprentices, it is important to note that it is not only the young men who are coming forward to be trained for the construction industry, there are also adults and others training to be upgraded from labourer to craftsmen as well. This contributes significantly to the earning power of the ex-labourer when he becomes a craftsman after completing a course and it also makes for flexibility. There are young men learning a trade in the Construction Centre of plastics, a trade which was not very well known amongst plumbers in Gibraltar up to now. For example in the Lands and Works we had one particular plumber who did not know anything about plastics and today I am glad to say we have put through the mill at least six plumbers who can work with plastic which shows in fact, that now at least seven chaps can turn to a job and work with plastics. The course for Technician Training will in fact be starting in September this year and this will also assist considerably in recruiting, in the upgrading, in

making Gibraltar more self sufficient which as everybody knows, is the Government's policy.

On the question of Centres, Mr Speaker, I must confess that we have been encountering very severe opposition from persons living there with regard to the installation of meters and we have not quite completed this. The Gallant Member opposite asked whether there would be any income? Well, whether the meters are installed or not there will be income and if he cares to look under Head IV Item 2, he will be able to see what income is expected from the electricity consumed in the Centres.

On his question as to whether the Government has made any provision to sell the old motor vehicles I really cannot answer fully. I am sure that we will try to make a little money on them if we possibly can, and I know that the Financial Secretary will not lose a moment if he can make a fast penny. Can we open changing rooms during good weather periods? I also read the article on this question written by Slim Simpson in, I believe, the Gibraltar Chronicle. There is at least oneplace, in fact, where during this winter, I myself have used the changing rooms and the facilities there, and that is in Camp Bay. I do not know, and I cannot give you off hand, what are the specific arrangements. All I can tell you is that at least during the last good weekend that we had, three or four weekends ago, I went to Camp Bay and I was able to use the amenities there myself.

On the question of the bus shelters, Mr Speaker, I mentioned that it is the intention to be able to construct unless cost dictates otherwise, about six. If, and I did qualify this, if the costings for the few that we have done so far are accurate we should be able to construct six. As to where they will be sited, I really cannot tell you at this moment, we shall no doubt be advised in due course, by the Transport Commission. It is not really my problem to say where they are going to go, my responsibility purely

lies in constructing them. Can we make them any prettier? Yes, I think we can; I think that the next batch will be slightly improved to the ones we have already constructed. In fact, if the Honourable & Gallant Member opposite has noticed, the bus shelter erected in front of Amar's Bakery is constructed slightly differently from the others. It was the last one to be constructed and I was able personally to suggest a slight alteration and suggested the kicking board at the base so that no child, or any other irresponsible person would, either intentionally or unintentionally, put his foot through the thin covering. As far as I am aware, if the Honourable and Gallant Member opposite is referring to the old cover, they have an overhead covering and are open on the sides, but they all have overhead coverings. We are also endeavouring, where the space permits, to put a few benches for the benefit of the older people. We have a few benches in the Store and we are hoping to use them in this way. I know that the Minister for Tourism, wearing his other hat as Minister for Municipal Services, is very keen on this and I have undertaken to do this little bit of work for him very soon.

The question of whether the Mobile Sweeper will reduce the cost and manpower; most certainly it will reduce costs and it will help to rationalising the sweeping teams. However, I must say very categorically that the stretches of road are very extensively being looked after by the Sweepers and because we have been losing chaps, and it is very difficult to recruit sweepers, their areas have been stretching more and more. Any reduction along these long stretches would be welcome to them and it also means that we can concentrate what manpower we have in the town area, where there are flights of steps, cul de sacs and tiresome pieces of road. So we should have an economy both in effort and in money in this respect.

On the question of the parked cars with regard to the mobile sweeper; yes, Mr. Speaker, we have thought about this very much. This mobile sweeper is able to travel with one wheel on the pavement and the other on the road it works on a Gyro basis. It is so manoeuvreable, only one front wheel, that it has a 90° turning circle; it can go between a wall and a lamp-post and it can get in between cars. All for £3,000. But we would like to minimise this and have given the matter considerable thought. We are hoping, with the help of the Commissioner of Police, when it comes into operation to introduce a system which is in fact used in Great Britain in areas where mobile sweepers are used - and they probably use the bigger type there - i.e. a system of alternate day parking. This means that on even-days cars park on the right hand side and on odd-days they park on the left. I know it won't be easy to get people to do this but one must bear in mind that this mobile sweeper will be working along the long stretches of road in the lower side of the town which is not so conjested with parked cars. I think time will educate the public to adhere to this system of alternate parking. I think that when we do this, and if we can get the public to co-operate, it will add significantly to easing the problem of car parking. I trust that these answers have gone some way to clearing a few of the doubts that my Honourable and Gallant Member opposite mentioned. Incidentally, I have just been told that the reimbursements for electricity consumed in the Centres is shown in Head VI Item 2, not Head IV as mentioned previously.

HON LT COL J L HOARE: Mr. Speaker, I thank the Honourable Minister for that. I have just one more question for him, when this mobile sweeper comes, will be let us all have front row seats so that we can see it perform!! (laughter).

HON J CARUANA: Mr. Speaker, I have promised the first ride to myself!! (laughter)

HON A W SERFATY: Mr. Speaker, I would like to take the Minister up on two or three points. In page, 32 Item 2, Maintenance of Crown Property, I think that it is only fair that we should try to get our facts right. The Minister has given the impression that whereas the previous Government was only spending £75,000 this present Government has done much better by spending £110,000 for maintenance. Wouldn't the Minister agree with me that very little more can be done for £110,000 this year that was done for £75,000 in 1969? I think it comes to about the same amount of work. So I think that it is only fair that we should get our facts right.

Sir, on item 22 Maintenance of Roads. A few weeks ago I asked a question here on the repair of pavements and the Minister said that pavements were not really roads, but he did promise to look into the question of the repair of the pavements in Main Street. I would like to draw his attention to the fact that only yesterday a lady fell in Main Street as a result of tripping on what I call one of those pot holes. Now, if pavements are not considered roads by the Honourable Minister, I would like to know where has he provided for the repair of pavements?

Page 34 Mr. Speaker, Materials for Royal Engineer's Work, we on this side of the House fully endorse the words of the Minister and thank the Royal Engineers for the fantastic work they are doing for Gibraltar, but a few months ago I heard that one of the projects to be tackled by the Royal Engineers was going to be to commence - I am not going to say to carry out but to commence - the construction of a swimming pool between Little Bay and Camp Bay. I notice that this has not been mentioned at all. I think, if I may say so, that the construction of a swimming pool for people of Gibraltar would be far more important than a scenic road and I would like the Honourable Minister to consider this matter. I was under the impression that the Royal Engineers were ready to co-operate in the commencement of the construction

of a swimming pook at Camp Bay.

My other point, if I may refer the Minister to Appendix 'F' - I mean building surely comes under his responsibility and I can assure the Minister that what I am going to say is contructive criticism. I think we have all liked the Hostel, but I think we could pay a little bit more attention to the details. One of the things that struck me when I visited the Hostel the other day was that no provision has been made for residents to be able to put the lights out from their beds. It's so simple in these days of two way plugs to provide for this; and it is a pity that these 300 men living at the hostel have to get out of bed to put their lights out. I would like the Minister to consider this detail when a future hostel is constructed, and perhaps even in connection with this Hostel that has been inaugurated in Devil's Tower Road.

HON J CARUANA: Mr. Speaker, I thank the Honourable Member opposite for his kind remarks and I will in fact attempt not to mislead the public on this question. What I said before with regard to maintenance was that whereas the sum provided for this in 1965 was £120,000, it had been reduced by 1969 to £75,000. What I am trying to pin point is that such a big reduction must have been made by virtue of a policy decision from somewhere to cut back on the maintenance vote. In this respect, what struck me was that whereas building were going up and buildings were getting older the maintenance vote was being reduced. Having said that, it would appear that very little more can be done with the sum of £120,000 than with £75,000. But there again, Mr. Speaker, it is a question of efficiency and getting the work done. If I may again stress my point, what I wanted to do was to show that there had been a policy decision whether intentional or unintentional, to reduce the maintenance vote and this I found rather sad. I feel that an attempt should be made, year by

year, to increase this vote, even if only marginally, and I think I use those exact words as well.

On the question of the repair to pavements, I take the point made by the Honourable Member opposite. I did say at the last meeting that I had always thought that "pot holes" referred to holes on the roads and that holes on the pavements were simply holes. However, without wishing to split hairs on terminology or definition of words, the repair of pavements does come under the basis of highways, it is not a separate item. I am very sorry to hear that an elderly person has in fact suffered an accident, or is alleged to have suffered one, as a consequence of one of these pot holes. I shall make a note of that and, whilst not wishing to cry over spilt milk, I'll endeavour to put it right.

I think, Mr. Speaker, I will skip the question about the Royal Engineer s for the moment and allow the Chief Minister, who is more informed as to the policy of the work being done by the Royal Engineer s than I am, to answer it once I have dealt with the question on the hostel.

Mr. Speaker, I think if only for the record, Appendix 'F' comes under a separate item which we have not quite touched up on yet, which is Improvements and Development Fund, and I think it is only fair for me to pin point that it is a separate item which we have not yet come to so far. Having said that, I shall take note of what has been said. It is a point, possibly valid, and I don't know whether my Honourable Friend on my right would care to comment on the facilities at the hostel. Perhaps he will, and possibly more eloquently than I can.

HON CHIEF MINISTER: Mr. Speaker, it is indeed a great pleasure to be able to conduct discussions on this item, which is of great interest to Gibraltar, in detail as we are doing now, the real spirit of finding out the facts and being constructive; I really welcome this attitude of the Opposition, this is indeed what it is meant

to be. I'd like to express to the Honourable Mr. Serfaty how much we would like to see that swimming pool constructed. If not by the Royal Engineer s by ourselves if possible. As to the Royal Engineer s, ever since I took over the question of Economic Development I have been in very close touch with them and I have done my best to get the full co-operation which no doubt is forthcoming. They did undertake the construction of the Stadium, which was indeed a very major operation which required lots of plant and involved the engagement of all kinds of trades. From that point of view it suited them very much because it meant they could train all the trades at the same time. However, having finished that work and having seen how successful it was, both from our point of view and their point of view, we thought of finding something similar to that which would produce the same results for both sides. They are endeavouring to carry this out, although at this stage the suggestion has not moved very far up the hierarchy, because a lot depends on what number of Sappers they have at their disposal to station at Gibraltar. They have commitments not only in Gibraltar but in many other places of the Commonwealth. Therefore, depending on circumstances, sometimes developments that no one can foresee - which I am afraid is always a military hazard, particularly with units which have to be moved at short notice from one place to another, - it is impossible, at this stage, to say whether in fact they will be able to do it and if so, when they might be able to do it. All I can say is that at the level that I have had my discussions, the spirit is very willing.

HON A W SERFATY: I am very thankful to both the Minister for Housing and Public Works and to the Chief Minister. I would like to add something to what the Chief Minister has said, because I was in the previous Economic Development Committee and I found the same problem. The point is that a swimming pool is perhaps going to cost £200,000 and when we talk of this help by the Royal Engineers and other works of a smaller scale that can be done with the money available in a year - which is never perhaps on the scale of a

£200,000 or a £½m.- I always find that most people take the easy way out, that is to say that we cannot talk of a £200,000 project in any one year. I would therefore suggest that the Chief Minister should consider the possibility, when he talks of a big project like a swimming pool at Camp Bay, that it should spread out over a number of years and then perhaps we will only be talking of spending £30/40,000 a year. We can then get the project into a better prespective, because in any case that kind of a job cannot be done in a year. I hope I have made myself quite clear.

HON CHIEF MINISTER: Yes, Mr. Speaker, I think the Honourable Gentleman has put his point very clearly. I think he is worried about the money, I am not so worried about the money, happily I am very optimistic as to the future. I am not really worried about the money if we could get the Royal Engineers to start working on that project I am sure that we would be able to find the money, but there would be a very considerable saving if we could get their co- operation. I do not think, at this stage, that it would be wise to commence piece meal on something like that, which is a major project. I think perhaps the Honourable Gentleman will agree with me that a project of that nature has got to be started and finished, it is not something where you can do part of it, make use of it and then add to it! If you are going to start digging, then you've got to start digging deep and immediately after that you've got to start tiling and getting it ready. To have a hole there would obviously require a lot of fencing so that we wouldn't have questions asked such as: "Why aren't you providing fencing, someone might fall into it", in the same way as has been done with the pavements. I think it would not, in my view, be a good idea at this stage.

With the Royal Engineers that are available in Gibraltar other very useful projects which will provide amenities for Gibraltar will be going on at this time rather than start on a protracted

one such as the swimming pool, which in any case would require the plant and men skilled in the other trades that I mentioned before to be able to start and finish. Although I agree with him entirely that lots of things can be done by stages I doubt whether the swimming pool is the ideal project for that sort of work. I hope the Honourable Member agrees with me on that one.

HON A W SERFATY: I don't want to say much more except that the swimming pool at Camp Bay will entail the consttuction of a sea wall, which is a long job, and what I am saying is not that we should do the job piece meal but over a period of perhaps two or three years.

HON CHIEF MINISTER: I'm sorry, I'm afraid we are arguing at cross purposes. I didn't mention that place, and I will not question where the swimming pool, if we ever build one with the help of the Royal Engineers, is going to be. The one he is referring to, which was a natural swimming pool with a sea wall, was impossible. The Royal Engineers themselves said that they could not carry it out. They just didn't have the know how to do that. The kind of swimmin g pool I was thinking about would be an internal swimming pool somewhere in Gibraltar, a proper swimming pool not a natural swimming pool.

HON A W SERFATY: On a point of clarification Mr. Speaker.....

MR SPEAKER: May I remind members that we are discussing the estimates of expenditure.....

HON CHIEF MINISTER: Excuse me Mr. Speaker if I may. I would like to explain to the Hon Gentleman because I think he misunderstood that.
I know what he meant, he meant that at one time the REs were going to

construct a natural swimming pool by building a sea wall. That was discarded because they found that they couldn't do it and therefore the answer was to have a proper swimming pool, similar to that at the moment enjoyed by the services, the Nuffield Swimming Pool. Not necessarily in Camp Bay, do you follow? This is why I think you will probably agree with me now that a project of that nature has to be started and finished and you cannot do it piece-meal.

HON M XIBERRAS: Mr. Speaker, in answer to the Honourable Member's question about the hostel. I am glad to see that the Honourable Member has seen the light about the hostel. I think it is a very valuable contribution to the labour situation and so on, but I am aware of a number of minute, of small points, that have been raised. On the question of lights, I am grateful for his suggestion that it might be possible to switch off the light whilst the man is in bed, even though the light is some distance away from him. The reason why the light is some distance away from the bed is that we thought it would be better if the men could shave by this light, which would be sited next to the mirror. Amongst other things that have been mentioned is a suggestion that we should provide a kettle for the women who work for their tea; shaving mirrors, which we're in the process of installing; and heaters to provide hot water for shaving, which we do not have the money for yet. But since the hostel is going to make a profit anyway I am sure that we will be able to afford a heater or two.

HON A W SERFATY: Mr. Speaker, I don't think I got an answer to my suggestion, but be that as it may, one point arises which I think the Minister should ponder on, and that is whether, important as it is to have a light to shave by, isn't it also important, one can ask, to have a light to read with in bed?

HON M XIBERRAS: The point there is that two lights cost more than one and one has to watch expenditure. This is a very good Hostel but not that

luxurious that we can spend money on lights everywhere.

HON SIR JOSHUA HASSAN: Mr. Speaker, I want to congratulate the Minister for Public Works and Housing on two counts. The first one is in having taken longer to present. his departmental estimates than the Financial Secretary took in presenting the whole budget, but he has given a lot of detail which has been of great use to the House. And the other one is in giving the impression that the world started when he became a Minister. Speaking of refuse lorries as if no refuse lorries had ever been brought to Gibraltar, speaking of contracts for the painting of public buildings, as if this had never been done before; mentioning only in passing the transfer of the Housing Department to the Haven. - That "monstrosity" which was so criticised from the other side of the House, but which unfortunately, apart from being a very excellent building from the outside, has lain there empty, no doubt at considerable expense, until I suppose Ministers have decided who is going to have the best office looking out onto the Bay. But anyhow, it will have a very good use at least, because there is one thing to which I will refer at a later stage of the proceedings in so far as the Telephone Exchange is concerned. I would like to remind the Minister that nothing that he has said is really new, except an enlargement and an improvement as it is natural and the duty of every Government. When he speaks about painting according to my recollection we had a programme of painting so that all Crown Properties were painted every seven years. I don't think that that is being done now - and I would like to declare an interest here, you see, I live in a Government-owned house - and it was always done by contract. I am sure that there are many buildings where more than seven years have passed since they were painted and they try to give the impression now that this is going to be done every five years. Why not catch up with the back log and the many difficulties. Whilst talking on this I am only going to ask the Minister one question which I hope he will answer at the end of my remarks, a question

which was close to my heart, and I am sure close to your heart, Mr. Speaker, in your other capacity, and that is, if the City Hall is now considered as a Crown Property? Is it down for painting this year, please? Because it looks horrible.

The Refuse Destructor was built in 1945 and the capital expenditure on that was recouped in fifteen years, so the Refuse Destructor is an old destructor of course. Now we need a new one, this is what the Council wanted to instal and we had difficulties with capital, as was the case with the telephone exchange. But they are necessities, and I am very glad to hear that these things are being done and I hope that they will be done quickly and I congratulate the Government in doing them. But let it not appear that nobody thoughtabout these things before. All these things are of course the day to day work of a department.

In so far as Bus Shelters are concerned - I know that this pleases my friend on my left - I hope that the prolification of bus shelters doesn't mean that the bus service is so very bad and people have to spend so much time there that they are now being given seats to wait. Before they didn't have cover, now they have cover and they are going to be given seats to wait on in the future , no doubt the Minister can provide before the end of the year a little transistor radio so that the people who have to wait there so long for a bus will be entertained. For God's sake let us have a bus service that is worthy of the bus shelters we are to have.

HON J CARUANA: Mr. Speaker, first of all I thank the Honourable and Learned Leader of the Opposition for congratulating me on my very long, tiresome, uninteresting and recurrent speech; Apparently, speeches like mine have been made every year by previous Ministers of Public Works and Housing. Could I remind the Honourable and Learned Leader of the Opposition that the Public Works Department has been without a Minister for a number of years, a

considerable number of years, when he himself had to take on the responsibility for this Department and other Ministers in his Government had to present Bills in the House on behalf of other Ministers. The question that I thihk I had been the first Minister who ever was the Minister of Public Works could not be further from the truth. What I am trying to highlight in this budget, and I think I started by saying that every budget looks the same, is to pin point to the public the emphasis that one places on important little items. Of course lorries have been ordered before, of course contracts have gone out before; but to provide for three lorries in one Estimates is a heck of a move forward, and I am sure the Financial Secretary can vouch for this. I had to twist his arm several times to get three lorries and I think I probably tricked him into it. The question of contracts, especially with reference to the City Hall, is not a new thing; of course Government has gone out to contract before. What we are now doing is introducing something new; contracts on a schedule basis. Something about which I am sure the Honourable and Learned Leader of the Opposition knows nothing about. Schedules have not yet been implemented, it hasn't been quite worked out yet in my department, how can he know about it. This is a system whereby a whole series of jobs are negotiated item by item with contractors who tender at a special rate. These are a numerous amount of little bits and pieces of work which the Department knows it will never be able to carry out, in the same way as it was never able to carry them out in the past years. "The City Hall looks horrible". Could I remind the Honourable and Learned Leader of the Opposition that it has been looking horrible for a number of years. And of course I agree with the Honourable and Learned Leader of the Opposition that there are many, many buildings, a heck of a lot of buildings, which haven't been painted for well over seven years. Could I remind him that I have only been responsible for my Department for a little less than eight months.

I shall tell the Honourable and Learned Leader of the Opposition what I have painted: a good stretch of road along Flat Bastion Road leading to Gardiner's Road has been repainted; there are plenty of others which don't come up to mind, but if he cares to put a question at any other time I shall give him quite a comprehensive list. The City Hall is down for painting this year; I was particularly keen on the City Hall. And not only the City Hall, but also the building on King's Bastion, that "Military Museum" the old Police Officer's quarters, I am very keen to get that painted this year too. And if I may say so, they are one of the few people who are taking the trouble to paint the frontage of their flats in a very colourful way. Rather unorthodox and individualistic but I think they ought to be congratulated for this. I have in fact dictated a letter doing this. I am therefore going to go out of my way and insist, as I have been insisting all along this budget, that provision should also be made for the painting of this building at King's Bastion. Another very important thing which we are going to try and do in this connection is that we are going to try and enrol the coorporation of the Department of the Environment so that when we tackle an area we will plan the work in conjunction with the Department of the Environment so that they can embellish their buildings at the same time as we do ours. A place where this could be done is Casemates, where they have two blocks, and I have already spoken to the Regional Director on this. We have already painted two sides of Casemates, - the building imediately below Lynch's Lane or there about facing Casemates; the Hostel at Casemates has been painted; there is provision to repaint the tunnels and the frontage and we are going to try and do that little bit as well.

On the transfer to "The Haven", of course it was built and the move had to be planned, but could I tell the Honourable and Learned Leader of the Opposition that although I don't know what

the policy decisions were then, I took the firm decision of putting the Housing Section into the fifth floor of "The Haven"; I took the decision of putting the Drawing Office on the third floor of "The Haven"; I took the decision of putting the whole of the Public Works Department in the second storey of the building; and I took the decision, obviously in co-operation with my colleagues, that the one or two clinics which were to have been sited in the groundfloor should not go there any longer but should be rehoused in a comprehensive Health Centre, where the out patients department in St. Bearnard's Hospital would be operating from. So you can see, from what I've said that, there has been a reversal of whatever it was intended that the Building should be used for. The building is there. Thank goodness it has been completed at last, and I don't think its quite true to say that any Ministers WERE falling over each other to try to get the best offices overlooking the Bay for themselves. Actually the Ministers' offices overlook the square, I think we have a better view from there! (laughter).

MR SPEAKER: May I ask Honourable Members to address the Chair when they speak.

HON J CARUANA Mr Speaker I crave your indulgence.

Of course the destructor is getting old and if we leave it there a little longer it will get much older, but the decision to get the money, the decision on the type of destructor, the decision of resiting it - as I announced earlier the destructor is going to be moved from that place into a better site, we believe - has been taken. This is a very recent idea, I don't see why the Honourable and Learned Leader of the Opposition should attempt to withdraw credit where credit is due, I wouldn't like to put it any stronger than that. These are all very recent decisions and I like to pin point them for the benefit of the House, Mr Speaker. It is my obligation to the House and to the public to pin point the emphasis, if it's not important to the Honourable and Learned Leader of the Opposition it is certainly important to me and I am sure all these points are important to the public of Gibraltar. I think It's doubly important that they should know about these things, because when I was a member of the public I heard very little about this sort of thing and I believe in airing our problems so that the people know precisely what is being done for them, so that they can become participants in the grand scheme for Gibraltar.

HON SIR JOSHUA HASSAN Mr Speaker, I can't allow the last remark to go unchallenged. Because if anything, apart from the other benefits that may gradually result from the merger, if there is anything on which the people haven't got as much participation now as they had before, it is in the small matters, the Municipal matters, the matters which the last Service Councillors said should not be forgotten. They are not forgotten once a year in respect of public information, but to say now that before the people didn't know is wrong. Previously the Council met every fortnight when things of great interest were discussed and at which at least one member in the opposite side always took an interesting part in these matters. To say now, again as if the world had started today, that it is only now that people are starting to get interested in public matters - the Chief Minister was there a Councillor himself he must have appreciated that. But of course I am interested in the fact that there is a new

Refuse Destructor. Everything that the Minister has said, I assure him is of great interest - in fact there is one point, a factual one, on which I want a quick answer later on. I won't say anything more because it just crossed my mind as he was speaking - but that is not the point. Of course credit is due for everything that is being done, and the last thing I wanted my remark to do was to belittle that. The fact that he took so long in presenting his departmental estimates showed that he had done his homework very ably if I may say so as he always does in whatever he does in this House, this is a thing I have always said to my colleagues. That is not the point that I was making. The point is the ability that he has shown in presenting these things as if the world had only started the other day.

HON CHIEF MINISTER

Mr Speaker, I'd like to answer the Honourable and Learned Leader of the Opposition. I am glad to see that in fact he didn't mean what this side of the House thought he was trying to say, but the important thing is that whilst previously lots of discussionswere held in small matters, now lots of discussions are held on very important matters. This is the change that has come about in Gibraltar, and I would also say that judging by the questions that are asked in this House small matters are well ventilated when answering those questions, as it should be. We are not against it. Of course there is always the possibility that if they want more information, they can either ask more questions, or they can initiate a debate on the adjournment on any particular aspect. So it is possible for the Opposition, and for the public generally, to get acquainted not only with the big matters which are important, and which the Government will bring out of its own accord as they usually do, but also with small matters if they so desire. We too bring out small matters not only here in this House but by means of press communiques, in fact we are called the "Government of press Communiques", so we are all for information.

But I'd like to go into other points that he has raised. Let's start with the monstrosity first of all. I think what we meant, and what we still mean, is that it showed

lack of planning in putting that building there knowing that the merger was coming. It is obvious that that building should have been sited adjoining the Secretariat which would have enabled us to have all the offices of Government under one roof. This would mean greater smoothness in the administration and a saving in money all round. This is what we meant and I still maintain that that would have been the right course to take. Now, if at that time those Gentlemen who were in power thought that there was never going to be a merger, well that was just lack of vision.

The other point I'd like to make is that every time the Government come out with a scheme, we get the remarks from the Opposition that we think that the world is starting today. I have no doubt whatsoever that they had been thinking about that scheme, the Opposition have been thinking many things for many years, we all do a lot of thinking, the important thing is to get it done. Then they say there is a lack of capital; we all know there was a lack of capital; this Government knows it better than anybody else. We had to find nearly £400,000 to get the City Council on its own feet when we came in less than 18 months ago. Not only have we been able to do that but we now have a reserve and enough capital to carry on with the Refuse Destructor. In fact we have put aside £200,000, which goes into the Improvement and Development Fund. This is what we are doing now, not borrowing money to pay money and borrowing more money to pay more money. We are building reserves. This is the policy of this Government. All they do is think; they have done a lot of thinking, we all do a lot of thinking but the answer is to get things done, and it looks to me as if the previous Government had to go in Opposition to get those things done.

HON SIR JOSHUA HASSAN

Mr Speaker, the Chief Minister never loses an opportunity for self-praise and propaganda, and whilst I was trying to deal directly with the question of the estimates under the relevant Head, I must really reply to him.

What I have said in regard to one or two of these big projects is that they take time, as this Government has

realised when from the very beginning they committed themselves to dates and they are now appreciating that this time-table cannot be kept in many respects. Some of these big projects were thought of but of course other things were done. The change over of the electricity undertaking was done, three new engines were installed, they are going to add another two and they will have to find room for another one later on. The housing that has been built over the years is there for people to live in, so why all this talk about Gibraltar. Everybody knows what Gibraltar is like now and what it was before the war. But what I comment on, and I have a perfect right to comment on it, is the way in which things are presented, as if nothing had been done before. Talk about comprehensive education, of course we couldn't introduce comprehensive education because we didn't get that majority and we had to commit ourselves to the coalition with Sir Peter Russo to get the Commission; but we got the commission and we got the only person in Government who was against it committed to it. Now everybody is committed to it. But we did the work. I in fact resent, because I don't think it's conducive to good Government, to have to go back, but so much is made by all the Ministers of the "self-congratulatory club" that one has to stand up occasionally and say something about it. That you have provided for three refuse lorries this year, well two were bought two years ago, one was bought the other year, perhaps it is because they didn't buy any last year that they've got to buy three this year. This is normal but this idea, this aurea that everything has started now, is absolute nonsense.

HON CHIEF MINISTER

With all due respects, Mr Speaker, this is not the case. We have not been saying that things had not been done before, what we are mentioning is what we are doing now. I think that is what the people of Gibraltar want to know. For instance, he talks about bus shelters. There were never enough bus shelters before, and don't tell me that buses run on time before, this is, in fact, a perennial thing in Gibraltar. Going back to 1945, when I was a City Councillor, the question of the bus service was a problem in Gibraltar. In fact so much so that we were looking into the question of whether the Municipality should not

run the bus service itself. So the question of buses running late and the buses not being there has always been a problem. The only thing is that for all those years the people haven't had bus shelters, and now they are going to have bus shelters. This is the answer and this is what we are trying to say, and if previously people had to stand, they will now be able to sit down, and if luckily we can provide music, as the Honourable Gentleman suggests, perhaps we shall. I think the people will be all the happier for it.

HON SIR JOSHUA HASSAN — So long as you don't provide bus shelters in the moon, thats all right.

HON P J ISOLA — Mr Speaker Sir, ...

HON CHIEF MINISTER — Mr Speaker, I think the Americans are likely to do that before us.

HON P J ISOLA — Mr Speaker Sir, I am very, very tempted, but I will resist all temptations, to debate these points. I just want to ask one question which I had hoped would have been put by somebody on the Opposition, who have shown so much interest in the Heads that we are dealing with. I too of course would like to join the general chorus of congratulations to the Minister for the very clear and able way in which he has presented his departmental estimates, and more importantly, his thinking on the progress in his department and what he hopes to do for it. But he did say three words, and my ears pricked up, and I said I must ask about that. He did say, when talking about the water reserves in the reservoir, that there were 6 million odd gallons of water and that with a little luck and a little rain they might have more water in the middle of the year. I thought, Sir, that we were no longer dependant on the Almighty for our water supply. I thought, and of course give credit where credit is due that once we had installed this very expensive distillation plant that was purchased by the previous City Council - I can't remember exactly but certainly at a cost of well over a £¼ m, I seem to have heard politicians in those days saying that this was the answer, not to a maidens prayer but you know, to our prayer for water - we would no longer have any difficulties with the water. I don't know whether this

was said or not, I am not really interested, except this point, that I notice that of all the Municipal Services accounts, the only account that is in heavy deficit is the Potable Water Account - £62,000 odd in deficit. I am really talking here about Head 11 item 55, which tells us that it costs us £53,800 to operate the North Front distillery, and if we look down a bit more, we'll find that it costs us £11,000 a year to operate the King's Bastion distillery. Can the Minister answer this question: are we getting an adequate water supply from these distilleries, sufficient to meet the needs of the population and the needs of development and so forth? If not, does he plan another distillery and can he tell us when we will see the end of distillery development? I think it is important to know this; these are vast sums of money. It appears that despite the fact that we are distilling water and so forth this is not apparently alleviating the water situation. I seem to remember a short time ago an appeal being made to the public to economise in water. Well, this shouldn't be necessary in a modern society with modern facilities. Can the Minister tell us if he is fully satisfied with the way the King's Bastion distillery is working? This month's rest it has had, is this a regular occurrence yearly? or does it happen more frequently? Can he put us fully in the picture, in a short a time as possible, about our water situation and are we going to be involved in any further capital expenditure on this and so forth?

HON J CARUANA

It looks as if I am required to elucidate short and sweet questions. First of all I'd like to leave the question of housing for the time being because it is a question that could easily arise from the heading of Improvement and Development, the question of the construction of housing itself is not related to the estimates that we are talking about. I'd like to remind the Honourable and Learned Leader of the Opposition that the rate of construction during the last ten years in Gibraltar has averaged about 70 dwellings per annum. This is a fact of life. It is a mere 70 and if I am out I'm out by two or three flats plus or minus. This in my view, and as I think the Honourable and Learned Mr Isola has said is a question of thinking. What do we think about housing,

is housing important enough, should we build more than 70 houses every year. It has been suggested by the Honourable Mr Serfaty that we should have built something before Viaduct but this is not the point, this is precisely why we are placing all cards on Viaduct, because when Viaduct comes along, and this is the thinking, when Viaduct comes along .....

MR SPEAKER May I interrupt again, are we discussing Heads X to XII?

HON J CARUANA No, Mr Speaker, I thought this had been mentioned and I thought I should elucidate.

MR SPEAKER I think that for purposes of good order, and I know that we are in committee and I must be as liberal as possible, we must keep within bounds and I think .....

HON J CARUANA I bow to you, Mr Speaker, and I shall leave the question of housing for another occasion.

I shall deal with the question of the distiller in as short a time as possible: the distiller is producing water, it had to stop for one month for a general overhaul and it had to stop on various other occasions Mr Speaker, for various reasons. The latest one was the effect of the inclement weather in the intake. In a nut shell the problem of the distiller lies with intake. This is why so much money is required for the running of the distiller. This is why it was necessary to order - and I didn't mention this before - a sand pump to extract the sand from the intake. The dredging of the distiller is also necessary; the weather had an influence on the distiller; its proximity to the sea is also a source of trouble, and on the whole one can put the blame on the question of the intake, all other things being equal, This is why we are looking precisely, Mr Speaker, in relation to a new distiller. The distilling by water is, by virtue of our very long dry spells, a very important thing. We don't produce enough from the wells, we don't catch sufficient water, we can't stock it in sufficient quantities to rely only on rain water. We do have to dpend on distillers. With this in mind, I remember a

a couple of sessions back, Mr Speaker, that I remarked that the Atomic Energy Authority is producing a new prototype of distiller for the world at large and they thought that they would do all their work all their basic work in Gibraltar, as a result of which we arrive at a quid pro quo arrangement with the United Kingdom Atomic Energy Authorities for the installation of a distiller in Gibraltar. They are in fact coming out very shortly with more bits of equipment to try out in stages. But I would like to say, in answer to my Honourable and Learned Friend on my right that if we don't install another distiller we will be running short of water by 1973. So we've got to supplement the one we've got by 1973 or thereabouts. We must have another source of production of water and, in my opinion, we should order a distiller which is capable of solving our water problem - not for ever I wouldn't like to say that - but for as long a period as possible, taking into account that the population of Gibraltar is growing more sophisticated, taking into account that people - judging from the applications we receive in the department - are installing more and more bathrooms, more houses and more hotels are being built and more lavish use of water is being made. One has to keep up with this.

I would also like to put on record that the present distiller is costing us money and giving us a few headaches which we hope we will be able to settle once and for all.

HON P J ISOLA: Mr Speaker, Sir, this does reveal a slightly disturbing situation, because £300,000 odd have only just been spent, as it were a year ago - the thing started operating 15 months ago - and we are now told that we already need a new distiller. This to my mind seems to show a lack of planning somewhere, but what I think is more disturbing, surely, is that we should be told that something that has cost £300,000 odd is giving trouble and has been giving trouble ever since it was put in. My Honourable Friend, the Minister, says that this is due to the intake and he refers to various factors like the weather and so forth. I don't know whether these

things could have been avoided if it had been sited, for example, somewhere else, but I think it would be very much in the interest of the House as a whole, and I think of the public, if we were to get at some future stage a very full statement, or a white paper, call it what you will, on this question of the Distillation Plant, the supply of water to the public through distillation. Because I think that there are quite a number of gaps in what the Minister has said. There seem to be lots of problems, there seem to be lots of difficulties. This is 1971, Sir, and distillation, I think, is going on all over the world and it seems to me a very alarming position after spending such a vast sum of money, and after having voted some more money, if I remember rightly, in December of last year - I think we voted something like £50,000 in connection with repair work or other things being done to this distillation plant. I don't want to keep the House on this subject for very long, but I think it is time that we got a very full and firm statement of how the idea of providing this distillation plant arose, how the decision was arrived at, how the decisions of siting were arrived at and to whom can be attributed the problems that have existed, where the responsibility lies. If responsibility lies with the Manufacturers what action is being taken to obtain redress on this matter. The sum of money involved is very large but what is perhaps more important is that this is a very essential public service.

HON M K FEATHERSTONE: The last Honourable speaker made some very gloomy remarks about the distiller. Apparently he knows nothing of the history of this distiller. I am sure that his Honourable brother must have kept all his records of the minutes of the Finance Committee of the City Council, where the distiller was discussed ad nauseam before it was ordered. The whole plan for the distillers, and I say distillers in the plural, was also discussed and I am sure that the two brothers could easily exchange information on this, but so that the House does not get any wrong impressions may I crave your indulgence to give a little history of this distilling question. Sir, it was never stated that this distiller would solve the

Gibraltar water problem. The plan was, after a lot of very careful study, to have a complex at the site chosen and this site was chosen after many other sites had been considered and had been rejected, not by the Council as such, but by other people. The Viaduct had been considered and the Navy had stated that it would damage the Dockyard to have the distiller sited there. The intention was, Sir, that the distiller would be one of a complex of three distillers, that a new power station would go there so that the waste gases from the diesel engines could feed the distillers, that a new refuse destructor would go in the same area so that the waste heat from the refuse destructors could feed the distillers. This would mean that to a great extent the distillers would not cost very much as regards fuel. Obviously, Sir, one could not put all these things there at one go, one had to do it in parts, and when the first distiller came the intention was that this would alleviate, not solve, the Gibraltar water problem, a problem, Sir, that we have had for a long time and which/ Now, Sir, I am sorry at the rather abysmal ignorance of the Honourable Peter Isola on any technical matter. If you had an aeroplane, Sir, after 850 hours of flying the engine has to go for complete overhaul, every part of the engine has to be taken to pieces, Sir, and this overhaul, in BEA or BOAC, takes them about one month to do, Sir.

/I am sure is going to be with us for a long time to come./

HON CHIEF MINISTER: On a point of order, Sir, I don't think we are discussing aviation at the moment.

HON M K FEATHERSTONE: Sir, about one month to do this overhaul on an engine. All engines, Sir, need some form of overhaul, including distillers. I feel sorry, Sir, that the Honourable member doesn't appreciate this fact. I do hope, Sir, that he does allow his car to go for overhaul occasionally, otherwise he is going to have considerable trouble, he may even stop at the Main Street and cause a traffic problem. Sir, this distiller complex was thought out by the City Council. It has, I think the Honourable Minister for Public Works will agree with me, saved Gibraltar in this present time of water shortage, and Sir, it is a scheme which I think the Government will

continue with, perhaps not on the same lines, but Gibraltar must have distillers and it is going to be a very rash person who says that we will have a distiller which will solve our problems, or we will have a distiller which needs no maintenance, which works continually forever, without shutting down even for five minutes for overhaul. So, Sir, I do hope that the Honourable Mr Peter Isola will now realise that the situation is not so gloomy as perhaps he would like to paint it, and I am sure that if the Honourable Minister for Public Works feels it is necessary to produce his white paper he will produce all the details as I have already stated.

HON P J ISOLA: Mr Speaker, just two small points. My complaint is that it seems to be under constant overhaul. I am not a technical man, I accept that, but there seems to be a lot of trouble with that distiller and this is proved by the fact that within about six months of starting to operate, or immediately after it started to operate, this House had to vote another £50,000 and that's not chicken feed.

HON J CARUANA: Mr Speaker, I could conclude with this question of the distiller. Both Members are right in their own way, and I would like to put forward a few facts where they belong. First of all, I think that my Honourable Learned friend on my right is justified in his concern and the Honourable Mr Featherstone is justified in exposing the history. I am glad that he has related the history of the case, of all the work that the City Council did in this respect, also aided by Consultants. But one of the biggest mistakes of policy with regard to the distiller was the decision, when the order was placed, that the Manufacturer should only construct the distiller and that the Gibraltar Government would supply the water. This was a policy decision which has been verified in all our findings and this is the biggest mistake. Perhaps members opposite were not aware of this, perhaps they might not have been aware of this. It has taken us a long time to find out this. It has taken us, I'm bound to admit, a long time to read through the process, with the aid of the Attorney

General's office, to find out that this was precisely one of the fundamental mistakes made in the ordering of the distiller. We cannot therefore put any blame whatsoever on the manufacturer of the distiller for the intake problem. Or even for that matter, as the Chief Minister has rightly pointed out, and I'm grateful, or the men working at the distiller today who are doing everything within their power to make it as efficient as possible. But I would like also to correct my Honourable and Learned friend that the actual total sum spent on the distiller was not £3000; if he cares to look at the back of this book he will find that it was £421,000. If he cares to look further down in the Estimates he will find provision this year for £13,000 for the modification of the water intake; £750 for the sand pump, £3,300 for dredging of intake channels; £3,800 for re-tubing; and £2,000 for Consultants' fees. This is why I say that my Honourable and Learned friend has in fact good grounds to be concerned; in fact it concerns me too and it has concerned everybody in Government, and I think it should concern the Opposition too. This is why I do not wish, with all due respects, Mr Speaker, to become personal in this discussion, like the Honourable Mr Featherstone has by calling us brothers, we are certainly not brothers and I think .....

HON M K FEATHERSTONE: I was referring to the Honourable Mr William Isola (laughter).

MR SPEAKER: Order.

HON J CARUANA: I stand corrected, Mr Speaker . My friend on my left was not there when the Honourable Mr Featherstone spoke these words, so I stand corrected. Mr Speaker, in any event, I do not wish, although there are ample grounds, to come back to the Honourable Mr Featherstone, there are also other people in this room who are technical and I don't wish to get involved in personal problems. What I can say in fact is that the NATO Distiller, although it has other problems, being a smaller distiller is not encountering problems that we are encountering. It is accurate to say that a

complex of distillers has been considered before and we have to think whether in fact we can put another distiller there in the future. Since the destructor is going to be moved out I think there might have been a reversal of policy there as well.

Mr Speaker, I hope that this enlightens the House a bit on the distiller, there is a lot of money in these pages, which pin point in fact the concern that my Honourable and Learned friend on my right has so rightly expressed.

HON SIR JOSHUA HASSAN: Mr Speaker, I would like to say a few words on this, because I would very much welcome at some stage a report on this matter. Those of us who were in the City Council at the time are certainly not shirking any responsibility and would like to be appraised of the progress. The intake was always a problem from the beginning and the advice given was sometimes conflicting. One of the things I'd like to know is whether, irrespective of the intake, the distiller is alright or not. My understanding was that the basic problem was the intake, the rest of course is a different matter. But I would very much like, and look forward, to having a report on this matter, because the manner in which public money is spent is of public interest. The only consolation that the Government can perhaps get out of this is that had the distiller been installed at the Viaduct Reclamation it is quite clear that the problem of the intake would not have arisen, but they would not have had room for the 750 houses, so one thing must be offset against the other.

Finally I would like to pay a small tribute to that old faithful, the little distiller at the Power Station, which has rendered excellent service. This was a pilot scheme built on the basis that it would work on the exhaust heat from the generators. This scheme gave great hopes for the future in avoiding the cost of fuel and in producing water. Whether it is this Minister or any Minister in Gibraltar who solves Gibraltar's water problem for ever

deserves a statue in John Mackintosh Square.

HON J CARUANA: Mr Speaker, far be it for me to make any predictions of that nature and far be it for me to pray to the Almighty so that the elements come down on top of us, the inevitable is the inevitable and I concur to a large extent with what the Honourable Mr Featherstone has said that the inevitable is the inevitable. The only thing we can do is to do our very best out of a bad job.

Head X - Public Works was agreed to.
Head XI - Public Works Anually Recurrent was agreed to.
Head XII - Public Works Non-Recurrent was agreed to.

Head 13 Law Officers.

HON SIR JOSHUA HASSAN: Mr Speaker, I'm not going to say anything on this vote, but what I was going to suggest, and I'm sorry I haven't had an opportunity otherwise I would have mentioned it to the Chief Minister - that in view of the time could we not deal with those items which are not controversial now and leave the one or two Heads that are for tomorrow, rather than to get ourselves involved and leave matters half way. If that suits the other side, we might clear all this ....

HON CHIEF MINISTER: I have certainly no objection, but I think we have just crossed notes suggesting that we adjourn at about nine o'clock to-night and resume tomorrow at three-thirty in the afternoon.

MR SPEAKER: May I suggest that we continue in the right order, but may I give the House a guarantee that we will most definitely adjourn at nine o' clock, whatever happens.

Head 13. Law Officers was agreed to. Head 14 House of Assembly and Council of Ministers was agreed to. Head XV Medical and Public Health.

HON MISS C ANES: Mr Speaker, I will promise to finish before nine o'clock (laughter). I know that the Medical and Public Health Department is the largest Department of the whole lot, this is something which is unavoidable. The cost of drugs, medicines and dressings have increased and we in this Department of course cannot pinch our pockets to deprive the public of things which are needed. There have been of course extra expenses incurred because of the merger of the Public Health Department with the Medical Department. The forty-hour week has also affected our Department. We have also had to obtain equipment medical books etc, and these are things which I'm sure the House will realise the Medical Department needs. Although we have looked into this very thoroughly, these are essential items taking into account the welfare of the patients, both local or tourists who may have to use our hospitals and we cannot alter the fact that these things are required by the medical staff and the nursing staff since we have to provide a service to the public.

I would like, Mr Speaker, with your permission, to take this opportunity to thank the Medical Staff, the Nursing Staff, the workers, the Clerical Staff, and most particularly the general public, for the inconveniences they have had to put up with in connection with the construction work that has been carried out at the Hospital. The Out Patients Department and the Records Office are being reconstructed and despite the fact that work has gone on continuously the general public has continued to come, the Out Patients have continued to come to the Department. Every effort has been made by all concerned to cause as little inconvenience as possible and I am sure that the House will realise that the general public in particular have had to put up with a great deal of inconvenience. I would like to thank them for putting up with it. In the long run this work will be reflected in the services that we will be able to give to the general public. Should anybody have any grievances I would certainly like to hear about them in order to try to minimize the

problem as much as possible, but I would ask them to bear with us a little longer until we are able to complete our work.

I would also like to say, Sir, that should the Honourable Mr Montegriffo have any suggestions he would like to put forward which would be of assistance to the Department, I would be very pleased to meet with him when we could discuss matters which would in the long run result in giving a good service to the general public. Thank you, Sir.

HON A P MONTEGRIFFO: Mr Speaker, when we were talking about Estimates I thought we were dealing mainly with figures and matters appertaining to the Estimates, but I find that we have ended up discussing a swimming-pool - and at this time of the year this gives me the shivers. Mr Speaker, I cannot claim Scottish ancestry, as Lieut Col Hoare can, I can only claim to come from rather humble Italian ancestors, and I am rather proud of it too, where women probably have less rights than in Scotland, but certainly, Sir, more power. And that is why in getting up to cross swords with a gracious lady, I feel that I am going into a battle which I am going to lose. I do not intend going into details because most of the expenditure follows the same pattern of other years. Things have had to be increased here and there because of increased costs and there are one or two votes which it is impossible to control accurately, such as drugs, dressings, pathological work, etc. But Mr Speaker, I am rather alarmed at the increase in the vote for funeral expenses, is it that the Government are getting rid of people quicker? (laughter).

Mr Speaker, I must perhaps be a little bit naughty and tell the Honourable Minister that I do regret that the Psychiatric Unit now being built on the site of the Hospital, KGV, is taking far longer than it was announced it would take in this House. I would also have liked to have seen the re-organisation of the Out Patients Department and the Health Centre completed long before, rather than the former being done now and the tenders for the Health Centre going

out now. I must also say that I myself am not particularly happy with the way the Duty Chemist system or whatever it is called now, is working out. These are the unpleasant things that I have got to say about the Department but I am sure, Sir, that in the near future we can perhaps all look forward to seeing all the good things that are being done now for the Department materialising. Perhaps this could take place during 1972. I appreciate the difficulties, I have had them myself. For example, the intensive Care Unit- which I believe is now being called the Intensive Therapy Unit and I am sure that doctors will give it another name if the Minister does not hurry up and open it quickly.

Sir, I would like to make one suggestion to the Minister - it might not seem very important - but I have always been very worried about the way the mental patients are clothed. They look like inmates from Belsen - and let me say that this is not a problem that she has created, if anything she has inherited it from me, Sir. This was a problem that I would have liked to have solved with the opening of the Psychiatric Unit, and I was thinking in terms of providing them with some decent overalls for indoors and better suits for outdoors. I am sure that if she contacts the Financial Secretary, he would most gladly give her a helping hand with money, which is what we need.

I would also like to see more team work developing in certain strata of the Hospital. I am sure that the Minister can do little about it, it is a question that depends very much on the individuals but I am sure that if certain of the big "Stars" of the place were to co-operate more there would be a much more happier atmosphere and more efficiency all round.

Lastly, Sir, I would like to thank the Minister for all the facilities that have been granted to me in looking after my problems and my constituents and through the Minister I should like to thank the Administration of the Hospital, they've all been

most kind to me. Sometimes I feel I can go through like a Minister, but I'm only day dreaming. I am not the Minister, the Minister in full charge is Miss Anes.

I will certainly take up the offer that she has made to me, an offer which is already being implemented, and I will do all I can to be of help if she considers I can contribute anything. Thank you very much, Sir. (tapping on the table)

HON MISS C ANES:

Sir, on the problem of the old KGV, which is the new Psychiatric Unit I am myself as worried as the Honourable Mr Montegriffo is, but this item I will leave for my Honourable friend, Mr Caruana to bring you more details about. The question of the Emergency Dispensary Service is also one on which I have had discussions. I would like to improve this a little and get more people into the service, Sir. As regards the Intensive Care Unit, here again we are at a great cross-road because this Unit needs a very highly trained Nursing Staff. At the moment the Department is somewhat understaffed and as the Honourable Mr Montegriffo is aware the Administration is looking at this problem in order to try and open the Intensive Care Unit, which I promised would be oppened early this year. I am following this matter up very thoroughly in order to try and speed things up, but I would not like to commit myself. I would not like to rush into this if I cannot provide the properly trained staff that is required, because this could be detrimental to the patients. I don't think that in this respect one should really be rushed. I think its better to be properly equipped in all respects - Staff and equipment - because in the long run this will redound to the benefit of the patients themselves.

On the question of St Joseph's Hospital, here again I have had discussions with the Director, not only on the question of clothing but also on the question of furniture. This, I think, is also very much needed and I am sure I will also have to twist the

Financial Secretary's arm. I think it would be correct that if we are providing an adequate hospital, furniture, clothing and any other necessities should also be adequate.

As to team work, here again one is somewhat at a loss because this is a matter of temperament. Lots of people have to work together, there is a lot of give and take, of putting up with different characters and different attitudes and approach to work. I think that gradually we may be able to work things out, but this is something which concerns the people themselves who've got to accept each other better and work in a better atmosphere.

For the rest, I am sure that should the Honourable Mr Montegriffo at any time, and I repeat myself, feel that it is necessary for us to get together to discuss some matter which might have escaped my attention I would most certainly agree to do this and we can then discuss the question in a very amicable manner. I am sure we can make improvements.

HON A P MONTEGRIFFO: Sir, I would like to say - in a lighter vein - that at least we must be grateful for small mercies. The Minister and I have been spared the agony of discussing that wonderful toy, the one that goes over and under cars. The best we can do in the Medical Department is to bring people in with two legs and get them out with one (laughter).

HON FINANCIAL AND DEVELOPMENT SECRETARY: Sir, if I may be allowed just one word on this vote. I was rather intrigued to hear the Honourable Mr Montegriffo speaking about his constituents and advocating new overalls for the mental patients. I will allow the Honourable Lady on my left to twist my arm on the condition that she doesn't try and clothe me in one of these new overalls. (laughter)

HON J CARUANA: Mr Speaker, my friend on my left, left a point for me to answer on the question of the new psychiatric unit at KGV. We are very concerned about the delay which the Contractor is setting for many reasons.

The Contractor is regretfully at this moment under penalty. We have one consolation, however, and that is that the other Contractor who was willing to take on that job collapsed, so I think this shows that we chose the best of two evils. There are also difficulties, in fairness to the Contractor, as regards temperament between the local and the expatriate workers in this new Company. Scottish temperaments - male in this instance.

On the question of the Health Centre, I think one should look forward with optimism that the service to be provided at the Health Centre will be an improvement - I am sure that the Minister will take care of this improvement - on the present Out Patients facilities at St Bernards Hospital. There will also be an improvement in the general public health. So I think we should tackle this with optimism in the interest of the public.

HEAD XV Medical and Public Health was agreed to.

MR SPEAKER: Perhaps this might be a convenient time to adjourn until tomorrow afternoon at three thirty.

The Committee adjourned at 8 48 p m.

Thursday the 18 day of March 1971.

The Committee resumed at 3 30 p m.

HEAD XVI Miscellaneous Service

HON LT COL J L HOARE: One point, Mr Speaker, if I may at Item 22 on page forty-three: Official Entertainment. The Budget this time provides for £3,500. On the assumption that during the last fifteen months we have spent £3,440 this shows an increase of about 25%. Can there be a comment made on this please? If we only spent £3,440 last year, I think we could have reduced this and saved £1,000.

HON FINANCIAL & DEVELOPMENT SECRETARY: Sir, if the Honourable and Gallant Member would refer to the Estimates of Revenue and Expenditure for 1970/71, which were approved by the House last October, he would see on page forty-two that Official Entertainoment on the Government Side, as approved for 1970, was £2,750, and for the fifteen months period it was £3,440.

That was on the Government side, and two pages later there was an approved estimate in respect of the Municipality for £750 for twelve months and £945 for fifteen months. I think we will then add up the sums given under footnote (a) and he will see that the sum there includes the Government and the Municipality which is not now shown separately. The figure of £3,440 refers only to the Government Side and not to the Municipal side of the entertainment which is not shown separately.

HON LT COL J L HOARE: If this is so I apologise for raising this, but this is not clear.

HON FINANCIAL & DEVELOPMENT SECRETARY: I am glad to have elucidated this, Sir.

HON LT COL J L HOARE: Thank you very much, Sir, but there is .....

HON FINANCIAL & DEVELOPMENT SECRETARY: The sum is exactly the same as it was twleve months ago, there is no increase at all.

HON LT COL J L HOARE: On the information given, Mr Speaker, the fact that you vote a sum and then you don't use it gives you a guideline for the following year that you over estimated in the previous year. This is the object of estimates and the revising of estimates, so that you keep your budgeting to actual realities and not what you thought two years ago, as circumstances might have changed.

HON FINANCIAL & DEVELOPMENT SECRETARY: This, Sir, is not two years ago, this is six months ago, and this is a question of utilizing exactly the same figures. I am most grateful to the Honourable Member for pointing his ideas out but the fact remains that the sum voted this year is exactly the same. When I said two years ago, I merely drew attention to the fact that there has been no increase at all, even over two years.

HON SIR JOSHUA HASSAN: I think perhaps footnote (a) should have said "Municipal Entertainment included in the vote".

HON FINANCIAL & DEVELOPMENT SECRETARY: It does, it says "Municipal Department".

HON LT COL J L HOARE: I don't want to make heavy weather of this, but as I say, my point was raised on the fact that if there is a combination of three factors - or is it four factors - at column five, £3,550 one is entitled to assume that in column nine the same basis has been used. ~~You have~~ It has now explained that it is not so, therefore, it is misleading because it only covers part of it. This impression having been corrected, there is nothing more to be said.

HON FINANCIAL & DEVELOPMENT SECRETARY: I'm sorry, Sir, there is something more to be said. If the Honourable and Gallant Gentleman is trying to imply that I have been trying to mislead the House ..... (cries of NO,NO,NO)

HON LT COL J L HOARE: If this is the interpretation that is being given to my question then it is withdrawn completely. There is no question of this at all. The point of my question is to try to save if there has been an over budgeting. I do believe that a penny saved is a pound earned, and if we are going to have additional taxation and we could have saved something - a little bit here a little bit there - we'd got something towards it. This is the sole object. There is certainly no personal reflection on the Honourable Financial Secretary, for whom I have the greatest regard and who has shown me a great deal of interest and cooperation whenever I have mentioned anything to him.

HON SIR JOSHUA HASSAN: Sir, all I was going to say was that in the explanation made the fourth column from the left is misleading. It shows an increase of £800.

HON FINANCIAL & DEVELOPMENT SECRETARY: Sir, when I spoke two days ago one of the points I made was that it was extremely difficult, in this sort of Estimates, to draw analogies, in certain cases, with the Municipal Department expenditure, and I particularly stressed that I was not satisfied myself with the manner in which I was able to draw attention to what had been spent in the past on the Municipal side. Now, in this particular case the two figures have been combined, insofar as the revised estimate is concerned it only relates to the Government side, for the fifteen months. I am delighted to hear the Honourable and

Gallant Gentleman say "a penny saved, is a pound earned or a pound saved is a penny earned" or vice versa, which ever way he wants to put it, but the fact remains that that amount is exactly the same and this is what I'm trying to drill in, that it is exactly the same. It is not a question of either over estimating or under estimating, it is what has been spent.

HON CHIEF MINISTER: Mr Speaker, I would like to draw attention to one thing. This amount is made up as follows: His Excellency the Governor £1,200; the Deputy Governor £460; the Government £1,050; the Municipal Department £750; contingency £90

HON LT COL J L HOARE: I am aware of this and I do not want to pursue this. I wasn't really concerned about that bit. I was contrasting what was intended to be spent next year with what had been spent during the last fifteen months. I am perfectly satisfied with the information given and in so far as I'm concerned that is the end of that.

May I now add one further point, that is Item 28 Rosia Cold Stores. I think I asked a question on this last year and I got a very nice answer. Is there any income arising from the hiring of this, and if so, where is it shown?

HON FINANCIAL & DEVELOPMENT SECRETARY: On an annual basis, there is no rental. During the last twleve months we have had occasion, I think it was about three or four months ago, Sir, to rent it out, if so it would have gone into the normal rental.

HON LT COL J L HOARE: I am satisfied with that, Sir. What I had been looking for and had not found was a separate entry for this. It is probably included under Sundry Rents, and this I accept.

HON L DEVINCENZI: On Item 24, Mr Speaker, Financial Aid to Cultural and Sporting Societies. We estimated £2,600 last year and we have done the same this year. Do I take it that the Gallant and Honourable Colonel Hoare is satisfied that there is no increase to that item.

HON LT COL J L HOARE: No, I am not quite sure that I agree with what he says. What was spent over the last fifteen months, which is shown there, is £2,900. What is being spent this year - £2,600 - I have no quibble at all, but it is not £2,600 last year; according to this it is £2,900 over the last fifteen months and £2,600 this year.

HON SIR JOSHUA HASSAN: I'd like to say a word on this, if I may, because I happen to have had an interest in this before. £1,400 in 1955 was not enough, and I am sure the Minister will agree that £2,600 is not enough, but there you are, where do you draw the line. The only point that I might make about this, and I acquired a little experience of this when I presided over the committee that dealt with these matters, is that there is an increasing desire among sporting associations to be able to carry out some of their activities away from Gibraltar. Probably the Minister knows this. I know that the grants are made on the basis as to what extent the clubs help themselves and so on, but perhaps that might be one of the things to be considered. If the Minister were to think that there is an urgent case for voting extra funds during the course of the year and he gets the Financial Secretary's approval, we will welcome it. But at this stage its necessary to have a ceiling, otherwise the demand is so big that you never know where to draw the line.

HON L DEVINCENZI: Mr Speaker, this is appreciated. We are also glad to see that the Honourable and Gallant Colonel Hoare does not want to quibble and the Honourable and Learned Leader of the Opposition is quite reasonable. It is quite true, there has to be a ceiling sometimes, but let me just point out one thing and that is that although there does not appear to be an increase, there is in fact an increase in the sense that about £850 which were spent on the Victoria Stadium will now be available to this fund. Again £500 were granted in connection with the Commonwealth Games which we do not expect to grant this year and this can probably go towards another club. There is therefore an increase of at least from £800 to £950. (Tapping on the table)

HON LT COL J L HOARE: Mr Speaker, if I had had any qualms about this I would have raised it as a special item. I would go further, if he finds it possible to increase this amount, then I will certainly give him one hundred per cent backing on this because I am all for youth getting away, I am all for sporting activities, whether it is in Gibraltar or anywhere else.

HEAD XVI Miscellaneous Services was agreed to.

Head 17 Pensions.

HON A W SERFATY: Sir, talking of penny saved and penny earned, as the Honourable and Gallant member on my right said just a few moments ago, and a vote of £275,700 on Items 1 and 2; if I remember rightly last year I mentioned this question of longer expectation of life and better utilisation of manpower. The Honourable Financial and Development Secretary in his reply said that there was wisdom in my words, that he was going to look into the matter and that he had every intention of pursuing it. He further said that he was going to refer the matter to the Labour Planning Commission. May I ask whether anything has been done about it?

HON FINANCIAL & DEVELOPMENT SECRETARY: It has not yet reached the agenda of the Labour Planning Commission, which is now, of course, called the Manpower Planning Committee. It is a matter which is still under investigation. It is something about which I have been in correspondence with London and about which I am still in correspondence with London. I take it that the Honourable Gentleman's point is in relation to the extension of service up to sixty-five, as I know that this is something which he has always had at the back of his mind for a long time, and about which he himself knows that there are considerable difficulties. It is, of course, something that would have to be applied obviously to new entrants into the Service, because you could not, and I underline not, ask serving officers to serve until sixty-five. If the Honourable Gentleman was suggesting that I would be considerably dismayed.

HON A W SERFATY: I am not suggesting that, but I think it should not take the Government so long to make up its mind on this as it affects new entrants.

HON FINANCIAL & DEVELOPMENT SECRETARY: It is not, Sir, a question of making up one's mind, it is a question of seeing what are the difficulties involved.

HON M XIBERRAS: Sir, I am sorry for my late arrivals at the meeting, perhaps it is the hour of the day, but I would like to point out that there is a considerable increase in the vote due to the percentage increases over the last year, also I think that the Honourable Financial and Development Secretary mentioned that there was three percent outstanding and that until that gets into a rounder figure say five per cent taking into account the effects of the formula, the increase in the cost of living and so on, the increase is not being made. The Government is, however, committed to reviewing pensions in the light of increases in the cost of living.

Head XVII Pensions was agreed to.

Head XVIII Police was agreed to.

Head XIX Port.

HON MAJOR A J GACHE: Mr Speaker, I had no intention of getting up, unless I was drawn out by the Honourable Opposition, had it not been for my Honourable Friend, the Financial and Development Secretary, who in page 12 of his speech said that the Port showed a slight reduction but that this was only because the increases that had occurred had this year been off-set by various decisions taken which the Minister would wish to explain (laughter). I have searched, Mr Speaker, through my Honourable friend's speech and I can find no reference to him asking any other Minister to explain anything, so I can only adduce that the reason he had wished me to get up is that the Port has shown a decrease; so that I can pass it on to my Honourable friends in Government and so that they too can in future years be asked by the Financial and Development Secretary to get up and explain.

I think that since he has asked me to do that, I ought to say that there has been a decrease, as you can see, of £11,348. There are two major sums involved with this. Very briefly, not wishing to keep the House a considerable saving in connection with the Mons Abyla. The Revised Estimates for 1970/71 only provide £3,900 for running costs for fifteen months, compared with an approved estimate of £8,578 for twelve months. This has been due to the fact that the crew has been allowed to decrease to the minimum required for basic maintenance and by minimising expenditure. The Mons Abyla is at the moment up for sale. The brokers have had to extend the offer by four weeks from the end of the postal strike, and I think this extends to the 13th April. I ought to say that my Honourable Friend the Financial and Development Secretary has given me an assurance that the proceeds of the sale of the Mons Abyla will be devoted to the purchase of further tenders for the Port which we need badly. I want to say this in the House because then it will be a commitment for evermore.

The other saving is in connection with the subsidy, which you well know was being paid to the Pilots, and in this case it amounted to something like £4,000 - a very justifiable subsidy if I may say. The Pilotage Fees were very low and a number of ships' masters had expressed surprise at such a low rate of Pilotage. I therefore saw no reason why the Pilots should continue working at a depressed level of earning, or that the Government should subsidise them with consequent mounted indebtedness. Pilots' services, we decided, should be fully paid for by the Ships using their services, and we have revised the Pilotage Fees and made them more realistic. This has made it possible for us to do away with subsidies, and this is really how the decrease in the Port has been achieved. Thank you Sir.

Head XIX Port was agreed to.

Head 20 Post Office and Savings Bank.

HON M K FEATHERSTONE: Sir, one small point on page 50, Item 12, Postal Equipment. The footnote says "Includes provision for Stamp Vending Machines ordered in 1970". Could the Honourable Minister give us some idea when these machines are going to come because there is considerable inconvenience at the Post Office at the moment without them.

HON MAJOR A J GACHE: If I may answer, Sir. The machines, as I said during the debate on the additional estimates in December, had been ordered from England in order to get some saving, and they will be available sometime in July. I do appreciate the inconvenience which is being caused at the moment and I can assure the Honourable Member opposite that it is not through lack of diligence on the part of the Postmaster or myself, it is connected with Manufacturer in England. I wish we already had them, and as he well knows, we went to the trouble of preparing a very special issue of stamps in anticipation of having these machines, and I was as concerned at not having them on decimalisation day as he was himself. I anticipate they will be available in July.

HON M K FEATHERSTONE: May I thank the Honourable Minister, Mr Speaker. We will just have to be a little patient, thank you.

Head XX Post Office and Savings Bank was agreed to.

Head XXI Prison

HON M XIBERRAS: Sir, two brief comments on this Head. The first one is that there was a question in the House about the diet of prisoners and in my reply I stated that it was being reviewed. The constitutional progress has gone a bit further since then and we now have Council of Minister's approval for the issue of two extra eggs per week; two oranges; spam and cheese five days a week; two ounces of bread; two ounces of milk and sugar daily and a quarter pound of margarine per week. This is a considerable increase in the diet and we will have to amend the Prison Regulations. This is not shown in the estimates because approval came after the revised estimates had been considered, but fortunately - and this

is the other comment - the priosn population is going down now, after having reached a peak - on which the Honourable and Learned Leader of the Opposition had cause to comment at one time, on a happy note, in a joking way. It has now gone down, and because it has gone down it might be possible to pay for the better diet out of the funds shown here.

One more point, and that is, that the Staff position remains not a very happy one from the point of view of numbers, a happy one from the point of view of salary, and if the number of prisoners should go up again then the Prison Officers will get extra money.

HON A P MONTEGRIFFO: Are the oranges being issued before or after the amendment of the Prison Ordinance?

HON M XIBERRAS: I think that the diet is already being stretched, insofar as it is possible to do - I use the word metaphorically - within the present Regulations but we hope to make the whole thing a bit more legal with the changing of the Regulations.

HON M K FEATHERSTONE: Sir, it is most gratifying to hear this from the Honourable Minister opposite, that our intervention has had some results. I do hope, Sir, that although we are extremely pleased to hear that the number of prisoners is going down, that the lesser number of priosners may help to pay for the diet, will not be taken as a hint of a see-saw, i.e. that if the number of prisoners goes up, the diet comes down in consequence (laughter).

HON M XIBERRAS: Sir, I welcome the Honourable Member joining the list of experts we had consulted prior to the question being asked, which included the DMHS, the Dietitian and the Prison Board, but certainly this support was most welcome.

Head XXI Prison was agreed to.

Head XXII Public Debt Charges.

HON LT COL J L HOARE: Sir, may I ask for a little bit of information on Item 4, on page fifty three, which is the new loan. I

note that it is for twenty-five years, interest is at eight per cent and that it must be issued before the end of September - otherwise allowance would not have made for two lots of interest payments. My main concern is (a) what is the date put on the coupon? Can it be redeemed on one occasion, in one year? Is it going to be redeemed in one lump sum? In other words if it is for twenty-five years this would make it 1996. Will it all be redeemed in 1996.

Perhaps if i could have an answer to that then I may either leave my next question or ask it.

HON FINANCIAL & DEVELOPMENT SECRETARY: Sir, if the Honourable and Gallant Gentleman will look at page 52 he will see that the normal pattern is, 1967/1972; 1970/1975. We would normally expect to spread it over five years.

HON LT COL J L HOARE: Sir, if that is so, may I then have some information as to why we are only taking two per cent for the sinking fund which suggests, either a great increase in the amount to be shown in later years, or a great amount of capital repayment during those years.

HON FINANCIAL & DEVELOPMENT SECRETARY: Sir, the figure is very much of a token figure at this stage because, (a) the negotiations for the loan, or rather the consideration of how we are going to raise it, has not yet been finalized; the eight per cent, for all I know, could be less, it could be more; the same principle would apply to the two per cent. I hope the Honourable and Gallant Gentleman is satisfied with that answer.

HON LT COL J L HOARE: I would accept that. I of course took the figures here literally, but since the terms are not finalized then I am perfectly happy to accept that.

HON FINANCIAL & DEVELOPMENT SECRETARY: Sir, as I have said they are not finalized and obviously this is as if we were going out to tender, we were not going to put into this that we expect this building to cost that much.

HON LT COL J L HOARE: By the same token, Sir, may I suggest that eight per cent is cutting it a bit fine since there are much more

generous terms being allowed all over the place.

HON FINANCIAL & DEVELOPMENT SECRETARY: Mr Speaker, The Honourable and Gallant Gentleman opposite preached at me before about penny wise, pound foolish; and penny saved, penny earned and all the rest of it. He would not expect me to put a generous figure here.

HON LT COL J L HOARE: Mr Speaker, on the other hand if he wants the money he's got to meet the market.

HON FINANCIAL & DEVELOPMENT SECRETARY: Sir, I hope that the Honourable and Gallant Genetlemen will give me and my advisor credit for trying to raise money in the best possible way and in the best possible terms.

HON LT COL J L HOARE: That I accept.

Head XXII Public Debt Charges was agreed to.

Head XXIII Revenue.

HON M K FEATHERSTONE: Sir, just one small point at page 56. There is a department there with the heading "Statistics". The Honourable Financial and Development Secretary said in his speech that every pound spent in his department produced £20, I gather therefore that the Statistics Department is going to bring in £45,920. I just wondered whether perhaps that department might have been put in under some other heading than Revenue.

HON FINANCIAL & DEVELOPMENT SECRETARY: By the same token, Sir, for the sake of convenience that department shows the Surveyor and Planning Secretary, on page fifty-five. That is not a money earning one either.

HON M K FEATHERSTONE: I had spotted that, Sir, but it did say Development and Planning and as we have a Financial and Development Secretary, perhaps he could not divorce both sides of himself completely.

Head XXIII Revenue was agreed to

Head XXIV Secretariat.

HON M K FEATHERSTONE: Just one very small point, Sir, on page fifty-nine, Item 3 Postage and Telegrams.. This seems to show a very considerable increase, Sir, and I wonder if there are any special reasons for it.

HON FINANCIAL & DEVELOPMENT SECRETARY: Again, Sir, this is a combined vote. It has exactly the same explanation I gave to the Honourable and Gallant Gentleman earlier. It is a combined vote and includes what was formerly spent on the Municipal Side.

Head XXIV Secretariat was agreed to.

Head XXV Telephone Service.

HON W M ISOLA: Mr Speaker, I would like to make two or three observations which might be of interest to members. The new Telephone Directory is now under active preparation it is expected to be available for subscribers by Autumn this year. If I may take this opportunity on the question of telephones, under Appendix 'G' Improvement and Development Fund, members of the House will appreciate that now that the fourth floor in the Haven is ready for the new exchange equipment, the delivery of 2,000 lines of exchange equipment is expected to commence in August 1971; the installation of equipment should be completed by September 1972. When this is done the capacity of the exchange will increase from the present 3,600 lines to 5,600 lines. At present provision is being made initially for a maximum of 1,000 lines in order to connect all those on the waiting list. The heavy work of this underground plant construction is well under way and it is intended to start the wiring of subscribers' premises in a few months time. I'm also pleased to be able to report to the House, and especially to certain gentelmen on the other side of the House, that we are purchasing a new Speaking Clock.

HON SIR JOSHUA HASSAN: Mr Speaker, I'm glad that the Minister has drawn attention, in dealing with this Head, to the Appendix, because I particularly wanted to refer to that and I didn't know whether I would be in order to do so since we had only been dealing with the Head. Anyhow, he has dealt with it and I'm very glad. It seems therefore

that the idea that had been mentioned tentatively by the Honourable Financial and Development Secretary at some stage, of negotiating with Cable and Wireless to take over the telephone exchange - and this was an idea which he had when the Council was in being and was trying to raise the capital to have this exchange sometime in 1968 - appears to have been dropped and is not being pursued. I for one am very glad to feel that this public service is going to continue to be controlled by the public as a public utility and not handed over to private enterprise. Just as a matter of interest, according to the notes I have, the budgetary quotation for this, at the time when it was first mooted in 1968, was £131,000 and that compares with the first two items in the heading which is £148,000 because there was no inclusion of the purchase of the Speaking Clock. This really means that the delay has cost about £17,000. I do not think the delay can be said to have been caused by the building, because that would have been available earlier. However, this is the way of things, that the later they are ordered the more they cost, but I'm very pleased to see that we are getting the extension and I'm sure the Minister will now be pleased to see that there was forsight in having the extension built across the bridge in order that there would be no difficulty in relaying the many cables to the already packed fourth floor of the City Hall.

HON J CARUANA: Mr Speaker, I am very glad that the Honourable and Learned Leader of the Opposition has mentioned the question of the extension across the City Hall in the Haven. I am convinced in my mind that the only reason the Haven was built was precisely for the extension of the Telephone Exchange because the present City Hall could not take the weight of the new extension.

HON FINANCIAL & DEVELOPMENT SECRETARY: Sir, I would like to explain for the benefit of the House what exactly is the position. First of all, insofar as the statement that I made in the House last year about negotiations with Cable and Wireless on the possibility of their running this service, those negotiations are still in train. Obviously it is something again on which I myself would hesitate to advise the Government until I had obtained the best

possible technical advice myself, and I have been asking this. I have had a certain amount of advice, I still want more advice because I will not suggest doing something until I am convinced, as the Honourable and Learned Leader of the Opposition said, that it will be in the best interest of all really. So the negotiations are still in train.

Insofar as the cost of the extension is concerned, I have got some dates and some figures which the Honourable and Learned Leader of the Opposition, and the House generally, will I'm sure appreciate. In September 1968, a budgetary quotation of £85,474 was submitted by a company - I'm not going to engage in commercials - which exclude the cost of the main distribution frame and a line tester. In August 1969, the City Council decided to seek a firm quotation and this was asked for on the 8th August, by tenders sent out by the Crown Agents. One firm again was the most favourable tenderer. The firm took four months to submit the quotation which was not received until December and that quotation was for £91,639 and included the two items which had previously been excluded. The Crown Agents were acting throughout as technical advisers and in forwarding the quotation, which was valid until the beginning of March only, they promised to follow up with a technical report on the quotation. It was at that time that the possibility of Cable and Wireless taking over was under consideration and discussion, and at the request of Cable and Wireless the firm were asked to extend their deadline for the quotation, pending the receipt of an offer from Cable and Wireless for the service, and an extension was granted by the firm until the 5th May 1970. The offer from Cable and Wireless was received in the middle of March, and as I said before I have still not made up my mind whether I can advise the Government to accept it. And on the 1st May 1970, in view of the fact that the Crown Agents Report had not yet been received, and that the dateline expired on the 5th May, the Crown Agents were instructed by telex to place a letter of intent with the firm for the equipment which would be followed up by an indent. The firm was notified verbally on the 4th May and

the letter of intent followed on the 5th, but the firm then refused to accept the letter of intent because it had been received on the last day, so that it was not a question that the delay had occurred, it was really that the firm refused to acceptthe firm indent. A revised quotation was not received until the 2nd July and at that stage the Government were faced with three alternatives. One was to try and get the firm to honour their commitment by legal means, and the Crown Agents advised that this was not possible; going out to tender again, which would have involved further expense; or accepting the revised quotation. The revised quotation was accepted, Sir.

HON SIR JOSHUA HASSAN: Mr Speaker, I'm very grateful to the Financial Secretary - and in fairness to myself I should mention that I told him that I was going to raise this matter and I'm glad that he brought the information. I take the point about negotiations, I am not dealing with that now, the only point is that I'm very glad that whatever the negotiations, we are getting on with the order, which was not the attitude taken originally despite the difficulties. Naturally, if there is any question of the Government being advised for the question of the take over of the Service, as this would no doubt require legislation and amendments to the Telephone Ordinance, we would have a full opportunity of debating it. At this stage I am grateful for the explanation and I am glad that we are getting on with the new exchange and that the building is there for it.

HON FINANCIAL & DEVELOPMENT SECRETARY: Of course, Sir, the Honourable and Learned Leader will appreciate that there is nothing lost in getting on with the extension, we are adding to the value of the asset.

HON SIR JOSHUA HASSAN: Of course, that is what we said in 1968.

HON CHIEF MINISTER: Mr Speaker, I think I would also like to say that the Government in considering this possible change, has already decided very definitley - and I think it is important to mention that - that the Staff of the Exchange will suffer in no way whatsoever, whatever may come about, and

that we shall always be looking after their interests. I say this, Sir, because this may have some demoralising effect on them. I would like to state quite clearly that this Government would look after their interests all the time, as well of course as the interest of all the subscribers. If we were to decide to hand over the exchange to Cable and Wireless it would be because we would think that it would be in the interest of everybody in Gibraltar to do so.

HON SIR JOSHUA HASSAN: Sir, I was not worried about the Staff, I'm sure that they would have been looked after. Perhaps this would be a good opportunity to say how hard that Staff has worked, in such difficult circumstances over the years, and what an excellent Superintendent we have.

HON CHIEF MINISTER: This is precisely, Mr Speaker, why I stood up to say that, because I didn't want them to get the impression that they would lose in the deal.

HON M XIBERRAS. Sir, may I say that the Telephone Trunk Operators are one of the few remaining pockets that have not accepted Marsh. I welcome the fact that they have been praised by both sides of the House and I hope that this spirit is conducive to a satisfactory settlement of the Marsh issue.

HON FINANCIAL & DEVELOPMENT SECRETARY: Just one point, Sir. For the record, I would like to add one thing, perhaps the most important thing which I possibly omitted to say and that is that there had been consistent increases in prices all along the line.

HON SIR JOSHUA HASSAN: Mr Speaker, I only drew attention to the timing of it, thats all, and if we had left it for another year it would have cost another £15,000. That is the answer.

Head XXV Telephone Service was agreed to.

Head XXVI. Tourist Office.

HON A W SERFATY: Mr Speaker, could we get some more details on Item 9, on page 63, Local Research.

HON W M ISOLA: Yes, this is in respect of meeting the cost of two interviewers.

HON A W SERFATY: Mr Speaker, has this anything to do with the PA Report.

HON W M ISOLA: Yes, that is correct.

HON A W SERFATY: Does the Honourable Minister really expect me to vote £1,050 to help in a report - which by the way is costing the British Government, if I remember rightly, about £15,000 - part of which the Government has had for about a year, and on which the Minister and the whole Government has been sitting for that period, without letting the people of Gibraltar and the Opposition know what it is all about? Does he honestly expect us to vote this £1,050?

HON W M ISOLA: Mr Speaker, Sir, may I repeat myself. The final report arrived on the 15th February this year. The Government is now actively considering this report.

This amount of money which we are asking the House to vote is to continue the interviewing for a further period of a year. If this money is not voted we might lose the thread completely until the end of next year.

HON A W SERFATY: Mr Speaker, it is all very well for the Honourable Minister to say that he received the report in February 1971, but isn't it a fact that he had part of that report for over a year and that this side of the House has repeatedly requested the Government to let us have a copy. The Government has refused to let us have a copy of the PA Report; it has obsolutely refused for over a year to let us have a copy of something, which I at least consider of supreme importance to the future economy of Gibraltar. [Is the possible reason why this report has not seen the light of day because some members of the Government are too enamoured with the Dockyard economy - which we hope may last for many years. Shouldn't the Government be very interested in trying to obtain some insurance for the future, should that Dockyard economy, through reasons beyond our control, come to an end. Why doesn't the Minister get on with the job.] And the Honourable Chief Minister, who calls

himself Minister for Economical Development why does he not get on with the job of assuring the future economic development of Gibraltar. Why can we not see that report?

HON CHIEF MINISTER: Mr Speaker, I'm very glad to see that the Honourable Member is really excited over this matter, because I know he has got it very much to heart. He is inclined to become emotional on these things but I think we should try not to become emotional. The economy of the nation does not leave any room for emotion, it has got to be treated very coldly, very calmly and this is the way that this Government is doing it. I think he said that I was enamoured with the Dockyard economy. Well, I'm .....

HON A W SERFATY: On a point of order, Mr Speaker, I did not say "the Honourable Chief Minister" I said "some members of the Government".

HON CHIEF MINISTER: Well I would like to include myself in that phrase. It is to me a great honour and pleasure to say that this is the main source of income to Gibraltar. I therefore intend to cultivate it for so long as it is possible. It has been the source of income for the past 250 years; it is very unlikely that it will cease to be that in the near and perhaps in the foreseeable future and it employs lots of people in Gibraltar. I welcome it very much and I hope that it stays here for good. Therefore as far as this .....

HON A W SERFATY: Again Mr Speaker, on a point of order, it is not correct to say that we have had a Dockyard economy for 250 years. The Dockyard has not been in existence for 150 years.

HON CHIEF MINISTER: Not in the sense that we know it today, but I think that Gibraltar has lived on the Naval ships that came to be repaired here and I think you'll find that this is a fact. Shipwrights were one of these many immigrants who came to Gibraltar from Genoa precisely for that purpose, so I think that if the Honourable Gentleman reads his history he will find what I'm saying is true. Perhaps not in the same context as the

Naval Dockyard we have today, with the Docks and battleships and so on. Of course history is moving and things are changing and places are different etc. etc. Of course I did not go into the details of that, I was just referring to the Dockyard as such. I hope it stays and I welcome it, and I and this Government will do everything possible to encourage them to stay here.

As you know Mr Peter Kirk who came recently to Gibraltar made a wonderful announcement about ship repairs in the Dockyard and in fact we now have in the Dockyard the RFA Brambleleaf which is being repaired very successfully. Perhaps in the very near future we shall have even better announcements from the same Minister about which I have already received a communication by way of a personal note. I will certainly support that, I think the workers of Gibraltar welcome it. The Dockyard is Gibraltar's main source of income and as far as this Government is concerned this is priority No 1 to us.

This of course does not mean to say that we ignore Tourism; of course not. What we do is that we take Tourism in a realistic sense, and the proof of the pudding is, you might say, in the eating. We have been in Government for 18 months and already one hotel is in progress, and in the very near future it is going to be announced that another one is going to be built. This is a fact. We are spending more money on advertising than they have ever done, so of course we care about Tourism. We have initiated Winter Campaigns, which never existed. The figures read by the Minister the other day prove that notwithstanding all the difficulties, notwithstanding that now, you might say we are isolated, we are still keeping our best Hotels full to some extent, particularly in the summer months, and I should say that the trend, given the will that the Government has and the help that we are giving to all concerned with Tourism it will improve. I know that my Honourable Friend, the Minister for Tradem has done a lot to try and improve communications with the UK, which is the principal source of Tourism to Gibraltar. I know too that this very week he is working very hard and very competently to keep the cost of air fares down. So I think it is a bit unfair, I would say, that the

Honourable member should say that we are not interested in the Tourist economy. This is not so. I don't think I need waste the time of the House any further in trying to prove my point, because facts speak for themselves much more eloquently than my words. I will leave it at that.

As to the PA Report, which is I think the thing that really bothers him very much, this is not yet complete but I hope that the report will be published, perhaps not as a whole but any parts that may be relevant. I cannot say to what extent it will be possible to publish the whole report. There have been other reports before Beeching which have not been published even today, so this is not a new thing. I've heard it said many times before that in the interest of Gibraltar under the present circumstances it is not a good idea to publish the report. Mr Selwyns Report has not been seen by anybody, so I think the Honourable Gentlemen on the other side who have had the same experience, a form of security in the present circumstances in Gibraltar, will realise that perhaps it is advisable not to publish the whole report. The Town Plan of Gibraltar was published with lots of blank, I have one in my possession so .....

HON FINANCIAL & DEVELOPMENT SECRETARY: The Study Group Report .....

HON CHIEF MINISTER: The Study Group Report, I'm sorry. The Study Group Report was published in that form and the evidence is there, so I need not got into that any further. All I would like to say is that of course the Honourable member will have an opportunity to see the Report and what we are asking for is really a little bit more that is needed to complete the picture. The sum is only £1,000 and I know that as far as the Honourable member is concerned money is no object where Tourism is concerned. Now, I'm afraid, he is quibbling over £1,000. I'm very surprised to hear him say that.

HON A W SERFATY: It is not that Mr Speaker, this is a point of principle.

This matter goes to the very roots of our future economy. It was about a year ago that I challenged the Honourable Chief Minister in public to produce a bit of paper from the British Government to show that they will keep the Dockyard open for another .....

HON MR SPEAKER: I am afraid that I will have to interrupt. We are discussing one isolated item under Tourist Office and I don't think we are entitled to discuss the economy of Gibraltar and Dockyard. I have been very liberal on both sides I think and I've allowed matters to go further than I should have done. I think the vote is exclusively on local research and the amount is that to be expended on that particular item. I think we should confine ourselves to that particular aspect.

HON A W SERFATY: Very good, I accept that, Mr Speaker, though I think it is fair to say that the PA Report does have a great bearing on the future economy. In view of this .....

HON MR SPEAKER: Let me not by any means curtail your right to speak on the Tourist side of it, what I am trying to say is, let us not go into the Dockyard economy and the general economy of Gibraltar.

HON A W SERFATY: May I request then Mr Speaker, that this item be voted on separately.

MR W ISOLA: A couple of points Sir, on this question of the PA Report. Obviously Government cannot report on or study any report until it gets a final report. There have been little interim reports on what the Government should do or not do. Let me say one thing , and I make this quite clear, that until we get a final report, the Government cannot consider that report as a whole. And let me assure Mr Serfaty, Mr Speaker, once and for all that the Report has in no way been influenced by any other Minister with respect to the Dockyard economy. I have read the report and one would think, by the way that Mr Serfaty has spoken today, Sir, that this report is something quite out of this world. It is not, it is not; it recommends that hotels should be built; they are being built; it recommends, for instance, that Gibraltar should be beautified; it is being beautified

as well as we possibly can. Do not let the House, Sir, think for one moment that even if we adopt all the recommendations of this Report that the economy of Gibraltar will be saved. There are many things in this report, Sir, and I shall be delighted to show them at any time to Mr Serfaty privately. I have mentioned this to him before. People are making a mystery of this PA Report. It is a report to the Government of Gibraltar on various tourist trends, how many people stay in Gibraltar, how many don't stay, how many want to come back. There are many things which are of value, there are many things which are not, but please let us not think for one moment that this report is the end of all Sir.

HON A W SERFATY: Nobody, Mr Speaker, if I may reply to The Honourable Minister for Tourism, has suggested that the PA Report or even the development of tourism is going to be the end of all Gibraltar's troubles, of course not. I am the first to appreciate that the Dockyard, as long as it stays there, is a good thing; of course. But one thing need not necessarily clash with the other, and my only criticism of this, and I am only now learning that this report has advised the construction of more hotels, my criticism of the Government is that they have not started one single new scheme for the construction of a hotel. They are just implementing, and very slowly at that, what the previous Government had done and I would therefore request, Mr Speaker, that this item be taken separately.

HON M XIBERRAS: I appreciate your difficulty, Sir, in making a ruling as regards what should or should not be brought in under this Head. But since, Sir, the point about the economy, even after your ruling, has been raised again, I shall endeavour to continue in as related a fashion to this particular item as possible. But, Sir, The Honourable and Learned Leader of the Opposition has already made this point; this point which I think tends to obscure the real difference between the Opposition and the Government, and that is, that the whole difference is one of degree. That this Government is doing exactly what the last Government

was doing, maybe with a little bit of change of emphasis and so on. I think it is not quite accurate or fair to judge in this way, we all know that political parties differ little in modern western democracies. But at the same time, the difference in emphasis here in the last year and a half has been quite considerable and the difference between a Dockyard economy, as the Honourable Member opposite chose to label it which is a defence spending economy primarily, and a Tourist economy, by which I suppose he means 40% of tourism. Or does he mean, and this is the crux of the matter, if one goes to the Beeching Report, would he like to upset the balance between the 60% defence spending and the 40% tourism. Does he want to develop one or both or which? My own point is that if by tourism economy we mean a huge infrastructure - and the word was brought up by the Honourable Member - which supports a very few people at the top then I am decidedly against a tourist economy. And more over on practical grounds, I do not think that such an economy is possible in the present circumstances of Gibraltar. Not because of my Honourable Friend the Minister for Tourism; not because of the PA Report but simply because the frontier is closed and one must be realistic. The point being made is in fact that this Government, this side of the House, saw this problem coming and when the frontier was about to be closed, the other side of the House was insisting hell for leather on expanding the tourist side of the economy when we should have been thinking of other things. Words which have become very fashionable since this Government came into power; I will not mention any of them.

Sir, I think this is the real issue, there is a substantial difference between the approach of both sides of the House and it is reflected in the streets and has been reflected in the streets, in the wages and what not since this Government has been in. [Apart from that, this side of the House has I think, perhaps taught the other side how to suck eggs. We did not in fact insist so much on the tourist side of this,] we said in our manifesto "maintain tourism realistically". We are doing that and we are going to build, or have seen built in Gibraltar two hotels and the Honourable Member know...

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too much about tourism to minimise that. Also Sir, I would like to compliment the Minister, my Honourable and learned friend Mr William Isola, on his attitude to this question of tourism. His predecessor, who is sitting on the other side of the House, seems to have been inbued by the same spirit as his predecessor in time, and I think it is very easy for a Minister of Tourism to start pushing and pushing and pushing without reference to the reality of the situation and I was very pleased, if I may say so, to see the Minister for Tourism talking about tourism, perhaps for the first time in this House, as something relating to the withdrawal of Spanish labour. Since the withdrawal of Spanish labour, I think the Minister's statement shows there have been advances and it is not because the Minister is not doing his job, not because he is not pushing, not because he is subjected to any ideological pressure from other members, but simply because it is necessary to operate within the limitations imposed by the withdrawl of Spanish labour. This is the reality of the situation. Nor would I say, with a little bit of experience about the Report, even the Beeching Report, that the ideas contained in the PA Report would be absolutely new to Gibraltar. The Beeching Report was not new to Gibraltarbecause I had been leaning backwards expanding these ideas long before Lord Beeching came. In the same way I'm quite sure that some of the Honourable Mr Serfaty's ideas will be reflected in the PA Report, but I'm equally sure that the PA Report will take into account all the circumstances, economic, labour etc, of Gibraltar, because these were in fact their terms of reference. Not to put tourism up in a cloud and try to imagine all the millions of hotels you would like to see, but in the circumstances of Gibraltar, firmly rooted, and therefore the Honourable Member in asking that this item should be voted separately may be making a point, but if he is making the point that this Government is not giving as much attention as it should to this side of the economy, such as it is, then he is misleading the public. If he is saying that the PA Report should be produced then he should in fact listen carefully to what the Minister has said and also to what my Honourable and Gallant

friend the Chief Minister has said, and bear in mind his experience in Government, and make sure that all the reports which were produced during his time of office have in fact been released.

HON MAJOR A J GACHE: Mr Speaker, I think that the matter that we are really discussing at the moment is whether we should or should not spend £1,050 on Local Research. I know that this £1,050 are for two researchers who are required in connection with the continuation of the PA Management Report. The cost of the PA Management Report was paid for by ODM but it did not cover, as I understand it, the continuation of the work of the researchers, who stop people who arrive in Gibraltar and who leave Gibraltar and ask them various questions as to where they have come from; why they've come here and so on and so forth. I would like to remind the Honourable Member opposite that on numerous occasions I have referred to the private sector. I have referred to the private sector, Mr Speaker, as the virgin territory for economic growth and I am not going to see that virgin territory destroyed. We do need this £1,050, if only to prove that there is a future for tourism in Gibraltar. I have said that if we are to grow, if we are to become self sufficient, if we are to become self supporting, we must look to tourism to produce parts of this growth. And I would like to refer the House to what was said in the House of Lords by Lord Merrivale on the 12th January, and I quote: "regarding economic development I believe the Ministry of Defence Expenditure represents 60% of the economic structure of Gibraltar, while the private sector represents the balance of 40%. One can foresee that the Ministry of Defence Expenditure will increase over the years and I therefore feel that there is a strong case for doing what we can to assist the private sector if one wishes to see an increasingly self sufficient and self supporting economic future for Gibraltar." This is the policy which I say, whatever may be said about this Government which we have purused. I have said it on a number of occasions and no one on this side has ever denied it. Therefore if we do want to debate the PA Management Consultant Report, if we do want to debate tourism, if we do want to deabte the

economic future of Gibraltar let us deabte it but let us not stop for a mere £1,050, the work of researchers who are really going to prove what I know what the Honourable Member Mr Serfaty holds most dear and what I know that we too hold dear on this side of the House. Let us ask for the PA Management Report to be debated, let us debate tourism, let us debate all that, but lets not spoil the ship for a halfpenny worth of tar.

HON M XIBERRAS: Sir, may I add a little postscript to my earlier intervention, and that is that whoever is right one thing is certain, we cannot afford that type of economy which underpays people and lives on an underpaid society. This is in fact the problem which Malta faced a little while ago and which she is still facing. It was an imbalance in one direction or another. So a pre-requisite, in so far as I am concerned is, that the wages should continue to be comparable to those in other parts of Western Europe and not just the Costa del Sol.

HON A P MONTEGRIFFO: Mr Speaker, I thought we were asked by the Chief Minister that we should not be emotional. Thank God I have got up and laughed as otherwise I am very emotional mayself. But a number of red herrings have been brought into this discussion which pos es a lot of major issues. I would not like to go into the question of wages raised by the Honourable Minister for Labour and Social Security because I do not want to become emotional. I think that all that we are saying is that we should diversif our economy so that, Mr Speaker, if at any time - and we hope it never happens - the Dockyard should cease to be a "virgin". Major Gache as the Honourable Minister for Trade, Ports etc. and I say this with respect etc, as I cannot remember the other appendages - will be able to develop the other "virgin", which deals with Trade and Tourism. In no way do we want cheap labour in tourism anymore than we want it anywhere else, Mr Speaker, this has nothing to do with what we are arguing and I would be the first to stand up in the House and say "I don't want any tourist development if we are going to have it at the expense of lowering the standard, the wages and conditions of employment of one

single worker." I want to develop tourism and the economy only so that people will bring wealth into Gibraltar so that we can distribute even more wealth among the workers. That is our own aim and it has always been so.

HON CHIEF MINISTER: Mr Speaker, that is precisely what we call a realistic approach to this problem.

HON SIR JOSHUA HASSAN: Its always pleasant, Mr Speaker, when somebody from this side says something that is agreed by the other side and they call it realistic. When we do not they don't like it; they keep their mouths shut or perhaps they try to have the last word. I think these .....

HON CHIEF MINISTER: Mr Speaker, we don't keep our mouths shut.

HON SIR JOSHUA HASSAN: The debate on this point has been interesting in many respects and I think very salutary and very helpful and if the Honourable Minister for Labour and Social Security has spoken about the fact that in some cases there may be differences of approach and so on, I think that even within the Government it has been quite clearly seen not that they have a difference in policy but that they look at the whole problem differently according to the Minister concerned. This is what has been reflected in the debate.

The whole point started with one matter of principle, and that was the requestof the Shadow Minister for Tourism for information about the PA Report. He has raised this many times, I know, and I entirely agree with the Chief Minister that many reports cannot be published for a number of reasons. Sometimes one is advised, and even though one may not like it this is the advice and these are the realities of life and I entriely agree, I've had the same experience. But on this one the Minister in the course of the debate has offered to show it to Mr Serfaty. Now, neither by showing it to Mr Serfaty is he going to revolutionize tourism nor if the Minister has not been able to do it, but it is quite obvious that if there is an interim report it has an interest, otherwise it would be made.

It may not be a final word but it has an interest and if we want this cooperation in the general interest of Gibraltar, and the Minister has today offered to show it to the Shadow Minister in an atmosphere of attempting to reconcile the two points, I think that we will accept that and we will withdraw the point made of dealing with this Item separately on that understanding. This is exactly what we want, because after all however many great genius there may be on the other side, a little experience - you know what the Spaniards say about the old man and the old devil being more valuable for being old than for being a devil - we may be able to contribute and help. On that note, and on that - I will not say understaking because I don't want to start on these terms - gesture and promise of showing it we will withdraw the suggestion that this item be dealt with separately.

HON J CARUANA: As explained by my Honourable and Gallant friend / simply refers to the wages of two interviewers to verify for local consumption the information produced so far by the PA Report. It is rather surprising, however, to see the whole of the Opposition reacting so spontaneously at the words of Lord Merrivale as quoted by my Honourable and Gallant friend. It would appear that they do not read the Hansards of the House of Commons as this came out quite a long time ago - it was in fact released to the press - and I wonder who inspired Lord Merrivale.

/the item under discussion

HON A W SERFATY: I would like to say something about this matter Mr Sepaker, and that is, that the Honourable Mr Xiberras referred to Malta, he reminded us of Malta, and I wish to tell him that what heppened in Malta is precisely what I want to guard against. Malta, when the British Government decided to close the Dockyard, found itself without a tourist economy, with an infrastructure large enough to take the economy, and this is precisely what I want to guard against. And let the Honourable Mr

Xiberras and his colleagues remember what happened with 224 Squadron Royal Air Force, which meant an income of £1,000,000 a year to Gibraltar. We lost this in a few weeks just like that. I'm not saying that was wrong, the British Government decided that 224 Squadron had to be withdrawn and it was withdrawn. What would happen to Gibraltar if the Dockyard were closed, as it was closed in Malta? I hope it never does, but what would happen? We would be left standing on one foot and that is why I am insisting that we should develop our tourist economy to the greatest possible extent. I am not in favour of low wages, let Mr Xiberras remember that.

HON M XIBERRAS: Sir, The Honourable Member opposite obviously knows a lot about Malta and he should know enough to know that Don Mintoff also had something to do with the decision of Britain to spend less money on defence in Malta and we won't go into the constitutional issue, either. I would like to refer also to the attitude adopted by the Honourable and Learned Leader of the Opposition, to which I have made reference before. There is an obvious attempt - Lloyd George did it when he retired as well - to try to blurr distinctions between one thing and another. And he came back at the end of that little debate making the same point all over again; what is the difference at all between one side and the other side. In fact the Opposition may very well be landing itself out of a job; if there is but one policy there should not be an Opposition, there must a Government. But on the other hand I think that the truth as to whether there is a difference in approach between the Opposition and the Government is to be found in the streets today. And if there is no difference, I wonder what the criticism levelled against the Government is all about. I wonder why. Is it just criticising for criticising sake, or is it that there is a real difference. If we all agreed on the question of the workers, about the higher wages and so on, I hope that everybody associated with the bench opposite in one way or another will support movements of the kind advocated by The Honourable Mr Montegriffo and which I fully and whole heartedly endorse.

HON CHIEF MINISTER: Mr Speaker, could I just beg your indulgence for another couple of minutes to try and do away with any alarm that

something like what happened to Malta could happen to Gibraltar overnight. We know that for a number of years already the Dockyard is committed to Gibraltar. The important thing is - and this is what we've got to realise - that whilst in Malta there was unemployment, very serious unemployment even before the Dockyard was closed, in Gibraltar, very happily, we have overfull employment to a very large degree. That is my first point. My second is that because of those circumstances even if the Dockyard were to close down as a Naval repair establishment, it could be used in my view with the support of the British Government for the benefit of the economy of Gibraltar as a commercial concern. It is beautifully situated, with hundreds of ships going through the Straits, perhaps its over 100 a day, and therefore from that point of view I think we have a very stable source of income in Gibraltar, come what may, from the defence point of view. If one day all the nations decided that they are going to dump their armaments into the sea - I doubt whether that will happen, although I would hope it happened tomorrow, but I doubt whether it will - and the Dockyard ceased to be a necessity, I am sure that from the commercial point of view it would be the main source of income.

HON A W SERFATY: On a point of information Mr Speaker. Perhaps the Honourable Chief Minister is not aware of the fact that I was told by Admiralty experts that the equipment in a Naval Dockyard is very different to that in a commercial Dockyard and a large sum of money would have to be invested. So it is not as simple as all that.

HON CHIEF MINISTER: I'm sure that the British Government, which is going to support and sustain Gibraltar ..... I would like to clear this point, Mr Speaker, it is very important.

HON MR SPEAKER: We are falling into the temptation that I warned about before, and that is that we are discussing the economy of the Dockyard. Perhaps this should be the subject matter of a debate if the House feels that it should be.

HON CHIEF MINISTER: Well, perhaps I might resuscitate it when the Financial and Development Secretary reports back to the House.

HON P J ISOLA: Mr Speaker, we have been arguing about £1,000 all the time in a vote of £100,000 and we have forgotten a lot of the important things in tourism. I would just like to make my contribution on this question of what the economy depends on very short. It is one economy and it depends on Ministry of Defence and Tourism and as along as that frontier is closed by our ex-friends there can be no doubt the Ministry of Defence economy continues, as a matter of reality and as a matter of practice. To hear the Honourable Mr Serfaty talking in terms of a British withdrawal from Gibraltar while the Spanish Government is undertaking a major siege of Gibraltar is to me wasting everybody's time in this House. (hear, hear) And if the Spanish Government behaves like a good little boy and opens up the frontier, Mr Speaker, we have no problems, econimically speaking, that is the reality. But, Mr Speaker, we are talking about estimates and no one has mentioned, as usual, the biggest item which is the sum of £56,350.

HON A W SERFATY: We have not reached that .....

HON P J ISOLA: ..... which My Honourable .....

HON A W SERFATY: We are discussing Item 9.

HON MR SPEAKER: Order, order.

HON P J ISOLA: Head XXVI Tourist Office, and I thought I heard the Honourable and Learned Leader of the Opposition .....

HON MR SPEAKER: Order.

HON P J ISOLA I thought I heard the Honourable and Learned Leader of the Opposition closing the debate on behalf of the Opposition.

HON SIR JOSHUA HASSAN: No.

HON P J ISOLA: I am glad, becuase then the Honourable Mr Serfaty may be able to support me in what I'm going to say

HON A W SERFATY: When I hear what you are going to say I shall. (laughter)

HON P J ISOLA: Mr Speaker Sir, it is a strange love that the present Government shows for the Dockyard economy when it's going to spend £56,350 in promoting the Tourist trade in Gibraltar. This sum is a very substantial sum, when you look at the figure spent in 1969 of £39,000, £56,350 is a very substantial increase and I would be very interested to hear from the Honourable Mr Serfaty if he considers that, apart from spending money just for the sake of bumping up the vote to £106,000 as it is, for the purpose of getting tourism, does he not consider that the most vital factor in getting our tourists to Gibraltar is having proper and adequate air services. What I can never understand, Mr Speaker, is why we go at the request obviously of all those interested in the Travel Trade, and I've no doubt as a result a very great interest shown by my friend the Honourable Mr Serfaty, the vote on Advertising Public Relations and Field Sales goes up, and up, and up, and the air services to Gibraltar go down, and down, and down, and I would like to know how it is that our tourists are going to get to Gibraltar. I am glad to see that as a result of the efforts of this Government, and in particular my Honourable and Gallant Friend Major Gache, the downward trend in air services to Gibraltar has been arrested and it is now going up. But going up, Mr Speaker, after great pushing, after great public statements by the Government, almost to the effect that the Government is being accused by the Opposition that they are against the air line, but not a word from anybody in Gibraltar, including the Opposition, or anybody connected with the Trade or the Chamber of Commerce, not a word pressing precisely for the most important factor in improving that tourist economy which Mr Serfaty holds so dearly and that is providing for the people of Gibraltar, and for all the tourists who want to come to Gibraltar, an adequate air service from London. (hear, hear)

And it is no secret at all that a great number of people are turned away from Gibraltar precisely because they can't get a seat on a plane. I would

welcome very much, and I would think that this deabte will have served an extremely useful service if the Honourable Mr Serfaty, as spokesman for the Opposition and not as relating to tourism, were to state once and for all categorically where the Opposition stands on this question of providing for Gibraltar a realistic and generous air service.

HON A W SERFATY: Will he give me a chance to answer right now?

HON MR SPEAKER: Order, order.

HON P J ISOLA: On the point of order I gladly give way, as I am very encouraged by my Honourable friend Mr Serfaty's reaction. It looks as if he is going to support me on this. Having said all that, Sir, and having said that we are spending this very substantial sum of money on advertising and so forth, I would like to be assured by the Minister for Tourism that he feels that these large sums that are being spent on advertising and public relations, jointly, I with other people, will produce the goods in 1971 and will ensure that increases, that steady increase in tourist traffic which is so necessary if we are to expand the tourist economy. It is no use the Government helping developers and the Opposition asking for more hotels to be built if people can't get to Gibraltar. Thank you, Sir.

HON A W SERFATY: I would like an opportunity of referring to that particular matter right now - though it should be, and I think I'm being quite fair - it should be the Honourable Major Gache who should answer the question of air transport. But I would like to tell the Honourable Mr Isola something about this question of movement of air passengers. Again it is a little bit more complicated than at first meets the eye and it is the question of the size of the infrastructure ..... Do not laugh, Mr Isola. Mr Isola, allow me to speek. The modern trend in the movement of tourists as I'm sure that the other Honourable Mr Isola will bear me out if he knows as much about tourism as I think he does, is the numbers, charter flights. Now we have only 1,500 beds in Gibraltar, 1,500 hotel beds, so we are only really

talking of a very small scale industry, a "bacalito", if I may call it that.

When I talk about tourism, I'm talking in terms of 5,000 beds minimum. I know, because I have been as a Minister for Tourism for five years and I've taken an interest in the matter, that with 5,000 hotel beds, Tour Organisers can more easily organise charter flights to bring people here, than when we are only talking about 1,500 beds and in any case a few hundred are always lost to people passing through Gibraltar, leaving barely a 1,000 beds. It is silly to talk about charter flights for a few hundred tourists, but when we talk of several thousand tourists then the two organisers can easily solve the problem of movement of passengers by means of charter flights. I hope the Honourable Mr Peter Isola is now satisfied with my answer.

HON P J ISOLA: I'm most unsatisfied. My Honourable friend has not answered the question of the adequate air services. Is my Honourable friend aware that what the tour operators, or travel or whatever it is the people who organise, are in fact getting charter rates on the schedule flights. This is what is happending, excuse me, this is what is happening, that my Honourable friend perhaps is now a little out of date, its a long time since he was in the Tourist Office, but what .....

HON MR SPEAKER: May I ask the speakers to address the Chair.

HON P J ISOLA: I beg your pardon, Sir. What the Honourable Member has not answered, Sir, and what he has not stated, is an answer to the proposition that Gibraltar does not have adequate air services today to promote and to increase tourists to Gibraltar. And in the same way, because my Honourable friend I know, Sir, has asked for more hotel beds and - in fact I think it was in a supplementary to the Honourable Chief Minister - he said, two hotels are going up, put another two sites out to tender, have another two hotels. Obviously he thinks, and he says that these beds will be full, but he knows that there is an Association of Hotel Owners in Gibraltar who are complaining that their numbers are down, who are complaining

that they are not getting as many tourists as they should get. His answer to them is it doesn't matter, have more hotels. I agree with him, but why can't he apply the same principle to air services? Why must Gibraltar, why must people in Gibraltar get into a queue before they can get on to a plane? Right through the year, why must air services to Gibraltar be running at 65% and 70% capacity throughout the year, when other lines throughout Europe are running at about 30% or 35% and if they are running, in case the Honourable Members opposite do not know, if an airline is running at 65% capacity it means - under the various rules that I'm sure the Honourable Major Gache can enlighten the House on - it means that a lot of people are being turned away. Why should Gibraltar be in a situation where potential tourists business people are turned away because they can't get on the plane of their choice. There is plenty of evidence of that. What I would like to know from the Opposition - they needn't answer - is, do they not consider that there should be, in the interests of Gibraltar, an adequate air service and an air service that provides the passengers throughout the year to be able to come to Gibraltar at a reasonable short notice of five or six days. Is the Honourable Mr Serfaty, Sir, aware that this is not the case today and will he support the Government, as spokesman for the Opposition, will he tell us here in this House openly, press Government to achieve improved air services for Gibraltar? That is the question I put to him, that is the question he has not answered. Let us have support from the Opposition; let us make the effort; let us help the Honourable Major Gache in his efforts to improve air services to Gibraltar by letting the airlines know that on this we're all united, that's what I asked him.

HON A W SERFATY: I have no hesitation, Mr Speaker, in saying that the Opposition entirely support any attempt on the part of the Honourable and Gallant Member to increase air traffic but let us not confuse the matter, one thing is 15 instead of 9 flights from London to Gibraltar and another thing is the development of the package tour

business which is mainly dependent in charter flights. But I have no hesitation in supporting this.

HON M K FEATHERSTONE: I find myself completely in agreement with the Honourable Peter Isola, but I don't think he is quite right on one small point. He shouldn't ask the Opposition what they are doing about air services, he should ask his own Government. Sir the air services to Gibraltar are not satisfactory. I cannot really foresee that they are going to be satisfactory for a long time, while we are bound to either of the two company's serving Gibraltar because neither of those companies use an adequate aeroplane for the Gibraltar airstrip.

In the summer, when the air is thinner neither the Trident nor the BAC 1-11 can take off with a full lead on a long trip to England. It could take off, Sir, on a short trip. What is the Government doing, Sir, for short flights from Gibraltar, such as to Lisbon. If you have a service via Lisbon, Sir, then your Tridents, your BAC 1-11's, which are the planes used by the two services coming in to Gibraltar, could take off with full leads, could increase the capacity. Perhaps Sir, the answer, and of course this is going to be something impossible, would be to have a proper Gibraltar air service, using unfortunately an American plane, which is made for short take-offs, which can take 120 passengers and take off from our aerodrome with a full lead with ample safety. But this, Sir, seems to be beyond the realms of possibility. Our third plane, Sir, the Vanguard, is going to phase out surely within the next two or three years and Gibraltar is going to face a problem of air transport that is going to be very considerable.

Sir, we have heard this question of fares to Gibraltar. I don't know if the members of Government have very carefully studied the new services, but BEA have apparently pulled rather a fast one on us in that half the planes coming to Gibraltar, or even more, Sir, come on a day flight and go back on a night flight. This is going to mean, Sir, that the normal fare will automatically be higher because you will pay half a day

flight and half a night flight. This is one way of imposing an increased fare without it being bla tantly obvious that you have put prices up, you can just say, no, we've changed our schedules, this automatically means higher prices. What are the Government doing to get this down, Sir. These are the things that the Honourable Peter Isola should bring up with his own side and when, and when Sir, they have produced something, then he can turn round and perhaps poke a little fum at this side when he doesn't get all the answers he wants, but there is no question, Sir, that the first essential for Gibraltar is to have an adequate air service, and by adequate it means that Gibraltar must be removed from its present status of being out on a limb to a centre of air communications. Something which the Government has talked about a lot but has done very little.

HON MAJOR A J GACHE: Mr Speaker, I can only say, "bless you Honourable Members across the side", because I have been praying that I should hear the words that I have just heard. Not only from the Honourable Mr Featherstone but also from the Honourable Mr Serfaty. However, Mr Speaker, I am longing to answer all those questions, and more that have been asked in connection with the air services, on which as I have said before, so much of the economic wealth of Gibraltar depends. I would like with the indulgence of the House to postpone this answer until my Honourable Friend the Financial and Development Secretary comes back and reports to the House in connection with the estimates. I will then have an opportunity of doing this. Although I could do it now, I don't believe, Mr Speaker, that this is really the time to do it because we are really debating the expenditure on tourism, but I would like to do this and I welcome the opportunity that has been given to me by the two Honourable Members opposite to do this. I do believe and I hope that when I finish later on the House will also agree with me that this is of vital importance. [A lot of the things that Mr Featherstone has said, which my Honourable and Learned Friend, has said, and Mr Serfaty has said, are of vital importance to Gibraltar and it is proper that we should ventilate it in this House now.]

HON I ABECASIS Mr Speaker, if I'm allowed just to clarify one point. The Honourable Mr Peter Isola said that no right thinking person would imagine a reduction in the defence contribution by the British Government while the frontier is closed. I wish I were as sure as he is because in 1963 when the restrictions had already started, there was a White Paper on defence produced by the House of Commons, as a result of which no less than 200 people were dismissed from the War Department. Unit like the RAOC, the REME, the RE, the RA, the RASC, the RAMC, the RAPC and the RMP, disappeared from Gibraltar. I must repeat that in those days we were already at loggerheads with Spain; we had already gone to the United Nations and still there was a large scale redundancy in the War Department. Perhaps because of that redundancy I find myself on this side of the House.

HON P J ISOLA: Mr Speaker, if I may reply very briefly. I do not think my Honourable Friend understood me on this. The economic restrictions started in October 1964, and what I meant to imply was, ~~that~~ as a result of the situation that exists there has been an increase in the activity of the Ministry of Defence in Gibraltar. The previous downward trend, which was being offset by the private sector side of Gibraltar has been balanced over and our economy is now in a reasonably strong position due very very largely to an increase in Ministry of Defence spending. When one examines the nature of that increase one realises it is very much linked with the situation over the frontier, therefore so long as that situation remains, that measure of expenditure must obviously go with it, that is all I have to say, Sir.

HON MR SPEAKER: I understand that the Head will be voted as a whole.

HON A W SERFATY: Mr Speaker, I do not want to start another debate, but there is something in Item 19. That is that I want to congratulate the Honourable Mr Isola for extracting from his Government and the Honourable Financial and Development Secretary, the sum of £56,000 for Advertising and Public Relations. But I would like to

call his attention to one important point which I believe in all modesty should guide him in the futu and that is this, that he should bear in mind that w only spending about £20,000 or £30,000 a couple of years ago and this was all aimed at the British Market. And it was aimed at the British Market f two reasons; firstly because it was a relatively sm amount of money - even £60,000 is not a lot of money when we talk of tourist promotion, but anyhow £20,00 £30,000 is a small amount of money and it was aimed at the British Market - and secondly because there w then in England at £50 limit restriction on travel abr and we were advised, and I think quite rightly and followed that advice, that whatever money we had available should be aimed at the British Market though we have been flirting previously with the of going out to Scandinavia and Germany. What I a the Honourable Minister, if he will accept my adv for whatever it is worth, is that now that the £50 restriction has been lifted, and Gibraltar is not very important to the British Market - we were so before because we were in the sterling area - and now that we have about £56,000 to play about with, now and in the future he should start toying with the i of trying to build up a market in Scandinavia, particularly Sweden and possibly also Germany. This is all I want to say on this matter.

HON CHIEF MINISTER: Mr Speaker, I would just like to tell the Honourable Member that my arm does not hurt, there was no arm twisting at all when this figure was approved. I also like to point out that if he compares that figure on advertising with 1969 he will see that the increase is extremely considerable, it is over 50%. It was £39,000 then and it is £56,000 now; the increase is £21,950.

HON A W SERFATY: 41.2%.

HON CHIEF MINISTER: Well, its a very high percentage anyway. Anyone would have thought that this Government was being, what is it? "Nymphomaniac" in this respect by looking at that figure. (Laughter)

HON W M ISOLA:

there were some little shorts from the other side that..

Mr Speaker, Sir, I'm not going to be long, I'm going to be terribly brief. I feel I have to say something, everybody has said something about tourism and this is after all my vote ! (laughter) It was said yesterday and I was congratulated by my friend Mr Serfaty, and/ at least there is one person interested in tourism, referring to myself. Mr Speaker, may I say once and for all that I could never get this vote thorugh if I did not have the support of my fellow Ministers and especially of the Chief Minister. May I remind the House that there is such a thing as ministerial responsibility. I have stated before, and I would state again, that the policy of this Government with regard to tourism is a realistic approach to tourism. During my term of office, whenever my Department or I have considered that money has had to be spent on the tourist vote, and I have gone to my fellow ministers for supplementary estimates, I have had nothing but co-operation from them. Now, if I may Sir, go on the tourist vote and omitting the question of air fares and what not, there is an increase this year on the expenditure of tourism of £27,590, which is quite a considerable sum of money to spend on tourism. As Mr Speaker well knows we finished in London four months ago a most successful advertising campaign, where I think for the first time Gibraltar in the tourist circles made headlines in national press coverage. That, as Mr Serfaty knows, is a very good thing for Gibraltar. For the first time Sir, we have concentrated more efforts in attracting tourists from Morocco. Now, I take Mr Serfaty's point that with the withdrawl of the £50 travel allowance, one might look further afield, in places like Sweden, Scandinavia, but as Mr Serfaty is well aware that Scandinavians go to the Costa del Sol in thousands, it is only viable to them because they have what is known as charter flights. It is not until air communications to Gibraltar improve that such things will become viable. I naturally welcome his advice and I shall bear it in mind, but I feel that at this stage it will be very difficult because after all we have very limited resources. Our gross expenditure for 1971/1972 is £95,857; our bed capacity

I do not quite agree with Mr Serfaty's figure of 1,500, I think its about 1,700 or 1,800, but be that as it may, it is still a very small number of beds. Perhaps when we are able to get the Anglo International Hotel known as Holiday Inn and Parcar off the ground and perhaps in another couple of years time, other new hotels may start going, then of course the money to be spent on advertising should naturally continue to increase.

The fact remains, Sir, thatinspite of what all sort of people have said about this Government's attitude to policy - that they are not interested in tourism - the fact remains, Sir, that in the life of this present Government we are asking this House to vote the largest sum as yet voted on tourism. And for the first time this Government has launched, successfully, a winter campaign in the United Kingdom.

Next year, on the question of the advertising public relations and field sales, there is an item of £2,000 which is going to trade promotion. Now, if I might explain this trade promotion, it means that the Tourist Office in London has selected ten major cities in the United Kingdom and we will go there with slides, brochures etc and we will talk to the Travel Agents in that particular city and its outlying towns. It is possible that on a couple of these I may go there myself. This is a relatively new idea, we did this last year, and it has worked quite successfully. This year we have learnt and we hope to improve on these travel trade receptions.

On the Morocco marketing effort, may I say that we shall again continue to advertise in Morocco. We did this last year and it has proved successful. The traffic from Morocco to Gibraltar has increased and there are more people coming and shopping in Gibraltar, I think perhaps, due largely to the efforts of my department in launching the campaign in Morocco. I agree, Sir, that we have not spent vast sums of money in Morocco, but we have spent a certain amount and of course if it is

proved successful we shall continue to spend perhaps more and more.

As the House is aware when we launched this rather substantial campaign in the United Kingdom in December we had financial support from BEA and the three Tour Operators.

I don't really know, Sir, what other item might be of interest to this House, but basically, on the question of field promotions we are also incidentally - this might please Mr Serfaty we know that there are a certain amount of Germans and French who go to Morocco for their holidays to various resorts - concentrating on these areas by having printed brochures in German and in French and trying to make them come to Gibraltar, if not for a one night stand, at least for a day's trip and shopping. Thank you, Sir.

HON LT COL J L HOARE: Mr Speaker, mine will be a very short contribution. I'm very pleased, as are all of us on this side of the House, to see this great increase in this vote. In fact if I may say so it shows a complete conversion to our point of thinking on this. If one takes two items, both major, into consideration, in 1969, the expenditure on advertising public relations and field sales was £39,388. In 1970, when the present Government came into power and approved the estimates, that amount had been reduced to £34,400. I give them full marks for increasing it this year to £56,000.

HON W M ISOLA: On a point of order, Sir, might I refer the Honourable and Gallant Col. to the revised estimates of 1970/71, right hand corner, just for guidance.

HON LT COL J L HOARE: Yes, I had not overlooked this. This in fact includes 15 months, and if I may so put it, a change of heart on the part of the Government on tourism. To revert to the two points I want to make. In 1969 on advertising etc £39,000, in 1970 £34,000 and for the whole vote in 1969 it was £91,307 and in 1970 it was £75,710. I will repeat that I congratulate the Government on their change of heart.

HON A W SERFATY: Mr Speaker, to finalise if I may - on my side anyhow - I don't like to blow my own trumpet and I have no wish, Mr Speaker, to minimise any credit due to the Honourable Minister, but lets face it, there is nothing new in the multi-language brochure, there is nothing new in trade receptions in England, and there is nothing new in advertising in Morocco, because it was in my time, if I may say so, that we first decided to do our public relations and advertising in Morocco. There is nothing new in that, lets get our facts right at least.

HON M XIBERRAS: Sir, apropos of what the Honourable and Gallant Colonel Hoare has said that we have been converted because we increased the tourist vote. Are the Opposition unrepentant as regards their previous policy when we have increased Social Services or Social Security by 53%; Education by something like 30% and medical services by an equal or more generous amount. Does this mean that they attach less importance than we do to these areas. I think the argument the Opposition is trying to put forward in this is "heads we win, tailsyou lose". This is the sort of situation which they're trying to create or has the Honourable and Gallant Colonel Hoare forgotten the £400,000 that he voted in respect of Marsh and has he compared that with the 1967 Marsh Report. Is that a qualitative difference or just quantitive difference.

HON A P MONTEGRIFFO: As far as the Marsh Report is concerned the Unions gave the answer.

HON LT COL J L HOARE: In any case, Mr Speaker, I think we voted for all these increases in the benefits and so on and so forth, and this is completely irrelevant. Of course I subscribed to improvements in the social services, of course I do, but it cannot be denied that there has been a change in the attitude of the Government to tourism, as ~~effected~~ reflected by these figures, by these estimates, and these cannot be debunked in any way. Further, one must remember the difference in purchasing value of money between 1969 and 1970 which even makes the comparison stronger.

HON MR SPEAKER: May I remind members, that they will have time to debate the estimates of expenditure once we come out of Committee. We are really going into the detail of the Heads now and perhaps this debate will be more pertinent, more appropriate, when the estimates come before the House.

HON FINANCIAL & DEVELOPMENT SECRETARY: Sir, I do not intend to enter into debate, but on a point of clarification, certainly on figures and with the very greatest respect to the Honourable and Gallant Gentleman, I think one can be misleading in quoting figures, very misleading. If the Honourable and Gallant Gentleman would look at the estimates for 1969 he would see that the Advertising Public Relations and Field Sales vote was £34,400. In the approved estimates for 1970 it was £34,400 exactly the same figure as had been approved for 1969. In other words at that stage in time, when the 1970 estimates were taken, there was absolutely no change at all as between the estimates for that particular vote which had been agreed for 1969 and what had been agreed for 1970. What the Honourable and Gallant Gentleman is now quoting is the actual expenditure for 1969, which rose from the approved estimates by £5,000. That is the column he has quoted which says £39,388. But against that, the approved estimates for 1970 of £34,400 had increased or is estimated to be increased by the end of March of 1971 on a 15 months period to £88,140 which is considerably higher than the quarter extra which would have been expected.

HON CHIEF MINISTER: I would just like to point out to the Honourable and Gallant Gentleman that there has been no change of heart. We started trying to get this from the moment we saw Lord Sheppard in Gibraltar in August 1969, and it was a result of our conversation with him then, and subsequently when we visited the United Kingdom and we got aid for Gibraltar, that we were able to extract money for the purpose of advertising which we used for that purpose. So I can assure the Honourable and Gallant Gentleman that there has been no change of heart, we are still as realistic as we were before we were voted into Government, and as we shall continue to be.

HON LT COL J L HOARE: As I said, these figures in fact pin point where the change of heart occurred, or the change of emphasis between the end of December 1970 and March 1971 unless these figures could vary. I agree the interpretation of these statistics on this could vary to different people.

HON CHIEF MINISTER: Mr Speaker, I think my Friend, the Financial and Development Secretary, has explained the situation very clearly.

Head XXVI Tourist Office was agreed to.

The Committee adjourned at 5 40 p m.

The Committee resumed at 6 05 p m.

Appendix G.

HON A P MONTEGRIFFO: Mr Speaker, I have one point on page 72, Item 2. I do not know whether to address this one to the Minister for Medical and Health Services or to the Minister for Public Works, but could we get more or less .....

HON MISS C ANES: What scheme is it?

HON A P MONTEGRIFFO: It is the scheme for the Pathology and Isolation Unit. Could we more or less know how long the completion of these two buildings will take, because I can see that there is a balance over for another year or am I wrong "balance to complete" it says. If the Minister or whoever has to reply has not got the information now I do not mind getting it another day, but I would like those dates if possible.

HON MISS C ANES: The Pathology Department was it? and the Isolation Unit, and the Health Centre? Do you mi if the Minister for Public Works answers that one.

HON J CARUANA: I think the question, Mr Speaker, is when will the Pathology and Isolation Unit be completed?

HON A P MONTEGRIFFO: And the Health Centre.

HON J CARUANA: And the Health Centre as well. Mr Speaker, as has been reported in the press, Contractors were invited to tenders, or show their interest in these two projects only last week and the intention of the Government, in order to try and obtain the best possible quotation, is to try and put out these two projects, either singly or jointly, in the same contract by the same contractor in the hope that the price will be more competitive. Work is expected to start in earnest around the beginning of May.

There is the question of vacating the Casemates and the moving of Youth Clubs to Montague Bastion and there is also the question of re-accommodating the House Officers in St Bernard's Hospital in the flat, known as King's Flat on the other side of the road. For this reason the Public Works Department are already converting these flats, at the back of St Bernard's Hospital and as soon as they are completed the House Officers will move over. As soon as the tenders are in demolition they will start - there's a certain amount of demolition - and this should be carried out sometime around May. What I can tell the House at this stage is that these two projects are expected to be of about 12 to 14 months duration. This is the nearest I can get at this moment until work commences.

HON M K FEATHERSTONE: Another point, Mr Speaker, also in page 71, Schools. I don't quite understand this fully, I take it that there is nothing put down for the extension of Lourdes School to cover the comprehensive scheme to be built in this year 1971/1972. Is that correct?

HON J CARUANA: Mr Speaker, if the Honourable Member opposite had cared to listen carefully to the speech made by the Honourable Financial Secretary he would have noticed that he specifically said that this item was not included in his calculations, simply because a decision had not been arrived at by the time that the estimates

had been drawn up. It is for this reason that the Financial Secretary also said, I believe it was at page 15, "in so far as Appendices F and G are concerned, which deal with the Improvement and Development Fund, the picture is not complete because no provision has been made for schemes which had been approved substantively or in principle since the Estimates were prepared. On the one side, there is the Catalan Bay Housing Project estimated to cost £200,000, and on the other, the Sports Centre and extension to Lourdes School, costing £100,000 and £250,000 respectively." Mr Speaker, I think this was a very significant piece in the Financial Secretary's report, which bears a little brief comment today. Indeed the figures rightly pertaining to the Improvement and Development Fund were to include these three very important items. It would add significantly to the amount which has been put down to the Improvement and Development Fund and which, if I may be permitted to point out, is a huge figure for any given year. I can answer the Honourable Mr Featherstone by saying that the Lourdes School Annexe will start sometime this year.

HON M K FEATHERSTONE: I thank the Honourable Minister, Sir.

Appendix "G" was agreed to

RESUMPTION

House resumed.

HON FINANCIAL & DEVELOPMENT SECRETARY: Sir, I have the honour to report, that excluding the 20 minutes which were spent laying documents on the table and answering questions, and after 485 minutes of debate - and I hope the Honourable and Gallant Gentleman will check my calculation, I may be wrong - the Estimates of Expenditure as laid on the table have been considered in considerable detail in Committee and agreed to without amendment. Sir, I now move that they be passed.

HON MR SPEAKER: I now propose the question which is that this House approve the Estimate of Expenditure for the year 1st April 1971 to 31st March 1972.

HON MAJOR A J GACHE:

Mr Speaker, I stated before that I would give some information, such information as we are able to give, on a matter which, I must say right from the start, is not a defined domestic matter. It is not a matter for which we are responsible, it is a matter which is the responsibility of Her Majesty's Government and Her Majesty's Government alone.

However, the British Government, having regard to our interest in the matter of communication with Gibraltar, has consulted us and these consultations are still carrying on at the present time.

BEA and BUA applied to Her Majesty's Government for a 10% increase in fares with effect from the 1st of April, and if one considers the present fares, and the proposed increases which have been released, as subject to Government approval, one would see that the night-flight fare during the off-peak period would go up from something like £44. 4. 0. to £44. 18. 0. and during the week end from £36. 18. 0. to £40. 12. 0. The day-flight fares would equally go up during the off-peak period - 1st April to 15th June, 1st to 31st October - from £47. 10. 0. to £52. 5. 0. During the peak-period the increase is slightly higher and of course, following previous normal practice, the weekend day-flight fare to Gibraltar during the peak-period of June to September is the normal fare and not the public excursion fare. The fares that I have given are the normal public excursion fares valid for one month. The normal fares that are valid for a year also go up by about the same percentage, since this would increase the £63 Tourist return fare to something like £69. 6. 0. I should mention that there is at the moment a concession applicable to Gibraltar whereby people do not have to stay for over 6 nights in order, like in other places, to be able to use the one month night-flight fare that I mentioned before. This applies at the moment to Gibraltar.

The subject of communications is one which is considered to be most important by this Government and I have spoken on a number of occasions about the importance to Gibraltar of communications. I would like to repeat what I've said before which is that if there is to be any expansion in the economy, and this does not

take place in what I call the Ministry of Defence Sector, it can only take place in the private sector, the "virgin territory" as I call it, and the only way in which this can take place is by getting more people to or through Gibraltar. The only way in which we can do this today, seeing that we have no sea or road communication with Spain, and our only sea communication is with Tangier, the only way that people can get to Gibraltar is by air. That is very elementary but I must repeat it. I have been concerned for quite some time, as the House knows, to try to get more flights to Gibraltar so that we could fill our hotels better than they have been filled before. Under the 1970 Schedule there were something like 996 seats per week available from BEA and during the summer there was no increase in the BEA capacity during the peak-period. It is common knowledge available in an advanced time table which has now been published that the seats available during the summer have gone down from 996 to 903, except that during the peak-period they go up from 996 to 1038. So extra capacity has been provided for during the peak-period of June to September. However, the gross increase in the seat capacity has come as a result of the flight which has been put on by BUA.

In the past BUA used to operate one flight a week in the winter, and two flights a week during the peak-period of the summer. The aircraft used was a BAC 1-11, which was restricted in itself due to the airfield and the traffic restriction. This aircraft was a BAC 1-11, 200 series, which had 79 seats. On the London/Gibraltar run they sold 62 seats, and on Gibraltar/London run 56 seats. Last year, as you will remember, BUA decided to continue with these two flights a week throughout the winter, instead of reverting at the beginning of October to one flight. Furthermore they also decided as from November to change the BAC 1-11, 200 series, to the BAC 1-11, 500 series, with a capacity of 114 seats. The Monday service is operated on the 114 seat configuration, because it came out a charter flight, they don't however use all those seats.

They use something like 104 seats for flights into Gibraltar and 74 seats for flights out of Gibraltar. On the Thursday a different configuration is used with 94 seats for flights into Gibraltar and 77 seats out. This has resulted in quite an increase in seat capacity which we needed to fill our hotels and I will tell you why in a minute. In addition to that BUA also decided to add a third flight during the peak period of the summer in this case using a BAC 1-11, 200 series. This results in an overall increase in the seating capacity available to the public offrom 8,000 seats to something like 19,000 or 20,000 over the year. BEA and BUA used to operate on a pool agreement, and it is now well known that this no longer applies. There is now what I would call healthy commercial competition on this route. However, the route is still one for which the Air Transport Licensing Board is responsible for licencing the air carriers as to the number of flights they can operate to Gibraltar. BEA has no restrictions on the number of flights that they can operate to Gibraltar but at the moment BUA is restricted to three flights a week. They have not yet come up to three flights a week, because this only operates in the peak period of the summer, so BUA still has scope to increase their flights to three flights a week.

The reason why I have been concerned and I have been trying to increase the flights to Gibraltar is because I carried out some research into the beds that we have and what occupancy we could expect with the seat capacity that we had last summer. I calculated - and I know that the Honourable Mr Serfaty will be interested in this and my calculations are available - that on a summer occupancy of 85% with a load factor of 90% in the aircraft - and 90% is almost a Charter flight - and taking into consideration that we had 996 seats from BEA and 132 from BUA, we would only be able to achieve a 50% occupancy. In other words we were getting half the seats that we needed in order to have an occupancy of 85%. Of course, let me say that I took into account all the hotels used by tour

operators, people in transit, and naturally I also included the other hotels which are not used by tour operators but are nevertheless used by the people who come to Gibraltar.

I did exactly the same thing for the winter, and in that case I kept the load factor again at 90%, but I decreased the occupancy to 55%, and with the seats available from BEA and BUA the same results were achieved ie the seat capacity we offered was half what we would need in order to achieve an occupancy of 55%. I can assure the House, Mr Speaker, that this has been the only reason why I have been pursuing this matter of seats to Gibraltar, because I could see that no matter what my Learned Friend the Minister for Tourism did to promote Gibraltar we could, with the seat capacity available hope to get the occupancy in the hotels that we wished. I would also say that it should be of interest - and this can be released because it was released, in fact, a few months ago and possibly not picked up - to note that of the people who visit Gibraltar 40% come inclusive package tour, while the other 60% is made up of 20% in respect of local traffic - that is Gibraltarians, Service personnel and people coming to stay with their families from England - the other 40% is made up of people who make independent arrangements with hotels in Gibraltar.

My concern, and the concern of the Government in connection with the proposed increase in fares is directed at the effect which the increase in fares could have, not on the 40% who come on the package tours, because the inclusive tours fares on which the package tour is priced - is not being increased. What is being increased is the fare which you and I will have to pay. (I include myself in the 20% of those people who come back and forth) We are concerned about the 40% or thereabouts who make independent arrangement with the hotel because they are the ones who can afford the higher fare, it is they who can also afford to pay the non package tour tariffs to the hotels and it is those who spend the money in Main Street. It is

therefore for that reason that the Gibraltar Ministers have not approved the proposed increases in fares.

I would like to repeat again that we are not responsible, we cannot stop the increase in fare. This is the prerogative of Her Majesty's Government. In fact it is one of the points of the Constitution that whilst we are responsible for balancing our budget as we are doing here today, for approving a budget, we do not have the means of controlling the end. For example in this case of civil aviation, we have no control, and it was mentioned, if I might say so, by Lord Merrivale during the debate on the 12th January 1971. He said that whilst the people of Gibraltar were responsible for the end they were not responsible for the means which achieved this end. I feel it is of importance that I should say that.

You may have seen or heard that IATA has agreed to introduce, with effect from the 1st April, what is called a part-charter plan for the Iberian peninsular. Gibraltar doesnot come under IATA and Gibraltar therefore does not come under this part-charter plan. The reason why IATA agreed to this part-charter plan to Spain was because of the competition of Charters Scheduled Service into Spain. And what the part-charter plan allows is that seats which are not sold in a Scheduled Service can be sold to an operator a few months ahead of the flight at a very low rate. I ought to say thatif you look at the present inclusive tours to Gibraltar offered by those tour operators who promote Gibraltar and you work backwards from what it costs, you will then arrive as I arrived myself at what the actual air fare cost. You will then deduce that this part-charter agreement appears to have been in operation in Gibraltar, and what is more if you compare the package tour charges of certain operators with thepackage tour charges of other operators who promote Gibraltar you very quickly see which are the operators who have benefitted from this part-charter agreement and those which have not. I would venture to suggest that this has possibly been one of the reasons, and not the effort of my Learned Friend

the Minister for Tourism why traffic to Gibraltar might have dropped. In actual fact the traffic has been maintained more or less the same for the last five years. It is a fact that inclusive tours on a charter level have only been offered by a few operators. I understand that this summer this part-charter arrangement which as I say appears to have been used by certain operators, will be made available under this agreed part-charter plan, to any tour operator who wants to promote Gibraltar and therefore we should have more tour operators promoting Gibraltar.

The only tragedy, if you concur, is that it has only come up and we could have done with it this Autumn so that we could have got more tour operators to have promoted Gibraltar.

I hope, Mr Speaker, that I have answered most of the questions which were asked, and I hope I have covered fully this matter of air fares and communications in connection with Gibraltar. It is possible that I may have left something out and with your permission, I would be glad to answer although I understand that I cannot do so. I suppose I shall have to sit down and hope for the best.

MR SPEAKER: Perhaps I may, for the benefit of all members, read Order 44(4) which reads as follows: "on the conclusion of consideration of the Annual Estimates or Supplementary Estimates by the Committee, the Council shall resume without question put." - which we have just done - "on the motion then being proposed that such estimates, with or without amendments, as the case may be, be approved by the Council" - which I have done already - "such motions shall be open to debate and shall be voted in accordance with the procedure under Part VI of these Orders relating to Motion." Which basically means that you each have the right to speak once. So I would allow the Honourable Minister who has just addressed the House to say anything else he may have to say, and remind members that when they stand up they can only speak once.

HON MAJOR A J GACHE: Thank you Mr Speaker. I think I mentioned very early on, and I ought to repeat it again, that efforts are also being made to attract flights from other places than London. I think that maybe I ought to continue by quoting again what Lord Merrivale said on the 12 January. I think it is interesting in view of the Dockyard economy that it is alleged that we do not support, I shall continue from where I ended before and I quote: "this private sector lives mainly of the Port, Tourism and Travel. Therefore for Gibraltar's wealth to increase it has to become a communications centre by sea and by air, since by land it is now isolated by the Spanish Frontier blockade." He then mentioned that civil aviation and air communications was not a defined domestic matter under Section 55 of the Constitution and said, I quote: "Would it not be desirable to have in Gibraltar a committee or counsel similar to the Regional Advisory Committees which are referred to in the Civil Aviation Licensing Act 1960, Sections 5 to 8, which would be consulted by the Air Transport Licensing Board as required." The reasons for this as I understand from Lord Merrivale, is that under the Civil Aviation Licensing Act 1960, there is as of right the requirement that the Air Transport Licensing Board, when it is considering anything that affects the Isle of Man, the Channel Islands or of the regions of the United Kingdom has to consult the Advisory Councils of the regions of the United Kingdom, of the Isle of Man and of the Channel Islands. This is something which has been suggested by Lord Merrivale, and maybe Gibraltar should also have the same right. Thank you.

HON A W SERFATY: Maybe it is appropriate, Mr Speaker, that I should follow the Honourable and Gallant Minister. Maybe the Honourable and Gallant Minister does not know that several years ago at the insistence of the Tourist Office, BEA and BUA have, if I remember rightly been granting special discounts - I went to London myself to try and get this agreed - to Tour Organisers booking a certain number of seats in a plant, anything up to fifteen. But one thing is certain and that is that these agreements never bring the price of the flight down to

that of a charter flight. I think one of the Hon Members opposite said before that this could be arranged but this is not so. My information is that tourists could be flown to Gibraltar and back by charter flights for about £10 less than under the best conditions negotiated with Scheduled Flights. £15 is about the cost of the return flight in a charter plane and it is at least nearly £25 in a Scheduled Flight if my information is correct. Maybe the Honourable and Gallant Minister can give us more details. In fact we do know thatthe Gibraltar Group fly members of their Association for under £20; £19 if I remember rightly. That is why I was trying to make the point before that the answere to cheap travel to Gibraltar lies with a larger infrastructure. I know this is not easy, building of hotels; it takes years. How long is it going to take to build the Viaduct Scheme? It is going to take years, and it is going to take years to build more hotels, and I am sorry to be such a pest, if you want to call it that, in relation to this question of hotel building. But anhotel, by the time the financial arrangements - and one can ask Mr Fraser of Parcar, because I know him very well, and I know the difficulties - one can ask this gentleman how long it takes to make the financial arrangements, how long it takes to get an operator to agree to operate an hotel once it has been built; how long it takes todesign it; how long it takes to obtain tenders. The gentleen opposite know this very well. On the latter part of the difficulties of building, and I know because I am a professional man in this trade myself, and that is why I never tire of saying, and I say so because this is linked very much to what the Honourable Minister has just said, that if we are now content to promote Parcar and Holiday Inns- whom we are not helping very much because they haven't asked for it anyhow. They have come,and I think I should say this in fairness to the previous Government, because of the legislation passed by the previous Government on the question of development of taxes and one thing and another. So this is the point I would like to make that if we are now content with Holiday Inn and Parcar, and don't get on with the job of Napier Battery Parson's Lodge we shall have lostprecious years. I would like to

reiterate that we in the Opposition fully support any effort made by the Honourable Minister in trying to obtain cheaper fares UK/Gibraltar but nevertheless I must call his attention and the attention of the House to the difficulties that lie ahead of this whole operation of cheap travel.

HON L DEVINCENZI: Mr Speaker, in speaking for the motion I would like to say that one cannot but feel proud that notwithstanding the fact that Gibraltar is going through a difficult period we have managed, by good government, to face up to all our responsibilities with a tremendous increase in cost that this has entailed. At the same time produced an adequate and not a drastic budget as the Honourable the Financial and Development Secretary mentioned in his speech. You have heard how every Minister has asked for and has obtained more money for his or her Department. This has been done with a true sense of responsibility and of course a balance had to be struck between the needs of any particular department and the overall position of the Government. My Department, as you are no doubt aware, has increased expenditure from £329,000 to £415,000 in just one year. Also within one year we have allocated funds for the following new features: TV for schools and secretarial help, not to mention the most important step that has been taken in starting the ball rolling towards comprehensive.

Now, Mr Speaker, I know that I have covered the ground to some extent during the last couple of days and I will not go at length into ground that has already been covered and therefore, Sir, I do not wish to repeat myself and will try and minimise this, except to say that very substantial increases have taken place for the following: Scholarships, Posts of Responsibility, Subsidised Holidays and Financial Aid to Youth Council. Mr Speaker, as you can see, a number of the increases and new features are very closely related to our plans for going comprehensive. I mention this because the Honourable Mr Featherstone was not quite happy when the need for secretarial help was mentioned, especially on a full time basis. My contention is that if we could

afford it, the expenditure involved in full secretarial help would be justified, particularly in the larger schools.

Mr Speaker, a very sizeable amount of the expenditure which my friend the Honourable Financial and Development Secretary is expecting the House to vote for is being spent on Education. As we all know the accent is now on comprehensive education. I must say that any amount which is spent towards easing the transitional period is well spent. Let us not for one moment forget that the system which we are implementing, and which is backed by very carefully considered plans, follows to a very large extent the recommendations of Mr Brown, who was the Chief Education Adviser to the Gibraltar Government, in fact he still is, Mr Thornton who is presently the Chief Education Adviser to the Overseas Development Ministry, the previous Chief Education Officer, Mr Harrington, and also the very much up to date recommendations of our present Director, Mr Wallace, greatly helped by Mr Dick Reed, who as our Education Officer has very intimate and valuable experience in local affairs.

Mr Speaker, money has to be spent very carefully, particularly public money, and when I speak in support of the expenditure before the House, of which money for education forms such an important part, I support it with the full knowledge that the plans we have prepared also follow very closely the well thought out and very carefully considered report submitted by the Secondary Education Commission in 1965. The report did not, and I repeat for the benefit of the members opposite, did not accept the AACR's scheme on Education as among other shortcomings, there still remained some form of selection at the 13 plus.

Mr Speaker, I do realise that the expenditure side of the estimates would have been much less if this Government had compromised or should I say sacrificed education and delayed going comprehensive, as the Honourable Leader of the Opposition fully backed by the Honourable Mr Featherstone openly admitted yesterday what was already public knowledge. (Hear, hear)

I would like to make it abundantly clear, Mr Speaker, that I do not know exactly what the Honourable Leader of the Opposition, or for that matter Mr Featherstone or any other previous Minister might think of Education. What I would like to say, Sir, is that should any member of the Government side ever attempt to compromise or try and sacrifice Education, for anything else, I would certainly resign and I say this publicly in this House. (Tapping on the table)

Of course, Mr Speaker, we all know from Television appearances of the Honourable Mr Featherstone - somehow it is hard to bring the words out at times, my apologies - other members of the Party in Opposition that they would have delayed the abolition of the 11 plus for an additional two or three years. Whether they, the Opposition, would have done so in three years' time is doubtful. That we have done so is now a fact. (Hear, hear)

Mr Speaker, I promised that I would not be long and before ending I would like to thank all the members for listening, and because of what I have said and because there is so much expenditure which has been involved on the Educational side, and because I know that all Ministers have been very responsible during the Estimates I fully support the motion. Thank you, Sir. (Tapping on the table)

HON M K FEATHERSTONE: Sir, I rise to support this motion. I rise at this juncture because it is rather the procedure that the Shadow Minister follows the Minister. I am not very worried about what he has said, I would however just like to make one little thing clear. He attributed that I said something on television about continuing with the 11 plus. I happened to be in England when that statement was made by somebody else !! This of course is typical of the Honourable Mr Devincenzi - and I have no difficulty in saying "The Honourable Mr Devincenzi" - perhaps his tongue is not quite so facile as mine in the use of words. Perhaps, Sir, this is just one more instance when he says things which are figments of his imagination or things he would like to attribute to me which I haven't said. At the same time I think

this side, when it thought of the question of a 13 plus took advice from people who were brought out to give advice and that scheme was set aside.

Sir, these Estimates, which have covered quite a lot of money, and no small amount on Education, have been very illuminating. Illuminating in particular for the dark sections that they have shown up. We haven't had, Sir, a single word, or hardly a word from the Honourable Minister for Education on what he was going to do on comprehensive, even though with his abolition of the 11 plus he must have something in mind, at least I would hope so. However, we have had him making a few remarks when questioned. He thought the questions put to him were a little belittling, a little stupid. They were not put with that intention, Sir, they were put with the object of eliciting information not only for myself but for members of the public. I do think that the present Government wishes the public to know everything going on at all times so that when the Opposition asks things in a good spirit I cannot see why they cannot be answered.

To turn to the Estimates generally, Sir, it has been stated Gibraltar is going through a difficult period. Sir, the whole world is going through a difficult period, not least the United Kingdom. I think perhaps it is a little unfair to say that Gibraltar today is going through a difficult period, the difficult period was possibly two or three years ago. Not the fault of any Government in power in Gibraltar, but the fault of the Government in power in Spain, which of course was putting restrictive measures on Gibraltar so that Gibraltar was the recipient of these restrictions. Nobody really know how they were going to end, there was an air of uncertainty. Although the Government faced up excellently to such uncertainty, overcame most of the difficulties as they were coming along, and started a plan for the future - I think this plan started as early as 1962 or 1963 when one first started to see, not the red light with Spain, but perhaps the orange warning light that trouble was going to come. By the time, Sir, that the restrictions came to a head, when the Algeciras

ferry was finally removed, Gibraltar had faced up to these difficulties and had realised that nothing more could be done against us. The difficult period then, Sir, was practically over. The present Government had had one very great advantage, they have had the advantage, Sir, that they knew nothing more could fall on their shoulders. They were not faced from day to day with a certain measure of unhappiness in the public because one did not know quite what was going to happen. Not the fault of the Government here, Sir, but a natural consequence when people had been accustomed to one way of life and were suddenly forced, through no fault of their own, into a completely different way of life. Such small things as the ability to go and visit one's family was taken away from them; even the ability to telephone one's family was taken away. This was no fault of the Government here but it did present a very difficult period. Today, Sir, the Government has done very well indeed with these Estimates, all praise to them, but they are, Sir, mainly a continuation of what has been done before. There is not very much that is new and startling. Even the excellent schemes of the Honourable Minister of Labour had their foundations many years ago; many years ago. So, Sir, we find no great difficulty in supporting these estimates. Indeed, Sir, in many instances we would like to go very much further but of course as everybody knows if you want to have everything, especially in Government spending, then you have to put a lot of money on taxation. Something again which is not too pleasant, and one must of course bedget within one's means.

I was very pleased to hear the Honourable and Gallant Major Gache give very important and essential information on the question of air transport to Gibraltar. I would, Sir, suggest to him, even though it is not a defined domestic matter that he could press harder with the Government in the UK, perhaps through his friend Lord Merrivale, that we must have more air communications quickly. Portugal is an obvious target. If the Government can do this they would not get opposition from this side, they would get full support and congratulations. We believe in congratulating the Government when they do things well.

But, Sir, just one little point which did strike me when my colleague, the Honourable Mr Serfaty, was talking about a bigger infrastructure for tourism. It was a pity, I think, that the Honourable Mr Xiberras had to comment "what a tourist infrastructure would support a few people at the top". Sir, it appears that the Government as a whole, apart perhaps from the Honourable Mr Xiberras, has seen a new light in tourism. We congratulate them for that. They will doubtless convince their colleague in due time. We do need a big infrastructure and it is not, Sir, for one or two people at the top, possibly these new hotels are going to be public companies with shares held by quite a lot of little people. They are not the few at the top, Sir. Tourism, Sir, is to a very great extent Gibraltar's future. This we must not, we cannot, afford to deny. I would not like to say "our enemies" Sir, but our not too friendly neighbours next door built up an economy on tourism which paid, I believe at one time, for eight essential imports, all from tourism. This surely was not then an infrastructure supporting a few people at the top but supporting a whole nation. Tourism in Gibraltar, Sir, can in its time support a great number of people in Gibraltar, not just one or two, but the whole range from the manual worker to the clerk all the way up to the business man, all of them can live and live well if we had a strong and thriving tourist industry. We must work towards that end, Sir. This, it appears, the Government is starting to and they must improve upon it. The money spent on tourism in these Estimates has got our full approval, and they will continue to have our approval, Sir, while they try to better Gibraltar's standing, not on one single economy, or economic point, such as the Dockyard. We must always have two or three points on which our economy is based, and Tourism is one of the strong ones. Sir, These estimates as I have said before are very commendable. I support them fully.

HON J CARUANA: Mr Speaker, it is most gratifying to hear the Honourable Mr Featherstone paying so many compliments to the Government and the estimates, and saying that he

supports them fully. I am not in the least surprised, bearing in mind what was stated in the Financial Secretary's Reports to the effect that the Medical vote has been increased by 38%; the Education vote has been increased by 39%; the Labour and Social Security Department's vote - especially with regards to Supplementary Benefits and Family Allowances - has been increased by 53%. over and above all the other measures, of an original character, which have been mentioned by the various other Ministers. I'd like to say, and I am glad that this was raised, perhaps at rather short notice and my late arrival when we resumed that the Improvement and Development Fund is by far complete since it does not include the substantial amount of money which is required to be put aside for the second stage of the Victoria Stadium, which will consist of a multipurpose Indoor Sports Hall; a Squash Court; a Cafeteria for the sportsmen. It will also provide for a grandstand, partially covered to accommodate approximately 1,500 persons . This will follow the work going on at present of fencing the Victoria Stadium. Neither do the Estimates show the substantial amount of money which will go towards the construction of very much needed housing at Catalan Bay, which we are sure will enhance the aesthetic values of the village, and neither does it include the money for the building of the extension to Lourdes School which will form part of the comprehensive school. It saddens me, and it is a pity that since the Honourable Mr Featherstone feels so concerned about Education, he should see fit at this moment, when he had ample time to debate this at this session, to talk on Education for barely two minutes, and limit his time to a further period later on in the proceedings, where the time will be limited to everybody in this House which will possibly give, if he works it right, a fair advantage to debate. I would like to correct Mr Featherstone on what exactly he said on Television. Mr Featherstone did say that they would have started on comprehensive when the buildings were ready; by implication, a few years. He also implied that the motive of this Government in the removal of the 11 plus

was purely political. He also stated that this would cause distress to the children and to the parents and that there was no preparation . Causing in his usual fashion despondency in Gibraltar. The problem of Gibraltar, Mr Speaker, did not start and did not finish with the withdrawl of the Spanish labour or with the removal of the ferry. The problem of Gibraltar started then.

Mr Speaker, I would like to pinpoint a few things on the question of comprehensive education in particular where it concerns building to illustrate to the Illustrious and Honourable Mr Featherstone that he is the most uninformed person in this House as regards comprehensive education. If I may quote from a report of the Secondary Education Commission in 1965, whose terms of reference was to consider the AACR scheme and generally to make their recommendations to the Government on the form that secondary education should take: "The Commission should draw conclusions on the strength of its findings and should not be limited by existing facilities etc in making the genreal recommendations" - and further down the page the Commission stated - "The Minister for Education kindly agreed to come before us to give factual information with regard to the building programmes" - this is why I am talking about this, purely on the building programmes, nothing else - "and to elucidate certain points in the AACR Report which seems ambiguous." This was in 1965. The report also recommended that the implementation of the recommendations made in 1965 should be introduced, Mr Speaker, with the least possible delay. Mr Speaker, this is an indictment to the policy of the AACR on education and all its educational advisers, from 1965 to the present day. So don't let the AACR come today and say that they know it all because they know very little. Mr Speaker, the Northern - as it will be known- Comprehensive School is to consist of the present Lourdes School at Glacis, suitably adapted, and a new building which will adjoin it which together will provide all the needs of a modern Comprehensive School for 840 pupils.

This plan is designed initially for boys, but capable in the future, for the Honourable Mr Featherstone's information, of adaptation as a coeducational school too. And let me point out that in this report the Commission recommended, no doubt on the strength of the AACR recommendation, that they should be separate schools and not coeducational as Mr Featherstone advocates today. So there is a certain amount of inconsistency.

The facility to be provided in the proposed sports centre at Bayside Road which I have just mentioned will provide this school with an additional 7,000 square feet of indoor area for physical education for the children of Gibraltar and this is purely the only reason why we got the money. Both the Comprehensive School and the Sports Centre are being designed by my Department and by the Government's Architect, in very close consultation, Mr Speaker, with the Director of Education and the representatives of the teaching profession, for the Honourable Mr Featherstone's information. Several meetings of great substance have already taken place in an air of mutual cooperation and optimism, tough minded optimism ! not pessimism ! on the educational sphere, because deep down there are a great number of people who care for the welfare of our children and it looks as if Mr Featherstone is the only one who does not care for the children of Gibraltar

I have with me, Mr Speaker, the brief which has been prepared for this, which after consultation with various of the heads of education - and this includes various sectors of Educational people - will now be circulated to the teaching profession as a whole. /the Gibraltar Teachers Association would not talk with the Government on the question of Education until the question of the appointment of the Director of Education was settled. So don't blame the Government for not calling in the teachers earlier, It was a very natural problem which arose and this had to wait until the atmosphere cleared. The cooperation of teachers has been obtained, believe it or not, and their suggestions are being incorporated, Mr Speaker, in our plans, as I shall show later on. As a

/we could not do this earlier because/

result of these meetings with the teaching profession, a draft brief which is the one that I have referred to, has been produced and is being circulated to these people before actually preparing the final brief. The detailed planning which is in the process of being done, will follow the acceptance of the general plan and will be carried out in consultation with the Director of Education, the Architect and members of the teaching profession. I must repeat this because this is a point which the Honourable Mr Featherstone has chosen to rub in to try and create in the minds of the fathers and the mothers in Gibraltar, that very little planning has been done in this recpect. The various Heads of Departments in the schools, that is to say, Heads of Arts and Crafts, Science, Languages and sports, have been called in individually to attend rather hard working meetings to discuss what they think their requirements should be.

Mr Speaker, we are following the recommendations in this not only of those people who are in the know about education in Gibraltar, but also the recommendation of the Newson Report and the current Building Bulletins of the Department of Education and Science in Great Britain. All this is being considered in the preparation of the brief, Mr Speaker. I could not bring all the plans with me to show the Honourable Members opposite but I can assure them ~~they~~ they are done, but just this Architect's sketch as a visual aid which I think are the prettiest. I can't bring the boarding etc. but all the plans for the Comprehensive School have all been prepared, not today, not yesterday, but as far back as October last year. Over and above this the Department for which I am responsible will have the responsibility, Mr Speaker of converting and modifying existing school buildings and a general study of the existing buildings is scheduled for later this year, since the priority of this second building certainly follows the construction of the new school. This will take into account Mr Speaker the necessary requirements of the Department, especially for the girl's comprehensive

-rount, Mr Speaker, the necessary requirements of the ... ent, especially for the girls' comprehensive complex which will be formed around the Loreto Convent and St Jago's School, in the Town Range area. It will involve too, Mr Speaker, a certain amount of rehabilitation, the provision of additional facilities to cater for the girls' comprehensive curriculumas decided by the Department of Education in consultation with the teaching profession and my Department.

Let the Honourable Mr Featherstone not concern himself unduly about converting existing buildings for comprehensive as he has intimated because this is done in Great Britain. If he cares to look up he can see the title of the book "Comprehensive School from existing Buildings", and Mr Speaker, if you would allow me to read some small sections from here so that I can illustrate, at least to the people of Gibraltar, that there is nothing wrong in using existing buildings for this purpose. In fact My Honourable Friend on my left has pointed out that in the 1965 Commission Report the following was recommended, it was the last paragraph in the summary of recommendations: "as an interim measure, and provided Government accepts fully comprehensive principle, and is prepared to work towards its full implementation, a comprehensive school may be housed in existing separate buildings, provided such buildings function as far as possible as one cooperative unit." This, Mr Speaker, is what we are trying to do if we could get the cooperation from his side, which the Honourable Mr Featherstone so much preaches.

33 pages at end of 13/9/12

14/9/12

The Department of Education Bulletin No 40 says that most schools are too small to serve, without very substantial enlargements, as comprehensive schools for the 11 to 18 years age range, but many can be used with comparatively minor adaptations as junior or senior components in the two-tier comprehensive system. This Bulletin concentrates on the problems of enlarging existing buildings and adapting them to the

comprehensive use though it is hoped that the contents may be of some assistance to authorities on other matters of education. It also says that thisis not the place to analyse the requirements of the school organisation or to describe at length the changes that are taking place, but it should serve some brief remarks which are necessary if the design approach embodied in the case studies is to be understood and that the comprehensive reorganisation on existing schools will usually lead to the creation of larger schools, though not all will be as large as was at one time supposed.

It should prove conclusively, Mr Speaker, that there has been some planning towards comprehensive education in Gibraltar. Extensive study if I may add into this problem for a considerable time. What this Government has done is to take the bull by the horns, taken up the commitment which had to be taken sooner or later. We believe that for social and moral reasons this should have been done a long time ago and we think it was our bounden duty to do it at this time.

Mr Speaker, I support the motion which was put to the House on the basis of the Estimates.

MR SPEAKER: Do I take it there are no other members who wish to speak in support of the motion?

HON P D ISOLA: Mr Speaker, I have pleasure in supporting the motion before the House and concur with a lot that has been said about these Estimates on both sides of the House. I think anybody reading the Estimates of Expenditure and Revenue of Gibraltar could not believe that this was the financial situation of the same Gibraltar as that which one reads about in certain sections of the Press, and of which one hears so much about from bodies and organisations in Gibraltar who should perhaps know better. The Estimates of Expenditure and Revenue show a picture of stability in the economy, and figures, Sir, do not lie. The Estimates for 1971 show an increase in expenditure over the approved

estimates for 1970, of some £700,000. This is an enormous increase in expenditure, and despite this enormous increase in expenditure the estimated deficit as at 31st March 1972, is a mere £85,000, showing of course that the measures, the drastic taxation measures, as they were called by the Honourable Financial Secretary in his lucid exposition on the Estimates, showing that the estimates of taxation which were calculated to bring in some £400,000 in fact brought in £600,000. This shows, Mr Speaker, to my mind, that the economy was able to take these measures in, and that the tempo of importations was continued. One of the chief sources of revenue are customs duties and these show a continuing upward trend. That of itself reflects that people are continuing to import goods into Gibraltar on an increasing scale thereby showing that goods are being bought within Gibraltar and that trade is being done in Gibraltar. No one suggests for one minute that we have a flourishing economy today, but we have got a stable one, one dependant on factors which are not likely to change and that is important, because in previous budgets our revenues were dependant on certain aspects of trade that were always regarded as a temporary nature and which in fact were cut off in 1964, 1965 and 1966.

So that, Mr Speaker, the economy of Gibraltar appears to be reasonably strong and reasonably healthy, thus giving the lie to those who continually throw their hands up in despair and say that Gibraltar is finished. And I think it is a matter for congratulations for all Honourable Members of this House, and indeed for the people of Gibraltar as a whole, that despite the most serious restrictions that were placed in 1969, and despite the final attempts to bring Gibraltar to its knees economically, despite all that we still have our heads well above water.

Mr Speaker, Sir, throughout the year we have also been able to absorb some very substantial increases in salaries. I don't think it can be doubted by anybody that there has ever been in the history of Gibraltar - where there has been such substantial rises in salaries

and wages and in earnings as there have been during the past twleve months. I am not saying to whom this is due, but it is a fact of life, and it is a hard economic fact, that in the worst period of our history we havebeen able to achieve the highest substantial salary rises and able to achieve higher living standards for our people. That is the measure of the success of the Administration, to my mind, in the last twelve years.

There are two aspects, Sir, of the policy that is being discussed here today with which I would like to deal, and that is on the question of air communications, to which my Honourable and Gallant Friend the Honourable Major Gache referred and to which the Honourable Mr Serfaty has also referred, and of course also on Education. I would like to say something on that too. Sir, when the Spaniards shut the land frontier there were an estimated 400,000 tourists coming across that land frontier a year. When they cut off the ferry there were some 250 or 300 tourists coming daily into Gibraltar from Algeciras. When you think that we only have roughly one flight a night on a Vanguard that is a maximum of 130 coming in. The loss of numbers coming into Gibraltar as a result of shutting off these frontiers was considerable and is considerable. When my Honourable Friend the Minister for Tourism gave his statement he talked of 235,000 guest nights in 1969 and some 231,000 guest nights sold in 1970. Of course, compare that with the days when half a million used to come in and the day when 300 a day came in from Algeciras and one begins to realise, in my view, in the present state of Gibraltar, the importance of having th airport working to capacity; the importance for the economy of Gibraltar that we should try and make up those numbers. The Honourable Mr Serfaty touched on one side of the problem, the infrastructure, more hotels and more beds, but surely he heard the Honourable Major Gache say that even with all these planes, the scheduled flights coming to Gibraltar full or fairly full, if they did that you would not fill the available beds in Gibraltar today. This does not take account of the two new hotels that are being built.

Mr Speaker, Sir, there is an obvious conflict of interests here between the real interests of the people of Gibraltar and the interests of the air lines. You see, the airlines want to have a conservative growth, they want to ensure that they come fairly full to make the maximum profit. And when they are in the monopolistic situation that they find themselves in, they can afford to do this. They cannot afford to do it on the London/Paris run or the London/Hamburg or any other European place or even London/Malta. There is competition there and they have to be satisfied with an average of their planes being full say 40% or 50% if they are very lucky. As regards Gibraltar, they are running to an average of 65% capacity, which is very big and very good for them and good luck to them, but it prevents the expansion of the economy. It prevents the encouragement of investors in Gibraltar who find difficulty in coming to Gibraltar to see the place they are going to develop. And that is a fact, and that is a reality. Therefore, when we are talking of air communications to Gibraltar we are talking of something that is vital to the life of the community and vital to the expansion of the private sector. In this connection it is not just London to Gibraltar that is important it is other routes, and I agree entirely with what the Honourable Mr Featherstone has said with regard to the Lisbon route. I would say this would apply to other places too and I would say that it is the bounden duty of this Government to see that we, the people of Gibraltar, have a greater say in what airlines come to Gibraltar, have a greater say in deciding frequencies, have a greater say in deciding fares. This is happening all over the world. Gibraltar, Sir, in this respect is far behind. This may be the fault of previous administrations, I do not know. Maybe we have been weak in Gibraltar. It may be that we have not been terribly interested in the past, but with that frontier closed and with the Algeciras ferry frontier closed it becomes a vital issue in our lives and in our very existence.

To hear from my Honourable and Gallant Friend that B.E.A., after we have just voted £56,000 for promoting Gibraltar, to hear that they are going to reduce the capacity between 1st April to 31st May, and only going to increase it in the peak period from June to September, is to my mind outrageous, when we consider that they were forced last year to put on, as we heard from my Honourable Friend the Minister for Tourism, a great number of extra flights during the peak period. They know then that they were not giving Gibraltar an adequate air service and they had to increase their flights. So what have they done, Mr. Speaker, they've only increased their flights in the peak period so they don't have to put too many extra flights. But in the rest of the period they prevent growth by reducing the flights. It does not matter what money my friend the Minister for Tourism the Government - or the tax-payers may spend in promoting Gibraltar - expecially the tax-payers because they are the people who are paying - the people who want to come to Gibraltar cannot get on a plane to come to Gibraltar reasonably comfortably as they can do to other areas. I talk, Sir, from personal experience and from the experience of a lot of people who have told me of their difficulties in being able to book flights to Gibraltar.

They are always told "We'll put you on the waiting list" and these are Americans, Frenchmen and Englishmen to my own personal knowledge. I think that it would be useful if the Honourable the Chief Minister were to assure the House, when he speaks on this matter, that he will do his utmost to see to it that the Gibraltar Government has a say in the question of flights to Gibraltar, not only from London but from other parts of the world. It is vital to our community and we cannot get expansion and growth in the economy, as the Honourable Mr. Serfaty would wish to see, unless the opportunity is there for people to come to Gibraltar. It is vital to the development of the Tourism Industry, for which the Opposition show such a great interest.

As to what the Honourable Mr. Serfaty has said about it being impossible to reduce air fares to Gibraltar, and that you will never get to the charter rate, I

would like to just quote at him the fact that operators in Gibraltar can offer a tour to London, and stay the week there in a good hotel for some £49, Sir. It is I'm sure common knowledge that to say that the minimum cost of a good hotel in London is £3, is being cheap. it must be £3.50 or £4, and it must show that the element of air fares in that package holiday is some £20, so that it can be done. The problem I find, and the problem I think that is facing us is, that because tour operators are not using charter flights and are using scheduled flights, which may be good for keeping a reasonably good scheduled flight, I do accept, other bona fide passengers, passengers not connected with package tours, business people, professional people, Service people and so forth, find it difficult to get seats because they are all reserved for the principal tour operators. That I accept, Sir, is a matter of detail and I am sure it is something that can be sorted out between the tour operators, the Government and the air line. But what is absolutely important and vital for the people of Gibraltar is that the Gibraltar Government should decide in a civilian area - I am not suggesting we take over the airfield, that would be much too expensive a business - but we should decide fundamentally, this is the crux of the problem, that people should have to come to us if they want to come to Gibraltar and we should then be able to apply conditions in the same way as the Air Transport Licensing Board does today. That is perhaps too ambitious, but at least let us get to the stage that our Gallant Friend the Honourable Major Gache has suggested, let us get on a par with the Channel Islands and the Isle of Man, where there is a responsibility, a statutory obligation on the Air Transport Licensing Board to consult the Government of those particular territories, so that we can have an effective say. Because until we do that all that this increasing expenditure on the tourism and promotion is merely filling up the planes for the airlines, and not achieving the wide and flexible expansion which I am sure the Honourable Mr. Serfaty would agree with me is necessary to develop tourism in a territory.

Sir, the other point I would like to mention, because I keep being brought into this question of Education by the Opposition, and more particularly by the Honourable and Learned Leader of the Opposition, when he stated yesterday, I think, that it was the A.A.C.R. who had convinced me or forced me to accept comprehensive education.

I would like to say this, as a matter of history as far as I am concerned. In 1964, an election was fought in Gibraltar and the A.A.C.R. Party then - and I am sure that at that time the Honourable Mr. Featherstone was in their planning committee and also I am sure Mr Canepa who spoke on television the other night, and so forth - and they brought out a scheme for education which was based, if I remember rightly, in abolishing the 11plus, which was a popular cry then and it still is admittedly, abolishing the 11 plus in 1964 and turning to comprehensive education, or a sort of comprehensive education, without the need for new buildings. That is the point I want to make, without the need for new buildings. Seven years later they are saying the contrary, don't abolish the 11 plus until we have new buildings. There is a change of policy there, a very big change of policy, and shows to my mind a certain amount of muddled thinking. Now, let me tell you my position, because I have been Minister for Education for a long time and I do reckon that I do know something about it, probably through bitter experience. My reason for not agreeing to the abolition of the 11 plus in 1964 was perfectly simple. Of course I knew the difficulties about it, of course I knew the problems that they created, but the reasons for my not agreeing to it at that time was twofold: one, lack of buildings and two, lack of adequately trained staff at that time. The biggest problem facing education in 1964 was lack of staff. Those two points were in fact, if I remember rightly held to be valid by the Secondary Education Commission.

But that is history Sir, if the A.A.C.R. felt so strongly about Education in 1964, as they said they did, if they were so anxious to abolish the 11 plus in 1964, and I say this only by way of comment, they seemed to be rather more anxious to govern, because they made a coalition at that time that compromised their scheme for Education, and they sacrificed it. So, I wonder whether they are so anxious on this question of education as they try to make out to be. The Secondary Education Commission Report came out in 1965 and they were in power then. I became, I think, Minister for Education again in 1967, and it fell upon me to implement the Secondary Education Commission Report which I accepted as coming from an independent body who had looked into the problem of education and made recommodations for education in Gibraltar. I think those are the proposals that are fundamentally being carried out by the Government today. We did a lot of planning, I mean, Mr. Brown who was mentioned before advised me on this quite a lot. Indeed I think the last Government, in fairness to it, made a policy decision as a result of a paper that I produced to Council of Ministers in which I told them clerly;"Look gentlemen, if we're going to put comprehensive education into effect we need money, and we need money for the buildings that will be required to implement the comprehensive education system. Everything is going on housing, what about something for education." In fairness to the previous administration, a policy decision was made - I think it was sometime in 1968 - to give education priority over housing in the next development programme. But then, Sir, as luck would have it the Spaniards withdrew their labour force and immediately Gibraltar was faced with a very serious man-power problem. Immediately the question of housing came to the fore again as the need to provide extra accommodation in Gibraltar became self apparant.

This particular Government, as I understand it, although they have got a very big housing scheme on, which is all to the good, have agreed to give education, as I understand it, the same priority as housing. I personally accept that priority and I personally accept that as being a wise decision in the circumstances as the Government found the situation when they came into power in 1969.

Now, Sir, we come to the abolition of the 11 plus. I think it has been accepted by all educationalists in Gibraltar, and I'm sorry to have heard it said that the Honourable Mr. Featherstone was prepared to wait three years for abolishing the 11 plus and until the buildings had been built, - That was also said, I think, by Mr. Canepa on television when I appeared with him - because of course that was never the plan. The plan was to go into the transition stage which was recommended by the Secondary Education Commission as soon as you knew that you could start your buildings, and as soon as you knew that your buildings would be a reality. We know now the amount of money that is being earmarked for the extension of Lourdes School into a comprehensive school for boys. The Honourable Mr. Caruana has shown in what an advance stage the planning is and we are told the money is there. Well, Sir, in those circumstances the 11 plus must go, and go straight away. We know the difficulties of the 11 plus, it did its work of selection reasonably well, but unfortunately it created complexes in children, in parents, and in teachers. And although it did its job, it was not acceptable to any of them. What was worse, and this is something that has not been mentioned by anybody, the 11 plus tended to upset the educational progress of the child in those important years between the ages of 5 and 11. Everybody was thinking "will my child get the 11 plus"; there was extra tuition; teachers the headteachers who wanted to achieve success tended, naturally, to devote more time to the 11 plus, and it became a ratrace at the age of 5 to 11.

That cannot be good for any child and that cannot be good in the position that Gibraltar finds itself in.

Therefore as soon as it was possible to do away with the 11 plus the Minister for Education was quite right in taking the decision that he did. There is no question about that. If he had wanted to be political, if he had wanted to get advantage from it, he would have abolished it the year before the general election. People would then have known that the 11 plus was going to be abolished but they would not have been aware of the problems that would arise as a result of abolishing the 11 plus. Let not people think that by abolishing the 11 plus you finish your problems in education; they will become more acute for a time, and this will be for two or three years until the new school is up and people move in. Comprehensive education is not the answer to education, it will stay with us for about 20 years but then it will move on to something else. Education is a continuing process of change and it marks time with the progress of society. Comprehensive education is socialistic and as our society becomes more socialistic, so education becomes more socialistic, this is the reality. Therefore, Mr. Speaker, Sir, I think that the accusation cannot be thrown at the Government that they have done this as a political gimmick. This is not so, great thought has gone into it, it is quite clear from the statements that have been made by the Minister to the press, from the plans that have been made and produced today. It is quite clear that this decision has been taken carefully and that the planning is going on in a normal way. What we ought to do was I think, is to say "well, thank God the 11 plus is over, now lets get going and implement the comprehensive system for the benefit of all the children as smoothly as we can." To do that the Government requires, I would have thought principally, the co-operation of Head Teachers who are going to suffer a little discomfort at first, but they will get used to it, I'm sure they will, parents, and last but not least, both sides of this House.

Let us get the temperature down on education and let the Minister get on with the job of implementing this very important change in the life of our community. But in saying this, Sir, let me warn the Minister - not warn him because, I know this is his policy, the policies of the Government - let me say that we're going to build an extension at Lourdes School and that this is going to be ready in 1973. Let me say that I hope that there will be an announcement with regard to the building of a comprehensive school in town within a reasonable period of years. It doesn't have to happen at the same time, it can't happen, its not physically possible, especially as there is trouble as I understand it, and as I knew when I was Minister, there is trouble about selecting a proper site.

As far as the school in Glacis is concerned, there is no problem, there's the area, you've got the Victoria Stadium, you've got the Sports Centre we've been told about, you have got all the amenities round there. In town it is more difficult to get a site that is going to be there for 10 or 15 years, it is more difficult and therefore more time will be taken. But I am sure that the Minister will agree with me, and all the Honourable members of this House will agree with me, that we do not stop at building the Boy's school, we must build another one, but I appreciate must come in the fulness of time. I would say that within the period of 7 years would be reasonable, six or seven years. I'm being realistic on this and I don't think anybody would suffer thereby, because it so happens, it so happens, that because the secondary schools for girls, the proposed complex for girls, are so close to each other they are going to be able to be run reasonably comfortably for a few years. If we find, and if the Government finds, that using three buildings is disatrous after 2 years, then they will have to give very quick priority to building a Girls school, which I'm sure they will. But the thinking on this seems to me to be perfectly logical and sound and I think that in the decision to abolish the 11 plus, Members of the Opposition can take a certain amount of credit as well as the Government.

We have all agreed that this is the answer to Gibraltar's problems, and we have gradually progressed to doing it. Taking the actual decision, which people might think it a political gimmick is a far more difficult one because once you've taken it, Sir; by Jove, you've got to make sure you can implement it properly, because if you can't, you're in real trouble, as a Government. And of course what is much worse - because the fact that the Government is in real trouble is of no concern really to anybody except to the Government supporters - is that your educational system is in real trouble.

I believe, Sir, that the Minister made the right decision, and I believe that the form in which it is to be implemented is a perfectly satisfactory and sane one. I do hope that the Opposition will help in the implementation of the comprehensive system of education, which has enough difficulties without adding to it, by encouraging all those that they can to co-operate in its implementation.

I've been rather a long time, Sir, and I do apologies to the House, but I thought it was worth while making a little discourse on this very important issue for the people of Gibraltar. Thank you, Sir.

HON I ABECASIS: Mr. Speaker, a moment ago the Honourable Mr. Peter Isola challenged the Opposition to produce a single instance when workers in Gibraltar had ever had a greater increase in wages in the last 12 months. Had he said "increase in earnings" I would have agreed, but he said "wages", and in wages the previous administration granted 27%, whereas the present Government only granted 15% and an extra 3% after the workers had gone on strike. If he had said "on earnings", as I said before, I would have agreed with him.

The workers must not be grateful either to the past Government, to the present Government, or any Government, for the money that they are getting. They need only be grateful to themsleves, because they are the people who are working 60 or perhaps 80 hours a week. After all they are getting what they are working for.

Whereas in Britain and some other Countries, Commissions are looking into what the people should do with their spare time, and with their leisure time, if in Gibraltar we don't do something about increasing the basic wages of the individual and we keep them on the two job society, we will perhaps have to establish a Commission to look into the causes of premature old age and nervous disorders. This is really what is happening with so many people doing two jobs at the same time, and this cannot go on indefinitely.

The Honourable Mr Peter Isola also referred to the previous coalition Government, - I was not a member of the previous coalition Government, and do not have much knowledge about it - and said that the comprehensive system of education was compromised on joining forces with Sir Peter Russo. I say to the Honourable Mr Isola, and to the present Government, that the people of Gibraltar are now saying that the Integration with Britain Party have compromised and are not pressing for integration because of the present coalition. This is what the people are saying after hearing the Chief Minister on television say "we have already integrated, Gibraltar is British since 1704, we are integrated; we have a British Passport, we're integrated; so therefore there is nothing else to be done on integration." And I say that this is just the result of the coalition with the Isola Group.

If I may be allowed, Mr. Speaker, the Honourable Mr. Caruana, when dealing with the question of housing yesterday, said that there was an innovation in the present Housing Allocation Scheme in that for the first time points were being granted for waiting time. I do not think this is quite correct; points were granted previously for waiting time, the difference was that in the previous Housing Allocation Scheme points for waiting time were granted to people who were overcrowded. People who had 20 points or more for overcrowding would get five extra points for every year they had been waiting.

This is in the Housing Allocation Scheme which was published on the 25th August 1960. Perhaps the idea of introducing this question of points for waiting time thought up by the Government in order to compensate people for the amount of time they have to wait to see the Minister. Perhaps that is the reason for it.

I saw a man this morning who had written a very urgent letter to the Minister asking him for an interview, andhe was told that he could be seen on the 23rd August, at 3 pm. - in five months time.

Another suggestion that has been made by another Minister throughout the proceeding is, that a new formula had been adopted for the workers and he described this formula as "revolutionary". As my Honourable Friend the Leader of the Opposition was saying earlier on, they thought that the world started when they came into power. I think this applies to every Minister opposite. This formula is not revolutionary at all, it is an improvement on a previous type of formula. As far back as 1947 there was already a formula in Gibraltar which adjusted wages periodically. Granted, that the amount of money in those days was ...

HON M XIBERRAS: Automatically?

HON I ABECASIS: Automatically, automatically, yes. It was a formula introduced by the Standing Wages Committee, and this was automatic, without the need to go to arbitration, as is the case today. This formula, as I said, was introduced in 1947. Now, the present formula is not a formula produced by the Government, as the Honourable Mr Xiberras said on Television when he was interviewed by Mr. Peter Plant. According to him the credit must go to Government all the credit must go to Government. No the credit must go to the Unions because they were the people who really put the formula forward.

On the 10th May - I give dates, I'm not making suggestions, I give you dates - on the 10th May 1967, before the Integration with Britain Party was even in existence, we had already - and when I say we, I mean the Unions - had already/a claim on Mr. Marsh that the formula should be introduced. This was done, as I said, on the 10th May, 1967 and we were asking for the adjustment of wages in relation to the cost of living. This is also included in the A.A.C.R. Manifesto, and I read from the Manifesto. "Wages and Social Policies. Government must aim at the introduction of a national social wage, which should be adjusted periodically in relation to the cost of living." This was a follow up of the Union suggestions. Furthermore, not only cannot the Government take credit for it, but they even fought against the formula. It was the Unions, at a meeting held in November 1970, that had to convince the Minister that the formula was necessary, because the Unions could not accept the point that there would be no other increases until 1972, and therefore they suggested this formula. I am speaking with authority, Mr Speaker. It was in November 1970 that the Unions forced the Minister to accept the formula. Until then they did not want to budge and this was agreed at the meeting of the Joint Industrial Council held on the 23rd December 1970. The suggestion, the principle and the figures were produced by the Transport and General Workers Union. But we're not surprised, at least I'm not surprised, at the attitude of the Government because they also say we have introduced a 40 hour week. The Unions have been claiming the 40 hour week for the last two or three years.

If we go to arbitration and the findings go in favour of the Union and the Union gets the 40 hour week, how can the Government come out and say "we have given you the 40 hour week". So much for that side of the Estimates.

I go now, if I may, Mr. Speaker, and I am pleased to note that in one of the items in the Estimate there is provision for the erection of stone and boulder traps

on part of the Eastern Side of the Rock. I'm particularly pleased because it will now be safer to live in that area, or to visit that area, and furthermore because I took an interest, shortly after the election, to see that this was done. So I am grateful to the Government not for having followed my suggestion but for having acted on the pressure I put on them in this particular case.

Since I am commenting, Mr. Speaker, on projects - although I know that it is not included in the Estimate but mention was made of Catalan Bay - I would like to remind the House that fifteen months ago I asked the Government, the Minister, what was being planned for the construction of the 15 flats at Catalan Bay, and the answer was, "No we're not going to build 15 flats, we shall build 48 flats in Catalan Bay, 15 is not enough." We now find that instead of 48 the number has been reduced to 30, and not only reduced to 30 but the tenders are not yet out. I understand that they will be out sometime in July, but the fact remains that fifteen months later we still have no new flats in Catalan Bay.

There is also, if I am allowed to go further, the magnificent project at the Viaduct, and here we are going to construct 750 flats. A project which is most welcome and I am sure deserves the appreciation of everyone. But since a project of this magnitude is likely to take some time, I would suggest to the Government that on this occasion - they did not on the question of Catalan Bay they should follow the advice of the Opposition and build some more conventional flats in the meantime. Otherwise the gap between the allocation of flats at the Glacis Estate and the Withams Estate, initiated by the previous Government, and the Viaduct Housing Estate will be too wide and the project will not break the back of the housing problem, as suggested by the Chief Minister recently. I make the suggestion, Sir, in the interest of those who are still on the housing priority list, including those who are living in the Town Range Centre, since 1965. The housing problem as I see it, Mr Speaker, deserves a united effort by all those who can make a contribution towards its solution, and by that I mean The Services Departments, the Local Government and the Private Landlords.

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No effort should be spared to improve our living conditions. Most of the people who immigrate to the U.K. do so because they cannot find decent accommodation in Gibraltar. This obviously affects the labour situation and the House will agree with me that we cannot afford this drain on our labour force. That concludes my contribution in support of the Budget, Sir.

HON CHIEF MINISTER: Mr. Speaker this is the second budget introduced in this House by this Government in the period of approximately eighteen months that we have been in power. Budget day comes about once a year, and one can say that when it comes it doesn't bring good cheer. In fact we don't look forward to it as we do at Christmas and Santa Claus and a stocking full of gifts. We are rather terrified at seeing the bogie man coming along with his brief case full of unpleasant surprises. But all I can say is, that although last year the surprises were perhaps extremely drastic, as we all know - and these were the words used by the Financial Secretary - It was possible in this short time to put our house in order. As you know, we had to face tremendous difficulty, particularly financial difficulties, and one has to look at this in a rational manner. I know that it is very human to have to pay, but in an organised society as ours, particularly if the Government is interested in seeing the proper distribution of wealth, and ensuring that the social services move with the times and improve on what they were before, it becomes a duty of every respectable citizen to face the situation boldly and contribute towards the well being of our society.

As well as that, budget day is very much a day of reckoning for the Government. We can look back and see what has been achieved, whether the policy that the Government was pursuing was the proper and correct one, and look ahead and find out whether we should carry on with the same policy or whether we should change it. It also, I think, gives an opportunity to a responsible Opposition to come forward and look, as we have indeed done on this occassion, into every item of expenditure and see if there is agreement, find clarification, or show a

resentment against any particular item that they may feel is money which should not be spent that way or which in their view is not going towards an item that they would like to see there. There is no denying that we have had plenty of that on this occassion, and I for one am delighted, becuase in this way the Opposition does participate in the democratic process of Government, which is the whole object of the House of Assembly, and which is the whole object of presenting a budget today.

But the great thing is that when for the first time we faced the difficulty of financing the projects of Gibraltar, we found that the Colony was not on a very sound footing, and however much the Honourable Mr. Featherstone may say that things are looking so rosy today because the Spahiards have gone as far as they could go in their restrictions, I think that any reasonable thinking man knows perfectly well that that is not so. Certainly the traders, who we all know contribute considerably towards the upkeepof the Government and the Social Servies, are the first ones to admit that the closure of the frontier, the imposition of the air ban , particularly the stoppage of the ferry from Algeciras to Gibraltar, was a very serious blow to the economy of Gibraltar. It was precisely soon after the total and immediate stoppage of Spanish Labour coming in that we took over. This came to about $\frac{1}{3}$ of our labour force, and I can tell you that had this Government been in power before, we would not have been caught on one foot on that occasion because we would have introduced very soon after coming into power the Control of Employment (Admendment) Ordinance which would have seen to the control of the number of workers in Gibraltar and instituted the policy of higher productivity that is producing such good results, whatever anybody may say, and however much this Government may be criticised for allowing the workers to have greater and higher earnings. This is in fact, the source that is helping the trading community of Gibraltar to keep their heads above water, as the President of the Chamber of Commerce admitted, I think in one of his unguarded moments, on Television the other night.

Although he says that this Government is anti-commercial - viciously anti-commercial - which of course could not be further from the truth.

In addition to that we found that we had to meet not only the extra cost brought about by the inevitable increase of the cost of living which is taking place all over the world, and which must naturally reflect in our small society, but we have to meet a deficit of very nearly £400,000. That is a huge sum for Gibraltar. I'm very pleased to say, and I'm very happy to say, 15 months after we introduced our drastic measures, that at the end of this period this Government has been able to meet a wages bill of nearly £400,000 plus - that is a very big sum of money added to the previous £400,000 - and finish up with a surplus; £200,000 of which have gone into our Improvement and Development Funds, which looks ahead to the future, and we have added £100,000 to our reserves, bringing this figure to over £800,000. I think we can feel very happy that that is the situation today. But not only that; we've had the courage to make decisions as to the future and we have undertaken to meet the formula, this very important formula, which will automatically give a cost of living allowance to all workers - industrials and non-industrials - every time the cost of living goes above 3%, by the equivalent amount that that may rise. This is an undertaking that we have now given, and I think it must be very reassuring to the workers that now, in what can be called the worst possible year in the modern history of Gibraltar, this Government has been able to face this challenge and produce successful results.

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20 pages
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I think it is very important to ponder over this, because it shows that notwithstanding the fact that we may not be happy with one side of our economy which this Government - I mean figures prove this, I don't think I need go through the figures again - is very keen in promoting and every member of the Government is keen in promoting, including, my Honourable Friend Mr. Xiberras, whatever the Honourable Mr. Featherstone may say - we are all trying very hard to improve that side of the economy, I'll come to that in a moment, I must give a short explanation on the main strain on Gibraltar which has

seen us through our most difficult days and which has enabled us to come here today and show a surplus on last years spending.

I am referring to Her Majesty's Dockyard and the Services, who I'm absolutely certain are the source of income that keeps Gibraltar going. Because, if as the Opposition says, the Tourist side is in such a desperate state, and the Honourable Mr. Featherstone suggests that things are now better than ever before because of the restrictions, it proves that since this is the leg on which we stand today, it is the one that we've got to look after very carefully. This Government will give priority in our economic policy to that side of the economy. In these days when we begin to talk of "people and power" and not "power and people", which is very interesting because of a tremendous change that has taken place in Gibraltar, when thinking of our economy we must also think of our people. And I would like to say that the people of Gibraltar as a whole would rather be craftmen, would rather be shipwrights mechanics, and electricians, than waiters and cooks. So, from that point of view, Gibraltarians, if they have to chose, would give priority also to that side of the economy. And this Government which always thinks of the people, is bearing that in mind. However, I'm going to go now to the other side. That does not mean to say that we do not take into account that Tourism is a source of income. Not only a source of income, it is also a very important side of Gibraltar in a social sense. If we were here locked up, as we are, without seeing new faces coming through I think life would become very boring. So obviously we are also interested from that point of view to see Tourism prosper in Gibraltar. It shows from the budget that we're doing everything possible, and not unsuccessfully. We have new hotels, as I said and this I think is a tremendous achievement in the year when we were completely isolated. When we did not even have the ferry to bring people across. That I think is faith on the part of those men who are putting the money, in this Government. They certainly believe that this Government is going to see Tourism prospers, there's no doubt whatsoever.

We also know, by the public statements made both by my friend the Minister for Tourism, and the Minister for Trade, time and again, that this Government is set in improving the Tourist Trade of Gibraltar. There can be no doubt at all, about that. But we must have a sense of proportion, and we just cannot run before we can walk. In fact if we were to try to do that, we could easily do ourselves an injury, and this is what we're trying to avoid. If suddenly we were to flood Gibraltar with hotels if that were possible, which I don't think it is - and all of them were to find themselves empty, that would be disastrous. Therefore I think it is common sense that we should develop this naturally, with some aim knowing that if a hotel goes up it is going to be supported by the amount of Tourism that will fill those beds. And similarly that we do not put out of business completely - through over production, if you want to call it that - those who are in business today. I think we want to protect those hoteliers who have been serving Gibraltar for so long and we are bearing that in mind too. All those things are borne in mind.

But I would just like to satisfy the Honourable Mr. Serfaty, that not because other sites have not gone out to tender, I have not personally done my best to attract other developers to come to Gibraltar, developers who we think might be able to contribute. If the Honourable Gentleman does not believe me he is very welcome to come and see me and I can show him the correspondence from which he will see that I personally have taken a direct interest in that. I am also very aware that problems such as air seats to Gibraltar require a degree of turnover to make it viable, which is I think what the Honourable Mr. Serfaty calls the infra structure. If you want more planes to come to Gibraltar, you must have enough beds to fill up. otherwise it is not a paying proposition to the air-line. We are all aware of that. Shall I say that we are not discovering the world, the phrase that is so often used by the Honourable and Learned Leader of the Opposition. This is just common sense and I think we have all gone through that before. All those things are borne in mind and I would like to say, in order to avoid the Honourable Mr. Serfaty

having a heart attack, that he can rest assured that this Government will look after that side of the economy with as much interest as we are looking at the other side, except that perhaps we have the priorities wrong, as far as you are concerned. You seem to put Tourism first and the Dockyard second. We seem to put the Dockyard first, and Tourism second. If that is not the case, I 'm very glad to hear that, but I'm afraid that that is not the impression you are giving and it looks to me as if we have been taking at cross purposes all the time, if that is not the case. If it is the case then we are all a very happy family in this House to-day because as far as the policy of this House is concerned we are all moving in the same direction, except that we seem to have caused the movement a little faster than you have before.

Now, I would like to tackle one or two little things that were raised. I would like to say this Government is committed to full comprehensive education; let there be no doubt in anybody's mind about that. And I'd like to state that the Honourable Mr. Featherstone did less than credit to his party, to which once I had the honour to belong, and which I would like to state has done tremendous good work to Gibraltar, but like everything else they can get out of date and I think they have ...

HON SIR JOSHUA HASSAN: You were in the army . . . . . .

HON CHIEF MINISTER: Yes, and serving Gibraltar in the army. I am very proud of having done that, and I am prepared to serve in the army again if it is required of me. There is nothing dishonourable in being in the army and may I say too that whilst I was in the army I was also a politician. Perhaps the only soldier in uniform who was also in the City Council, with the Honourable and Learned Member, and may I say too that in that particular election he came first and I came second. But it looks as if I am now winning the race!!

HON SIR JOSHUA HASSAN: You came third this time!! (laughter)

HON CHIEF MINISTER: No. I was thinking position - wise!! (laughter)

Anyway, going back then to the question of comprehensive, I'd like to say again that I think, the Honourable Mr. Featherstone has done less than credit to his Party by going on television and spreading alarm and dispondency on the parents of Gibraltar. I really mean this. I think he talks about the Minister for Education causing suffering to the people of Gibraltar, particularly the children. I would like to say that when he spoke that night, I was very displeased, because as a parent who did not know the amount of preparation that this Government was doing for comprehensive, to be told by what was supposed to be a responsible member of the Opposition, but this Government was eliminating the 11 plus, purely and simply for political reasons, I thought was not up to his standard. And I hope that having gone into this as we have done in the House today, when it has been proved conclusively that this Government has got very sound plans for the implementation of the comprehensive system that he will retract that statement. I would certainly consider that a very manly gesture, and I am sure that his standing would go up in everybody's opinion, because that is the real situation, and it has been proved here today to be the case. There is no doubt about it as was mentioned by my Honourable Friend the Minister for Education, no less than four experts have recommended this, no less than four. You heard my Friend the Minister for Public Works but as far as the schools themselves, the buildings of the schools, everything is ready for it. It is going to be done, we have the money, it is going to be put out to tender. There is no doubt in everybody's mind on this side of the House that this is the case. If there is any doubt, I know of one person who would not allow this to happen, because he has taken a very great personal interest in this, having been a man who served as Minister for Education for Gibraltar for a very long time, and that is my Honourable Friend Mr. Peter Isola. He just would not stand for it, , I can tell you that. So I wish the Honourable Mr. Featherstone would reconsider the whole position,

and if he is convinced - if he is not, of course he can carry on going his own way - but if he is convinced that what I am saying is a fact, then I hope he will retract what he said. Gibraltar, particular parents themselves, would appreciate it very much indeed. That I know for certain.

The other point I'd like to clear is the question of integration, where it was said that my Party was no longer pursuing integration because of its alliance with the Isola Group. This is very interesting because I saw in a certain newspaper the other day an article about someone who has fallen from a bicycle, and that Gentleman was a person who expounded very loudly and very clearly, that it was integration that he was fighting for, and he made it very clear too that integration was like a bicycle. If it did not move forward, well, the rider would fall. Hence the little cartoon of this gentleman on the floor. I can asure you, Mr. Speaker, that this Government is as determined as ever to go forward with integration. In fact, it is the only solution, if we want to do away with colonialism in Gibraltar once and for all and if we want to have equality. My appeal in the House is because this is so obvious now, particularly to anyone who has been in Government, and who is in Government, anyone who has been in Government, I repeat, and who is in Government knows perfectly well that unless we have integration we will never do away with colonialism. All those people of Gibraltar who arekeen to do away with colonialism to see that dignity of the Gibraltarian is as high as that of any human being in the modern free world, should not make integration a Party issue, but should make it what we have done with the United Kingdom Citizenship, a united effort, Out of politics, nothing to do with politics, analised in an impartial of objective service. This is my appeal and this is the way that I intend to proceed. If the gentlemen on the other side of this House do not want to do this, well of course, they are free to do that; there's no question about it. As every day goes by, this is being proved. And it is not just being proved here in Gibraltar, it is also being proved in England, where more

people of high standing, particularly an ex Colonial Secretary. Lord Greenwood who is a member of the House of Lords, who said very clearly, that this was the answer for the small dependent Territories who could never, whatever happened, be able to stand on their own feet. We also have of course Mr. Mancham of the Seychelles, who feels the same way, and the fact that every European territory, without exception, have already metropolised their overseas territories, prove that this is the logical sequence of events with nations who want to do away with colonialism.

I feel that this will come sooner or later, and I think it will come sooner because we are now moving into Europe, we hope. I've got to mention this in this connection, its all part of the policy of this Government. You will recall that I jubilantly announced the acceptance, in principle, of Gibraltar into the European Economic Community. That, Mr. Speaker, is integration. Real integration, not only with Britain but with the whole of Europe and ...

HON SIR JOSHUA HASSAN: And Spain!

HON CHIEF MINISTER: Well, if some day, if some remote day, Spain comes into the same family I think we must all be reasonable men. And if this is the way it goes, as time goes by, and we all become Europeans, why not! Or are we going to remain a little rock in an ivory tower; what Professor Newman called the other night GITA, which means "go it alone." Are we going to belong to GITA, or are we going to belong to the European Economic Community. Are we going to integrate or are we going to remain in splendid icy isolation. I say, therefore, that the time has come, Mr. Speaker, when this issue must cease to become a controversy, a political controversy between parties for gaining votes or gaining prestige, because the issue is much greater than that. I am confident that as time goes by that that will happen. But I would like just to reassure my very good Honourable Friend Mr. Abecasis, that this party has not given up integration, that certainly the Isola Group has not in any way slowed it down, if anything it has spurred us on. So you can now in this issue stand relaxed.

I think I've covered the three main points on general economic policy that have deviated from the Budget and I would like now to return to the budget. Apart from what I've said on the economy, that I think we are making progress, I'll just give you a few hints on how we are channelling the money and in what great quantities we are doing this. If one compares, for instance, Education with 1969, when we took over, the amount spent on Education then was £302,522. In these Estimates we have allocated £415,630, that is an increase of £113,000 plus, which is an equivalent to an increase of 37.39%. No one can say that this Government is not giving Education the priority it so rightly deserves. Secondly, Supplementary Benefits, something which is very close to my heart I assure you. The elderly people of Gibraltar, who I am not prepared to see destitute as the cost of living rises and their earnings unfortunately remain on the same level; who I think deserve everything we can do for them and because of technical reasons, more than anything else, we have not been able to give more than we wanted to just now, but which I assure you this Government is going to correct as soon as possible. In 1969 they were getting £75,268. Now, for 1971/1972 they will receive £114,000 and none of this money is going in wages, this is literally going into their pockets. This is not being done because we have increased our administration and therefore more money is going on the wages of people administering this, this is literally going in to their own pockets. The increase is £38,732 which is equivalent to over 51%. I think that that is quite a little effort in such a short time, even if its not enough, and we intend to increase that. Family allowance - perhaps I should declare an interest here, but not quite, because most of my children, and I have seven of them are beyond the age, and in any case I think that I may be one of those lucky ones who may be paying back some of that in Income Tax. In 1969 they were getting £28,047. Now they will get £42,410, which is £14,363 extra, equivalent to 51% plus. This shows you how vitally we consider the upkeep, not only of the elderly, but also of the young. And in this one too, I personally have a very direct interest, because I know how difficult it is to bring up a family.

I am a working man and I know what it means, and I too will see to it that as soon as possible this is increased.

I think I'm certain that both on Supplementary Benefits and Family Allowances, we shall have the full support of the other side of the House because in fact they introduced it at one time. But as with everything else you do get stale and this is the rejuvenation, I think, of the spirit that I had with the A.A.C.R. which I have now brought into this Party.

Now we go to rent relief, and here again in 1969 the amount being spent in this respect was £12,258. It is now £24,000, which is again £11,742 more, very nearly a 100% increase. I think again this will be welcomed by the other side of the House. Medical, which is vital. I think we can be proud that we have gone over the £½ million mark on this item. We have passed the £½ million mark. This I think is very encouraging and shows the importance that this Government attaches to ensue that every individual, regardless of his standing, will have the best possible medical attention that is available, within the means of Gibraltar. In this respect too, may I add, and I must mention this, that we are most grateful to Her Majesty's Government for having co-operated by allowing sponsored patients to go to the United Kingdom at no extra expense, which has meant a saving, I should say of over £10,000, and I'm sure that this deserves the thanks of all of us here as well as in Gibraltar. Whether it will be possible for this to be continued, I don't know; we shall certainly try our best to do so. Coming back to the Medical Department - in 1969, Mr. Speaker, this cost us £380,944. Now it is £501,990, which is £121,000 more or 32% more.

But where I think we have broken all records, and where the importance that this Government attaches to Gibraltar becoming self sufficient in labour is shown, looking ahead and ensuring that Gibraltarians can acquire the skills that they lacked before - because this was never available before in Gibraltar

other than, in a way through the Dockyard but not as a really organised effort of the Government - is through the training of apprentices and other people who may want to take up a trade. In 1969 we all knew that the Spaniards were taking away the tradesmen, this is the first thing they wanted to do, it was a slow but definite process, no one can deny that this could have been foreseen. In fact, this party did. We did so even before we became a party, when we were a pressure group, and we saw Mrs. White, the Minister of State, when she came here for the first time. I think it was early 1965 or late 1964, round about that time. When we saw her we stressed the importance of making Gibraltar self sufficient in labour to ensure and prepare ourselves for the day when the inevitable had to come when either through a gradual process or suddenly we would lose all the Spanish labour. We presented this view point to other people, including commissions which came to Gibraltar looking into the economy, and including Doctor Beeching himself. So we were conscious of this and therefore, when we came into power, we were anxious to tackle this important matter. You may notice that in 1969, £717 was allocated for the training of apprentices. The sum now without including other bits and pieces which I haven't included in this figure, is £14,200, which is equivalent to an increase of a 2,000%; 2,000%! That, gentlemen, I think, is a tremendous increase and shows where the emphasis - if I may say so - the emphasis of this Government, as far as the economy of Gibraltar is concerned, is placed. It also shows how much we are interested in people and not power which is of course a very good slogan which I fully support.

Now, I would just like to touch slightly on labour, because it has been said that we have not done all that much for this, and that things have just happened because they had to happen, or because the Unions were asking for it 10 years ago. But like everything else the Opposition have in recent years - not long ago but of late and I'm talking now of the A.A.C.R. - have I think, rather slowed down.

Perhaps it is because they have no opposition; there was then a coalition. This so rt of Government by committee tends to do away with the pressure that the Government gets. We welcome the Opposition, we do not treat the Opposition as enemies by any means. Certainly not outside the House, and in this House we treat them as Honourable Gentlemen ...

HON SIR JOSHUA HASSAN: As we are !!!

HON CHIEF MINISTER: Of course you are, this is what I am trying to say. No, you can be sure it is not a concession. You have a right under the constitution, at least that is one of the rights we have under the Constitution which we cannot take away even if we wanted to. What I am trying to say is that we do not want to do that because the contribution of the Opposition is very great indeed. And if it was not possible for me to turn round to the Ministers and say "Watch out, your shadow is watching you and you may get a little awkard question in the House next time", that Minister would not perhaps take the interest he showed, nor would I have the excuse to chase him. So the part of the Opposition is essential, and not because of whatever I may say does it mean that we do not want them there. They are very welcome, and I hope they will always remain there!! (laughter) In fact it appears to me that this is the only way that they can get things done. And things are being done. So what I say is that whilst before we had a Government of "dreamers" - who appeared to be dreamers because everything we say, they say "we thought about that before" - we now have a Government of "action" who apparently having thought about nothing before are getting the job done, which is the important thing. The important thing is to produce results and this Government, in a short period of 18 months, is now delivering the goods, and the goods are there to be seen. I could go on a nd list them, but I think no one wants to be bored. I know one thing for certain and that is that one newspaper will not publish it and therefore it is really pointless going through the list.

In fact the Honourable Mr. Featherstone says that if there was more information the people would be better acquainted with what the Government is doing. The information is coming out, the point is that certain papers do not publish it. that is the point. Perhaps I can take the opportunity of this occassion to impress upon the press the vital part that they play in presenting a picture to the people of Gibraltar about what is happening. A true picture of what is happening and not frighten people one way or another, or deliberately hiding things that should be common knowledge and published, or give emphasis to the wrong things. I sometimes wonder why, that particular paper which supports the party that is supposed to want tourism to come to Gibraltar, says certain things which, if I were an investor or if I were a tourist, I would quickly disappear from Gibraltar. It is to me incompatible that we should hear in this House one version of what the Opposition thinks on this subject, as on many other subjects, and in the press we should hear a completely opposite one. This has nothing to do with Integration I am talking at the moment about matters that affect everybody and has nothing to do with party politics. I think we must, as responsible politicians, put Gibraltar before our party, and this should be done not only by the members of this House and by the respective political parties, but also by the newspapers which support those parties. This is what I was trying to say.

Coming back, then, to the point that I was trying to make with regard to labour, I would like to go back to 1963 when, in the words of my Honourable Friend, The Financial and Development Secretary, if I can find the quote which I think I have somewhere amongst my papers - I hope I'm right, I think I copied it from one of his speeches without his knowing it - he said, "Sir, when I introduced the Budget this time last year I congratulated myself on the good fortune to be able to report a continuing and uninterrupted expansion of the economy for five consecutive years. I am very happy to say that my luck still holds, and that today my review of the activities of the current year is that of an even more flou rishing and prosperous trade and general welfare than in the previous year."

I would have thought that with this wonderful economic situation of Gibraltar the Estimates would have reflected, particularly on the social services, a better picture than it did then.

I do not know, and I stand to be corrected, whether it was my Honourable Friend Mr. Howard Davis or the previous Financial Secretary, The Honourable Mr. Gomez, but one way or another, it was the Financial Secretary. Perhaps at this juncture I would like to thank the Financial Secretary for the tremendous amount of work that he has put into these Estimates. I would like to say furthermore that I respect his position in the Government, not only as Financial Secretary but also as a Civil Servant of the highest quality and of which Gibraltar can be most proud of having. (tapping on the table) And I would like to add, too, that his loyalty to any Government is unquestionable (hear, hear) and that he knows how to hold his position because he is there not to carry out his own policy but to carry out the policy of the Government. I must say that in this respect he has helped us carry out our policies as well as I can imagine any body else could and I'd like to thank him. I think I'm expressing the view of all my colleagues in this side of the House, and I sense, by the amount of applause coming from the other side of the House, that this is also so in the case of the Opposition. I am most grateful to him. I am also grateful, I must add here, to all those who work for him behind the scenes, one of whom is of course, as we all know Mr. Charles Gomez. There are too many of them I think to mention by name.

I would like at this juncture to refer - because it's relevant to the estimate - to the Marsh Report when it was insinuated that we were cheating the workers because we were only giving the workers a 15% increase, which went up to 18%, and certain civil servants were getting as much as 62%. I'd like to recall that statement because it proves ....

HON A P MONTEGRIFFO: On a point of clarification, I challenge the Chief Minister to produce that statement. I did not say that the workers had been cheated in the context he is saying now, and I'm sure that if you look at Hansard he will see that I'm right.

HON CHIEF MINISTER: Whether, Mr. Speaker, it was said in that context or not there's no doubt whatsoever that he used those words and he was referring to the 15% and the 62%. All I can say is that far from the workers being cheated by giving the responsible Civil Servants this money, the welfare of the workers and the welfare of Gibraltar as a whole was being properly looked after. Because unless we have gentlemen of the calibre of the Financial Secretary aiding the Government, it will be impossible to produce Estimates of this nature which everybody has approved today and a very good piece of work. And like him, there are many other civil servants in the Government who are doing similar work, not necessarily on the financial side, but on the administrative side, whose work is worth much more money, I should say, that they are receiving even now. I can tell you one thing that if we had to recruit similar civil servants from outside Gibraltar it would cost us a good deal more money than that. And I would like to say here and now that I do not repent in any way in having taken the decision that we took in raising the salary of those top civil servants who so well deserve it. It is paying dividends already. Yes, it is paying dividends because as you can see by the advice that we get from this gentleman it is possible for the Government to see that the finances are properly handled. That we do not find ourself with deficits and that we find ourselves with surpluses. That we make estimates which, are reasonable and that they will meet the plans that the Government foresees and undertakes.

HON SIR JOSHUA HASSAN: Are you suggesting that the Financial Secretary would not have prepared the same Estimates if his salary had not gone up? This is absolutely ridiculous!!

HON CHIEF MINISTER: Not by any means, Mr. Speaker, These are deductions that I don't think are even fair to make. What I'm saying is that you cannot expect to have people of that calibre to remain for ever in their position receiving salaries which are far below what they are entitled to. This is what I mean, I think it was said that on certain occassions - If I .... remember rightly this was said at the time - that everybody was very anxious to raise the salary of this gentleman but that they always found it very difficult because, you know, the money just wasn't there - or words to that effect. All I'm saying is that it is impossible to engage men of that calibre unless that pay is offered.

But coming back, then, to the statement that I just mentioned where in 1963 the economy was flourishing, and I said I would like to point out how the money then was spent on the important things like Education. On education the sum being spent in 1963 in a year where the economy was booming was £165,463, compared with over £400 ,000 now. The same can be said as regards supplementar So we find that at a time when the economy was booming not enough money was going into those social services that we all give so much priority to. I must say this because it contrasts the policy of this Government as against the policy of the previous Government. What I am saying now is not fiction, the Estimates is not a book of fiction, the Estimates is a very factual book and those figures say much more than many thousand of words. This is why I'm drawing attention to this.

We find, too, that between 1963 and 1967 there was a wage freeze, this is what I'm coming to. A wage freeze because the economy just could not take it. I know the Unions were trying to get an increase, there is no doubt about it, they must have been, but the fact remains that notwithstanding that the economy was booming, somehow the Unions were unable to make any progress. What I'm trying to say is that now, in 1971, particularly in 1970 when the Chamber of Commerce was apparently saying that the economy of Gibraltar was going to ruin, we have been able to

meet at one go - because it was said before that a 27% increase in wages was given by the previous administration in 1967 but this was divided in two stages, 1967 and, I think, 1968 - we did it all in one go. What is more, a percentage of 27% on the wages being paid before is not quite the same as 18%, as a minimum, on what was being paid after the 27% increase in wages. This means that our increase was nearer to 20% than 18%. I'm sorry, it was well above 20% rather than 18%. This was the minimum increase granted and it can be seen that in many cases - which I'm not prepared to go into now because I have not got the figures - the percentage was extremely high. In the Medical Department - for instance, the percentage was 25 of the second figure not of the original one. I must also say, with regard to the non-industrials, that the percentage was also much higher. So it is not quite true to say that this Government has not played a very important part in ensuring that the workers got a rise within the means of the economy. What is more, it was them with the full co-operation of the UK Employers, and I'd like to thank them for that co-operation, because it is only if we can get them to move with us at the same time that Gibraltar will have the money to afford not just this increase, but the increases which we shall inevitably have to grant in the future because the cost of living in the world is not going to stand still. We all know that it is going up very fast and we must be prepared to have a policy which will be able to meet those increases, otherwise people will not stay in Gibraltar. We are working in this respect, the first step is the formula, but of course there will be further revisions, correct me if I'm wrong but I think it is in 1972. In July 1972 we shall have another revision and we shall have to think again.

Therefore, from now till then, we must handle our economy very carefully. We must have the right balance; we must be competitive with the outside world so that our main stay, the Dockyard, is competitive and we carry with the work there.

This is our main source of income. This will not stand still, because obviously if the prices and consequently the wages in England rise, the cost of similar repairs in the United Kingdom will also rise and consequently we in Gibraltar will be able, proportionately, to go up at the same time. So I don't think we need be desperate about the future, on the contrary I look forward to it with optimism because in my view we are putting the emphasis on the right side of the economy.

We must also look at the other side of the economy, which is the tourist trade. This is not so easy because competition there is much higher. We know that the Costa del Sol and other places are offering very cheap holidays: how are we going to compete with those cheap holidays? To what extent will the tourist be preparedto come to Gibraltar rather than go somewhere else? We have got to be very careful otherwise obviously once the cost of living goes up and we price ourselves out of the market that side of the economy is going to suffer. But not because of that are we going to allow the otherside not to progress, otherwise it would create a stalemate in Gibraltar which is not in the interest of anybody. Therefore we have to specialise in the Tourist Trade and offer our place to people, who perhaps - and this is common knowledge again - who stay in Britain for their holidays and consider Gibraltar as a sort of another home. These are the people we want to attract and these are the people that, as you know, we are attracting. And as the cost of holidays in the United Kingdom is also bound to go up with their cost of living, I think it will be possible in Gibraltar, provided we remain competitive, to carry on offering holidays in Gibraltar and consequently attract that type of traffic. Therefore I say that on that score we need not be depressed at all. I think we can have faith in the future, if we do our homework right, and we need not be afraid that we will not progress with the rest of the European countries.

But above all I'd like, Mr. Speaker, to draw attention to one thing, and that is, that in Gibraltar even today we are not getting value for money from the point of view of productivity. For this we need the co-operation of everybody and in this I think the press could play a leading part. I know that unfortunately not enough publicity is given to this and that the word "productivity" instead of being encouraged, certain quarters try to make fun of it, because we have introduced it, I think it is a pity, because it has been proved that we have a long way to go in that respect alone, and that we could produce a lot of wealth for the people of Gibraltar. The wealth is within us and I would like to draw a comparison with a very little nation which is doing very well, and that is Israel. There, I think, we see how people have got the wealth within them and how by putting work, by using ingenuity, by co-operating, they can convert deserts into very fertile land. I remember speaking to a gentleman who came from there, who told me how he saw, literally, the beginning of certain places by people going round picking up stones, putting them in baskets, this is how it started. Today there orange groves there. I think we ought to take that example and use it for our own benefit and I hope that everybody concerned in Gibraltar will try and do that. The Unions must get together with employers; management must take a new look at things; the workers must realise that no one is trying to exploit them, because certainly we would not allow that to happen, but that we must give an honest days work because if this is done then they themselves, and everybody in Gibraltar, provided there is proper distribution of wealth, and you can have no doubt that there will be proper distribution of wealth as long as this Government is in power, we will all be able to share from the benefits that will be reaped from putting our shoulder to the wheel. But all is not muscle, all is not sweat and tears, there's a lot to be said for good management. Good management, like good leadership,

can do a lot in this respect and if we can do that then I am sure that the response from the workers will be much better than it has been hitherto - in certain quarters, not all.

Therefore, what we are trying to do for the coming year, which my Honourable Friend The Minister of Labour has called the "Year of Productivity" is to try and infuse in everybody's mind, in management; in employers; in unions; in workers; in everybody; the importance of getting together; meeting more often. We hope to plan a seminar which will include I hope - I cant give dates because the whole thing is in the planning stages - men of very high calibre. In the meantime we are making arrangements to have Training Officers, on Organisations and Methods Team coming out - staying and working in Gibraltar, not just visiting and producing a report but literally staying here and actually seeing that the scheme is put into effect. As you know, we have already been able to do a few things such as Job Price Contracts.

We have been able to arrive at Productivity agreements with messengers and a host of others, which I will not bore you with, who are already reaping higher earnings because of that. I know that the Government is sometimes belittled because we have a Two Job Society and that the earnings have gone up toobecause of the two job society. But I do not think that the workers would like to go back to the One Job Society that they had before without getting the earnings that they are getting now. It is a very difficult thing, an extremely difficult thing, to arrange this in such a way that everyone would be able to get the earnings that they're getting today simply on a 40 hour week. I don't think honestly that this is so. Sometimes, and I'm not pointing my finger at anybody, this is said more because they would like to see more labour coming into Gibraltar. To cheapen labour because they know perfectly well that not only in Gibraltar, but anywhere else, even in England, couldn't they get the earnings that they get through higher productivity.

Either because they produce more during the working hours or because they work longer hours either in one job or in two jobs. This is a fact, people in England who want more money work longer hours. People in America who want more money work longer hours. There are people who say I do not want to work 40 hours and get £10 or £12, I prefer to work longer and get more. Why should we deprive those men of doing that if they want to. Therefore in our control of Employment (Amendment) Ordinance we are taking care that the flow of labour into Gibraltar is such that will enable those who want to obtain greater earnings to be able to do so. In the process, as we increase productivity and we can increase the wages themselves, we shall be able to reduce the number of hours for those who may want to work less and get more. This coming year is going to be a year of productivity. We have about 30% to catch up with. This, as I said before, is not just muscle, it is a combination of good management, of training - and you have seen how much money we're putting into training - of training and of incentive. These are the three key words, management, training, incentive and this is what we propose to do in this coming year.

I know that because I speak like this, perhaps with a lot of idealism, that my Honourable Friend Mr. Featherstone tends to call me a nympholept. I tried to find out what they meant, and this is how the Oxford dictionary defines it: "a person inspired by violent enthusiams, especially for an idea" So, it is not such a dirty word after all. (laughter)

HON M K FEATHERSTONE: Thank you !

HON CHIEF MINISTER: But interestingly enough, Mr. Speaker, I discovered another word, which I'm sure psychoanalysts know all about.

HON M K FEATHERSTONE: Nymphomania!! (laughter)

HON CHIEF MINISTER: No, no, its not as bad as all that. The word is nympholepsy, which means "ecstasy of frenzy caused by desire of the unattainable," (laughter) which is in fact what I think is happening to the Opposition. In fact, I believe that at one stage they thought that this Government would not last six months.

HON SIR JOSHUA HASSAN: Two months!!

HON CHIEF MINISTER : Well, I would like to say six. We are in the eighteenth month ...

HON SIR JOSHUA HASSAN: Nineteenth!

HON CHIEF MINISTER: Nineteenth, even more to our credit. I think you are keeping a jolly good account of it!!

Well with a bit of luck if the restrictions of the Honourable Mr. Featherstone continue, which is the thing that is helping this Government, if the restrictions continue to help us then it looks to me as if we are going to be here for a very long time. I do not see the restrictions being resumed so soon and

HON M K FEATHERSTONE: They are not my restrictions, surely!!

HON CHIEF MINISTER: All I say is that you have given the impression that this is the best year for Gibraltar. Now that Spain has tightened up all the restrictions, you say that we are better off than ever before, and this is why all these things are being produced. This is why the Government is doing so well. This is it.

All I say is this, that sometimes one looks back to what the party which I lead was I was full of idealism - yes, you can repeat the word - and I'm very glad to say that this idealism has been translated into very tangible things. I hope that I never lose this idealism and I hope that my party and this Government never lose this idealism without

which, I think, no Government can move. Perhaps that is precisely what happened to the last Government, that they lost the idealism. I hope they will recover it.

HON SIR JOSHUA HASSAN: We hope that the member on your side recovers also.

HON CHIEF MINISTER: The member on my side is fully recovered as can be seen by the amount of energy that he has been putting into this House ever since we came. I think he is the most dreaded member on this side of the House.

Mr. Speaker, I really think I ought to come to the end. We have gone beyond the limit of nine O'clock, which I think we set ourselves, and in ending let me say, that Gibraltar now feels, in the words of the Honourable Mr. Featherstone more confident than ever before. No one is worried any longer, you said it before. Things are not what they used to be before when people were fearful as regards to their future. I would like to say that some of this sense of security, this sense of progress, this sense of looking to the future, which is a much happier outlook is owed to some degree to this Government. (Tapping on the table)

The House adjourned at 9.24 pm Friday the 19th day of March, 1971.
The House resumed at 11.00 am.

HON LT COL J L HOARE: Mr. Speaker, we have had such a wide ranging field covered in the last two or three days that I would crave your indulgence to be allowed to flitter from bough to bough, andif necessary back to the same bough again, because as I said, it has been a very wide ranging field.

My first point is the question of economics and statistics. These are being bandied about as if everybody was an expert on this. This, if I may say so, is a very/warily, because it very often has boomerang effects. I say this because a great deal has been made of the increases in the amounts of expenditure. We have agreed with all these, but the point I'm trying to make is this, that it is quite wrong to compare amount with amount. On the merest of reflection people will realise that the bulk of these votes relate to wages and salaries and these are going up. And may I say Mr. Speaker that Gibraltar is not unique in this respect; it isa world wide phenomenon. At least in all the democracies of the world. Wages go up and,of course,expenditure must go up, so it is rather pointless to compare amount with amount. If this exercise is going to be undertaken then I suggest a much more accurate assessment would be to assess percentage and compare percentages, since here at least you have one common factor - 100%. I say this because I was particularly amused by a comparison made last night of the expenditure on apprentices going up by 2,000%. Having made no provision at all the previsus year, I don't know how any comparison could have been made. So 2,000% in this particular case was particularly inapt.

/dangerous field for the inexperienced and one which must be trod upon very..

I want to touch now, Mr. Speaker, on the question of cheap labour. One gets this bandied around right, left and centre. Is there such a thing in this day and age? Where is this available?Because I'm quite sure that all the vastly expanding industrialised countries would make a beeline for them. I think another myth which could be dangerous

is that we are becoming self sufficient in labour. By this I do not in any way decry the efforts being made to minimise our dependence on outside labour, but factually what we have done, Mr. Speaker, is to transfer our dependence from one flank to the other. We are still dependent on outside labour and in my humble opinion I can not see this ever changing completely. We are too small a community ever to be completely self-sufficient in this respect.

A great deal is also made of the withdrawal of the Spanish labour and how we have recovered. We have recovered; we've done marvellously, but I don't think enough credit has been given to the planning and the leadership available during the first week, and during the first month following that withdrawal. This was the time when we either broke or got through. If we had broken then such a recovery would have been practically impossible. I suggest that planning at that particular time, although not complete, proved adequate to get us over our crisis. That was the time of crisis, not now, or at any time since. That was the crux, and we had the leadership at that particular time.

May I, Mr. Speaker, quote back at the Honourable Member Opposite one thing which he was very fond of quoting at me in the past. "The first step is always the hardest" and I was told that Confucius said this.

Coming to Social Benefits. Do the Government think that improving the lot of the sick and elderly is their monopoly? Of course it is not, we are as much concerned about it as they are. Once again let us not forget that the first steps were taken a long time ago and what has been happening is that they have been building on the sound foundations laid at that particular time.

End 17/9
23 pgs done.

st 18/9/12

HON M XIBERRAS: Sir, on a point of clarification; is the Honourable and Gallant Member referring to the Social Benefits or the Sick Benefits, both of which have been improved recently?

HON LT COL J L HOARE: I'm referring, Mr. Speaker, to Social Benefits generally, and this covers the whole spectrum of benefits.

The Dockyard Economy once again, Sir. why should the Honourable Members of Government assume that we want to increase Tourism at the expense of the MOD contribution? This is far from the truth. We want to see both expand, but we are realistic enough to see that the greatest scope today exists in the field of Tourism. And here I would like to add my plea to that of my Honourable Friend on my left, Mr. Serfaty. I think the fastest expanding field in this particular sphere is that of the package holiday, the package holiday with inclusive charter flights. This is what makes it cheap. Before this can get off the ground the promoters must have some basic requirements, one of the major ones being adequate accommodation. Not only in off-peak periods, but primarly during the peak periods because this is when the average man wants to go on holiday.

I was glad to hear that it is intended to get on with the Victoria Stadium. I wasn't quite clear from the comments made whether plans already existed for this ...

HON J CARUANA: On a point of clarification Mr. Speaker, I did say that plans existed and that we were preparing to go out to contract.

HON LT COL J L HOARE: Good. I thank the Honourable Minister for that, but I remember a lot being made not very long ago because plans were made public by the previous Administration. I would say that this is happening with this Administration, although in fact the last Administration did show publicly, a bit fancifully and in colours, what the plans were for

the development of the Stadium. I ask the present Government to do the same. Let us all know what is happening.

Finally, on Education we once again come back to the comparison with 1963. I don't know what was spent in 1963. Obviously in 1970 it would call for a much greater contribution because costs have not stood still all that time. Once again I suggest that if one wants to make a comparison, it should be on the basis of percentage to the total expenditure of the Colony. On the question of the conversion of buildings for Comprehensive. Of course there's nothing against converting them, but have we in fact got buildings which will lend themselves to conversion, I don't know, but it is no good quoting extensively from a report written about UK when we want to base our thoughts on actual factors. "Pie in the sky" was a term used on more than one occasion. Let us make sure that we have got these buildings and that they are not "pie in the sky."

Finally, I'm so glad that we have got away from the "gold mine" mentality and the "moon" mentality. I wish people would make up their minds whether they're going down below or up there ...

HON CHIEF MINISTER: Going up !!

HON LT COL J L HOARE: Going up, going up. I see. This is like a lift. I am a bit sorry, because in my mind I've always linked the goldmine with Snow White and the Seven Dwarfs and, in a childish way I suppose, I was trying to identify the present eight members of the Government with the eight characters in Snow White. Some of them are very easy; Snow White, ~~would of~~ Dac would course be the Leader ....

HON FINANCIAL & DEVELOPMENT SECRETARY: On a point of Order, Sir, is the Honourable Member referring to me as Snow White? (laughter)

HON LT COL J L HOARE: Mr. Speaker, I said the eight members of the Government, the eight elected members of the Government which coincides with the numbers in "Snow White and the Seven Dwarfs." I have the greatest respect for The Honourable Financial and Development Secretary I would not wish him that. I would not make that mistake. No, I think it is obvious who I mean.

HON M XIBERRAS: Mr. Speaker, does this mean that he has no respect for the other members on this side?

HON LT COL J L HOARE: I'm sorry, I didn't get that. I was paying attention to someone else. If I may carry on please ...

HON J CARUANA: Mr. Speaker on a point of clarification.

MR SPEAKER: Unless the speaker is prepared to give way I am afraid that interruptions are out of order, except if it is on a point of order.

HON LT COL J L HOARE: Thank you, Mr. Speaker. Snow White? there's no doubt; Doc? there's no doubt; Grumpy? I think we can make up our minds; Sleepy? Sneezy? Yes. I think I have left out Dopey? Now, who is going to be the dopey one. We have got in fact unconscious clowns ...

MR SPEAKER: Order

HON LT COL J L HOARE: He was a jolly good character, but I was really stuck as to who could possibly be Happy in that set up. (laughter) On what I hope is a cheerful note, Mr. Speaker, I will call it a day.

HON CHIEF MINISTER: Mr. Speaker, if I may remind the Honourable and Gallant Gentleman, there are only seven members in the Government and not eight. Therefore I think he had better clear up the point of the Financial Secretary again. My Honourable Friend Mr Peter Isola is not in the Government. He is an elected member, but not in the Government.

HON LT COL J L HOARE: Mr. Speaker, I shall give him the benefit of the doubt, since he is such a staunch supporter and there is no doubt he has helped the Government in lots of ways.. I did the honour of including him in my ensemble.

HON CHIEF MINISTER: Mr. Speaker, factualy, as usual, he is wrong.

MR SPEAKER: Does any other Honourable Member wish to speak on the motion, if not I will call on the mover to reply. Does the mover wish to reply?

HON SIR JOSHUA HASSAN: Mr. Speaker if I may I would like to say a few words. The Government have announced that this year is going to be "Productivity Year", and one thing is certain, and that is that judging by the verbosity and the extent of their speeches they have certainly started 'productivity' on the speaking side. Let us hope that something better is achieved.

Quite a number of interesting things were said yesterday and it is really only in relation to the matters which were raised in the general debate that I intend to say a few words on. In the first place, my friend on my right, Mr. Featherstone, made what I think was a very good point on which I want to elaborate a little, because this goes to the root of the approach to the matter on both sides of the House about the present situation. The Government say that this is the worst time Gibraltar has had from the point of view of restrictions and so on. Mr. Featherstone was saying that we now know the worst, we have settled into this kind of life, and that the difficulties and the crises are behind us.

HON CHIEF MINISTER: Not according to Mr Clinton!

HON SIR JOSHUA HASSAN: I am not concerned with Mr. Clinton, I am sure that the Honourable Chief Minister is more concerned with Mr. Clinton than I am. Anyhow Mr. Speaker,

I'd like to give notice now that I am not going to allow interruption. I'm not going to give way until I have my say.

HON CHIEF MINISTER: You interrupted yesterday!

HON SIR JOSHUA HASSAN: Alright, you gave way, but I'm not going to allow it now. I give you clear notice of that, because I don't want to have any interruptions on the trend of my thoughts.

The point is this, is it a fact that we are now really worse off, or is it the fact that we now know there is nothing more that can happen, or very little can happen. That we are at the end and therefore we know exactly where we are. Is it not the time of the uncertainties, when the restrictions were mounting; when the poeple didn't know what the future held for us, and some people, some of them sitting in the opposite benches, were trying to pretend that the British Government were going to sell us down the river; trying to create alarm and despondency in the people of Gibraltar. It was precisely when they were tryihg to integrate Gibraltar with Britain that they did not have any faith in the British Government. We have faith in the British Government and the British Government eventually stood by us as we all know. But what do the facts prove. Not what I say, but what some people in the other side of the House were saying at the time. May I remindthe Honourable Mr. Peter Isola, the one and only member of the Government side that is not a Minister, as the Chief Minister is so anxious every time to remind us - it would not appear so from the way in which debates go because he takes so much part of the burden of defending the Government. May I remind the Honourable Gentlemen of a motion he brought to this very House when he was the Leader of the Opposition calling for a coalition because of the situation of the crisis. I have the Hansard here of what he said at the time.

I am not going to go through the whole of it, though funnily enough, looking through it has reminded me of things that I have completely forgotten and that is that as I had to point out to him at the time, he was given an opportunity before the Government was formed of becoming a Minister and he refused. He went into Opposition and six months later he was bringing a motion before this House that there should be a coalition.

The terms of the motion which he moved - I think it was on the 19th February 1965 - was "that this Council, aware of the serious difficulties and vital problem that face the Government in present circumstances, consider that the public interest demand that the Government of coalition representatives of all the opinion in the Counsil be formed without delay, and urges the Chief Minister to advise His Excellency the Governor to take the necessary steps to form such a Government."

HON CHIEF MINISTER: We had no place in that Government.

HON SIR JOSHUA HASSAN: That is the motion that he brought and this is one of the few things he said in the support of his motion. I don't have to read this because I remember quite clearly. Attempting for the first time to force in this House a division, or to force a vote on whether this House should commit itself to create a coalition, and that was the attempt that was made at the time. I'm not saying whether it was right or wrong I'm only putting it as evidence - whatever the Chief Minister may now say - as evidence that the situation in 1965, certainly in the mind of one of the people who now is required to maintain the Government in office, certainly of that member, and the only one who has any experience of public administration, who thought then that the matter was serious enough to bring a motion to this House to form a coalition.

We are at a critical period in our history,"

this is what he said in 1965. "We are living and working and fighting at the most vital time in our history. Faced with this crisis it is our view that it is absolutely essential that we should be united in fact and not in words in order to face this critical period. To face this very big challenge which we have before us in Gibraltar today. This is why the Opposition have put down this motion and let me assure you, Sir, that the second reason why we have done so is because we sincerely believe that the public interest of Gibraltar demands that we should all get together, that we should unite to face and conquer the problem, the great variety of problems which face us today." This is what he said in 1965. He may have been right. In fact he was right, though even at that time, however much coalition may have been maligned, I did not agree to the motion at all, because I thought it was a very improper way of bringing about a coalition, and I amended the motion to read. "That we should consider the possibility of a coalition." (laughter) You may laugh, but this is history. This was at the time when the Honourable Chief Minister was serving in the Gibraltar Regiment; when his passion for the people of Gibraltar was best served at the barracks up there; when he was leaving it to the dreadful people who were in power, without his missionary zeal, to come and save us, but prefered to live in the army. So...

HON CHIEF MINISTER: On a point of clarification .....

HON SIR JOSHUA HASSAN: Mr. Speaker, as I was saying before ....

HON CHIEF MINISTER: I was not in the Gibraltar Regiment at ....

HON SIR JOSHUA HASSAN: I am not prepared, Mr. Speaker, to give way under any circumstances to the Chief Minister and I would ask you for your protection. I don't want to do so by having to shout.

MR SPEAKER: Order, order.

HON SIR JOSHUA HASSAN: So you see, whatever he may say, there were people in 1965 and 1966 thinking that we had a difficult situation in Gibraltar. And we had a difficult situation in 1966 and 1967 and 1968. These were the years when restriction was mounting on restriction; the tensions of the United Nations and so on. We have learnt to live with this problem now. The question of the British Government's attitude has been settled. To me it had been settled from the beginning, to other people it had not. The British Government was going to stand by us; it has stood by us, and it will always stand by us, as they have clearly stated.

But that was not the policy of the ... I beg your pardon Mr. Speaker I must correct one thing. I am reminded that the Chief Minister left the army in 1962. Anyhow, even better, because there he was ; he didn't have any military duties and yet he was allowing these dreadful people to get on with Gibraltar and his mission, which no doubt ha been aroused in 1945 in the early days of the A.A.C.R. lay dormant for 20 years and was only awoken when the Spanish restrictions started in 1967 and so on. The point is Mr. Speaker, that . . . .

MR SPEAKER: Order, order. May I read to members the relevant Rule so that we all know where we stand, which is Rule 46(II); "No member shall interrupt another member except:

(i) by rising to a point of order, when the member speaking shall resume his seat and the member interrupting shall simply direct attention to the point which he desires to bring to notice and submit it to the President or Chairman for decision; or

(ii) to elucidate some matter raised by another member in the course of his speech, provided that the member speaking

is willing to give way and resume his seat and that the member wishing to interrupt is called by the President or Chairman."

May I also bring to the attention of members Rule 50 which reads as follows; "By the indulgence of the Assembly a Member may make a personal explanation, although there has been no Question before the Assembly but no debateable matter may be brought forward, or debate arise from the explanation."

May I also announce to the Members of the House that I will be liberal, in so far as Rule 50 is concerned at the appropriate time. I think it is imperative for the good order of the House, that unless a Member is prepared to give way we should hear him in silence.

HON CHIEF MINISTER: Thank you very much, Mr. Speaker, for bringing that rule to my attention. The only thing is that the Honourable Gentlemen is stating such great inaccuracies I was just trying to help him by clarifying matters for him. If he would like to give way I would explain this to him.

HON SIR JOSHUA HASSAN: Mr. Speaker, I said at the beginning ....

MR SPEAKER: It is my duty to draw the attention of Members Rule which states that I am not, in any manner or form, allowed to see two Members standing up at the same time and speaking, and that if the Member who holds the floor does not give way, there is nothing that I can do but to ask the person interrupting to give way.

HON SIR JOSHUA HASSAN: Mr. Speaker, I am grateful for that ruling, but on the question of points of order, I am surethat both sides of the House refer to points of order which in fact, as you, Sir, have said many times are not points of order.

When they say "personal explanation" or "clarification", that can be done later. The odd comment is one thing but to try and interrupt one is one's speech is another. As I said at the beginning - I gave notice, it is nothing new - that I was not going to give way, and I don't propose to give way.

MR SPEAKER: May I say that that isthe reason why I had to make this ruling because the floor has the right not to give way. If the Member holding the floor does wish to give way of course the matter of the ruling would not have arisen.

HON SIR JOSHUA HASSAN: Let me say at this stage, Mr. Speaker that the Chief Minister had the floor yesterday for well over an hour, except for the odd interruption, if you want to call them that. He had the floor andthat is why I said from the beginning that I was not going to allow him to interrupt my speech. He can say all he likes, he can laugh as much as he likes, he can go back and go forward, I couldn't care less, but he is not going to interrupt my speech. This is all I want to say. Anyhow ....

HON M XIBERRAS: Sir, on a point of order and on your ruling, I would welcome your advice and your ruling on audible interruptions, of which I counted 21 during the course of the Chief Minister's speech from the Honourable and Learned Leader of the Opposition. Even if they were sotto voce they were audible, quite plain and quite distracting on this side.

HON SIR JOSHUA HASSAN: I am interested to know that whilst his boss was speaking, instead of listening to what he was saying, he was counting the number of interruptions.

Anyhow we will come back to the point that I made at the beginning, and that is, that 1965, 1966 - the United Nations - 1967, 1968; these were

difficult yearsfor Gibraltar, Critical years, psychologically more than anything else. The people did not know what was going to happen. People used to say "We will have to go away from Gibraltar." This was the time when the whole of the machinery of the Spanish Information Services was carrying out what they considered to be a "psychological war" against Gibraltar. This was a difficult time. This was the time when people did not know what was going to happen in the future.

Since this Government has been in office there has only been one slight incident involving foreign affairs and we all know what happened. There was a flutter and the Chief Minister even had to tell his Minister of Information at the Press conference to shut up, because pressmen were asking for certain things in connection with something which was published in "The Times" newspaper. The real crisss came at the time when the Spaniards were at their worse, not now. We have now settled to this kind of life, to the island economy which we started planning immediately the restrictions were stated. This isthe point I want to make about the crisis, whatever the Ministers may say about it. These were the difficult years. These were the years when one had to give one's all to maintain the morals of the people in a proper state, whilst other people were trying to exacerbate public opinion, create despondency and make people believe that Gibraltar was going to be sold down the river. This is what the members of the Integration Party, as a Group and as a Party, were doing, and that is why I called Integration - and I still call it - the policy of despair because it came from the despair that Britain was going to sell us down the river and that the only possibility of remaining British was by integrating. This was the policy of the integration Party at the time when people needed the support of everybody, needed the feeling that the people in public life were supporting them and were not creating despondency.

The other question that I would like to mention is, that it was interesting to see how the Minister for Public Works suddenly became Minister for Education yesterday and took the brunt of all the questions on comprehensive education. If we had had something like that from the Minister much earlier we might have been saved the notice that has to be given about this matter, because I must say he did give a lot of information which was not concerned with Public Works at all. It was concerned with the whole spectrum of comprehensive education. Anyhow it is necessary to have help when you are in a difficult situation and people become Ministers for this or that overnight. I am not really very surprised that my Honourable Friend on my right has given this notice.

Dealing with the Minister for Housing and Public Works, I will just deal with one small point about housing. He mentioned a figure, about housing and said that we had only been building 74 houses a year. Well, anybody who remembers what there was before the war and what there is since the war, will know that if that had been the case we would not have the houses we have now. As it happens from 1950 to 1969, 2,263 houses have been built, and when we left office there were 373 houses under construction, 110 at Sandpits and 263 at Glacis. So that makes it 2,363 houses in 20 years, which is not 70 houses a year but much more than what the Minister has stated overall. Let us look at the whole thing. If we are accused and if we are told "What have you done in 25 years?" I must tell them what we have done in 25 years. Built 2,263 houses and planned and executed 373 houses, which no doubt when they are opened with all pomp and ceremony the Housing Minister at the time - we may still have some Government changes as there have been two Housing Ministers already - may well come in all pomp and ceremony as happened with the Hospital, and open it as a great achievement of this Government.

There was one other point which I want to mention on Airlines. We have given support to the statement by the Minister of Trade etc. on the question of airlines and here again there is nothing new at all. The need to improve air traffic to and fromGibraltar has been a matter which has always been fought. It is a difficult one and that is why we sympathise with his problem, but I am going to remind the House of two small matters in this connection as proof of this. I have here - I happened to find it by chance - a note on B.E.A. Services to Malaga and Gibraltar which was prepared for one of the many visits we made to the United Kingdom, and my then Deputy Chief Minister will remember that in one of our visits to the United Kingdom we not only went to the Commonwealth, or the old Colonial Office, but we insisted in dealing with every Minister who hadanything to do with Gibraltar. The then Secretary of State for the Colonies convened a meeting in one of the big committee rooms of the House of Commons where we had Roy Jenkins, who was then Minister for Air, we had Reginald Reynolds, who was them Minister for War, we had all the Ministers there, because we felt that we were losing time going from one place to the other putting our problem. This is nothing extraodinary. This was a matter that any Government would havedone. This we don't claim any credit for; that is proper. I also saw this morning, amongst these papers, a very lucid report from the Financial Secretary on Development Aid, which was the brief that we took to London, and he did that lucidly even before his salary was increased, so really I was not impressed by the Chief Minister when he said yesterday that having raised his salary was yielding results because of the wonderful Budget he had made." I'm sure he didn't mean it as an insult to the Financial Secretary, but it could be said to imply that "If we hadn't raised his salary he wouldhave slacked and would not have done the job." This is the last thing that a Civil Servant does, in my experience, whether he is happy with his salary or not.

HON CHIEF MINISTER: Mr. Speaker, I wonder if on this point, the speaker would like to give way?

HON SIR JOSHUA HASSAN: Yes.

HON CHIEF MINISTER: I am so grateful to you. Mr. Speaker, obviously that was not my intention. How could I praise the manin one breath and try and degrade him with the other. It is obvious that that was not the case. In fact I was surprised to hear the insinuation made by the Honourable and Learned Leader of the Opposition. In fact that was one of his 21 interruptions if I amy say so. May I add, and I think I explained this very clearly subsequently after the interruption, that what I meant by that was that obviously a man who is decently paid, regardless of his rank and place, whether he is a worker, whether he is a sweeper or whether he is a judge, it doesn't matter who he is,if he is fairly remunerated obviously he is a happier man and can produce better results. That's what I meant. Looking towards the future of the Civil Service also this would attract better quality men into the Service which I am sure is the desire of every member of this House. And I'm surprised that having given that explanation, the Honourable Member should again produce the same point here today.

HON SIR JOSHUA HASSAN: I willingly gave way because I wanted that explanation in the way it has been done now. Yesterday it wasn't. I had not only given way, but before he stood up I am sure I said that I was sure that that had not been his intention, but I am coming to that on another point. The phrase he used was "what was done for the higher paid civil servants is already paying dividends", and he referred to the Budget. I'm sorry, this is my understanding of the English language. If he said an unfortunate thing, he has now explained it and as far as I am concerned I will have nothing more to do with it. I am sure that he did not mean it in the way it was said, but we must to some extent accept that people mean what they say.

Anyhow, coming to the question of the airlines we presented the case, not only as I said to the then, I think, Colonial Office, but to everyone concerned.

That and many other problems we had, the Western Arm, all the perenial problems that Gibraltar has hadwith Britain over the years. Some of which were settled in our time, some of which were not settled, some of which are being settled now, and some of which this Government, and perhaps the next Government, may leave unsettled because they are difficult problems and not problems on which some of these people are prepared to give way. They are matters of great concern, but all I am saying about the airlines is that the support that we give to the Minister on this matter is nothing new. It is what we have done before and what we expect him to do, and if he has better luck than his colleagues on his right and I had before, good luck to him and bless him if he can do it. As he sent us a blessing, I will give him another one free and for nothing. (laughter)

So it is really not fair to say that nothing has been done on this before. My Honourable and Gallant friend on my left did mention the question of Spanish labour, and if we have the privilege of hearing the Minister for Labour and Social Security on this matter later on, if he is going to speak in this debate, no doubt somebody else will have something to say. But I think he made the point very clearly and that was that there is no cheap labour from anywhere any more, even if people wanted it, and in any case labour is quite aware of its potential, whether it comes from abroad or not, and it is not fair to say that anybody wants to flood the market with labour from anywhere. First of all there is not the accommodation; secondly the commuting labour force will never again come back whether we want it or not. We may not want it, but even if we wanted it, it wouldn't come back. It would never be the same again because the Spaniards' dependence on Gibraltar, through their commuting labour force, was cut off as a surgical

operation. It has cost them a lot of money to withdraw what they call their dependence on Gibraltar and even if the frontier is ever opened again, they are the ones who are not going to allow a commuting labour force to create another dependence in the future. Let nobody think that we are looking to a possible settlement with Spain in the hope - at least certainly not on this side of the House - that by that we would have a commuting labour force. That will never happen again, we don't think it ought to happen, but evenif we did the Spaniards wouldn't. They wouldnever allow that again unless they were allowed settlers which they have always complained we will never allow becausethey would eventually swamp our population, as for other reasons in the past they have been prohibited from doing. Therefore it is not a question of flooding the market with labour or anything like that.

But when I hear the Honourable Chief Minister speak about wanting to do away with colonialism and in the same breath he says that the base is all that matters, and that the Dockyard must have first priority, and integration is the end of colonialism, this is nonsense. With the greatest respect, nonsense. This is sheer colonialism, and every time you talk about the fact that we are completely dependent on the Base and that we cannot live without the Base, we give ammunition to the Spaniards to say that we are here because we are servants of the Base. We are not here because we are servants of the Base, and if we have to survive as a free community with our own distinct identity we are not going to survive as servants of the Dockyard, we are going to survive on our own feet and if the Dockyard or the Defence spending is a help to the economy, good; but if that were to be writhdrawn, so long as we had the backing of Britain, I hope that we would try to make Gibraltar thrive in any other way rather than pack up and go away

because there wasn't enough employment in the Dockyard. This is sheer colonialism, and in the context of the United Nations, even though integration is one of the ways in which these places can be decolonised, that kind of integration, in the United Nations, would be considered as the worst type of colonialism.

It has already been said and it may have been answered in a long letter by the Chief Minister, that if independent observers were to come here they would say that we would be ruled from Whitehall, and that is really what integration is all about. Rule from Whitehall. If it isn't Whitehall, it is Whitehall and Westminister. On the one hand we hear the Chief Minister say "we must change the constitution," "we must take away the Governor's powers on this," "it is very difficult on that," "we cannot control labour" on the one hand, and on the off hand he says "integration." There will be no legislature here; there will be no self-government; they have said so. It will all be governed from Whitehall and in any case a third alternative ...

MR SPEAKER: Order, order.

HON SIR JOSHUA HASSAN: I would like to give notice, Mr. Speaker, that one of my friends is counting the interruptions and that they have already passed the allocation that I gave yesterday. (laughter)

MR SPEAKER: Order, order.

HON SIR JOSHUA HASSAN: But on the other hand Mr. Speaker, the confusion in the minds of people who try to hold on to an ideal which is dead - because integration is dead - is fantastic. On the other hand we have the Chief Minister here on the day of reckoning it - the day of reckoning is the Budget Day - say "come and join us to integration, everybody". He is

the "missionary" then, trying to convince us to go over to his side. Then the Minister on his right, the Honourable and Gallant Major Gache, goes to the Party Conference and says 'What we want is integration', and integration means anything, Close Association, Channel Island type of integration, anything you like, that's integration. Finally you get the Chief Minister on television saying "We have integration already. After all we have a British passport, the British are here, we have British sovereignty." What is all the fuss about then! Why try to convince us of something that he says that we already have - not because of anything that he has done but because according to him, we have inherited integration. Everytime they speak they speak with a peculiar voice, which is rather interesting, because they are so muddled in their thinking.

I will tell you where we differ greatly on this matter, because the Honourable the Minister for Labour and Social Security was saying that there was - I don't know whether he tried to do it disparagingly or as a compliment in comparing me with Lloyd George. I am very grateful that he should think of me as Lloyd George. Whatever he was he was a good leader at the time of the War, and if it was an attempt to disparage well he would be disparaging Lloyd George not me. I am no one to be compared with Lloyd George. If it was meant as a compliment, then, thank you very much, we don't often get compliments from the other side. Anyhow, be that as it may, he was saying, that there is an attempt to blur the issues, to show that there is no difference between the two of us, and of course in many things there are no differences because all the policies, the social policies of the Integration Party, were the follow-up of our own policies in that respect. They are not different from us, not that we are not different

from them. But in the fundamental issue of integration we are at great loggerheads. We believe in the identity of the Gibraltarian and in the right of the Gibraltarian to live his own life in his own land, in association with Britain. Here I would say in association of some kind but not integration, that would not be association, with the greatest respect to the constitutional expert who has written and read so many good things on the constitution but certainly we would distinguish that completely. We would not allow integration becuase I think integration is the end of our being as an entity. Talking about the role of the Opposition in a democracy, if we were integrated - which God forbid - we might have half a member in the House of Commons and when would his voice be heard. The others would say "That's your constituency." As we are now we have everybody because we are "a people", and as a people we command the respect of the world for a small people standing up to a great nation - and not doing so badly either now or before. This is to the credit of everybody in Gibraltar, not to the Government which I had or to the Government my colleague leads now, but to the people of Gibraltar as a whole, who have stood up to the restrictions and have stood firm in not giving way to an attempt to belittle us to, denigrate us and to deny us the right to the land to which we are entitled. (tapping on the table)

But when we come to that part of the question you say "the Dockyard must come first," "we must do everything first for the Dockyard." Now, what does the Government do for the Dockyard ? The Dockyard is there because Britain wants it, and good luck to them that they should continue. How can you say we must put our priorities in the Dockyard. I didn't know, despite all the difficulties that they speak about, that in the new constitution - and I will have something to say on that in a minute - there was any part of the defined

domestic matters which had anything to do with the Government and the Dockyard to say we must give the Dockyard first priority. But there is no question of giving the Dockyard first priority. The Honourable and Gallant Major Gache said something very sensible in television and I give him credit for saying something sensible from time to time. (laughter)

HON MAJOR A J GACHE: I won't interrupt on that, Mr. Speaker!!

HON SIR JOSHUA HASSAN: He doesn't say many foolish things but he says a few sensible things from time to time , and he said it yesterday when he read what Lord Merrivale had said in the House of Lords, and if anybody has any political instinct, one can imagine who briefs Lord Merrivale when he speaks in the House of Lords and I don't have to be reminded by the Honourable Minister for Housing and Public Works that the thing was published in Hansard. Of course we read it, but what we were cheering was the fact that it was being read by a Minister on that side of the House. That statement which he read, and what he said on television the other day, is very relevant to the point I am making and that is, that the Dockyard cannot expand. It is not an expanding economy. It is there; we cannot make it expand or anything. If the Suez Canal were open and consequently there was more business then good luck to us; everybody is going to gain on that. But we have no control over the Dockyard or the Government to say we must give first priority to the Dockyard. What priority do you give to the Dockyard? Is it that you allow English people to come and work in the Dockyard or do they come without asking your permission. This is nonsense! They do what they like. That is why they have a base. The base is part of this territory and the British presence secures their rights and liberties and that is why we agree

with the British presence in Gibraltar - I am not going to give way now - So really it is absolute nonsence to say that we must give top priority to the Dockyard. The Dockyard has the priority it wants, as everybody knows. There is one big notice in the Dockyard - in the corner where there used to be a little ferry -which says 'Whistle and go slow.' Once you do that nothing else matters. The Dockyard people do what they like. (laughter)

The other point that was raised y esterday mentioned Lord Greenwood of Rossendale, because he has written a couple of letters to the "Telegraph" about the possibility of integrating the smaller territories. It is interesting what people who were Ministers say when they cease to be Ministers, because Mr. Greenwood, as I knew him as Colonial Secretary, was certainly dead against integration and other Ministers have told me that. But of course I asked a very great expert on....

HONP J ISOLA: Mr. Speaker, I don't know whether my friend - the Honourable and Learned Leader of the Opposition is referring to talks he has had with Ministers when I have been present. I don't hink he is stating the position completely correctly.

HON SIR JOSHUA HASSAN: Sir, I am stating the position of talks I have had with Ministers, not across a table when everything is formal, but in the odd times when you can get their thinking better than when they are in the presence of civil servants. (laughter) With all due diffidence. And I could probably get good copyright if I were to write all the stories I have learned of what Ministers say about Civil Servants and Civil Servants about Ministers - not in Gibraltar (laughter) - but I will have to wait - no I am not going to give way now. - I would have to wait another 25 years and perhaps to leave that for the benefit of my estate, when

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everybody who had anything to do with it is out of the picture. But I can assure the House that it would make very interesting reading, very interesting reading. But I specifically asked an expert on international affairs the other night why Lord Greenwood wrote like that, when in fact we knew that in Government he had certainly not favoured that. And he said, "well to tease the Government, after all he is a Labour Peer." So that is all the importance that you can adduce to one person who writes on that.

The Chief Minister also referred to Europe and almost made us believe, becuase this is the fantastic thing, the one thing I will give credit to this Government. I will give them credit for public relations. Absolute credit for public relations. They are conscious of everything. The Minister himself says that they are the Government of press releases. They have a fantastic public relations. This is a thing where we were completely out. We had no public relations, we were busy doing things, not just telling the people what we were doing, but doing them.

And when he said that he had announced jubilantly the acceptance at Brussels of Gibraltar becoming part of the common market for the purpose of Britain's application, it looked as if he himself had achieved it. Well let me remind the Chief Minister that this is a matter of foreign affairs, and I will say no more than that. The question of whether Gibraltar goes with Britain into the Economic Community or not is a matter of foreign affairs and therefore nothing that he or I could say would have stopped that, or he or I could say would have created it. I will say no more now, but I will say this. I can give an assurance, not to the Chief Minister, but to the House and to Gibraltar that he was not responsible for Gibraltar being included with Britain in the application for going into the Common Market. And if he teases me a little I will tell him

something more that I don't want to say - nothing against him - but perhaps something that I would be compelled to say. Let us leave it at that and no more. To say "we announce jubilantly!" Well, he missed the bus somewhat because that "jubilant announcement" was a bit premature at the time. Subsequent events confirmed it but that was very very premature as he well knows. So, really, Mr. Speaker, this question about public relations about the things that have been done, I think I said it in connection with the Minister for Housing and Public Works and my friend extended it and I entirely agree that as far as the Ministers of the Government are concerned, the world started when they took office. Nothing had happenedbefore.

It is very funny, you know, to hear the Chief Minister say that Government by committees is not good. Yet we hear the Minister on his immediate right at this moment, saying that what we want more of is the committee part of the work of the House. We want committees like the select Committee which dealt with the question of conscription, we want more of this kind of committee. We want to get more people together. Whether it is right or wrong all I am drawing attention to is to the inconsistencies that there are within the Government. But I am not surprised because the Honourable and Gallant Major Gache in his little survey for the British Society for International Understanding, talking about the very nice and interesting book - very well written if I may say so it could even have been written by Lord Merrivale, I mean, he could have taken credit for it. (laughter)

HON MAJOR A J GACHE: That, Sir, was slander.

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HON SIR JOSHUA HASSAN: I think we are privileged here, thank God for that, what I mean is that it is worthy of having been given to the other one to sign!! I am not suggesting that infact, the knowledge in this could not have come from anybody except somebody from Gibraltar who knows his Gibraltar. So well did he know his Gibraltar that in speaking about the 1964 Constitution he said: "Sir Joshua Hassan, the Leader of the Socialist Association for the advancement of Civil Rights, became Chief Minister and Leader of the Legislative Council. In July, 1965 he agreed to form a Coalition Government with the Conservative Opposition, whose Leader, Mr. Peter Isola, became the Chief Minister's Deputy." A very good description of the standing in politics then. Whether they changed now and they now have become more Socialist than the Socialists is another matter. This is what was written and perhaps it might be interesting, since I don't want to tire the House too much with the motionon the Coalition, the terms that eventually were agreed for the Coalition were: "to preserve the fundamental freedoms and standard of living; to secure the maximum possible support and assistance from Britain; and to strengthen Gibraltar's links with Britain." History will say whether the Coalition, with all its strains and stresses, did not carry out those three great principles. History alone will say. The judgement of people who are concerned with it either on this side or the other is really in that context not very important.

The other point that I would like to make is that a lot of fuss was made by the Chief Minister about the theme of my Party's Annual Conference, "people not power". Not so much what was said here yesterday, but what he said on television. He said something on television which was, if I may say so, very silly, and that was, that when he came into office he did not want so many committees, he wanted the Mayor to be independent and so on. Of course what he did not say was that under the old Constitution elections for City Councillors were held everythree years,

that Councillors elected their Mayor every year and that therefore the possition of the Mayor at that time - I want to make a little history of this, and it does not in any way derogate from the present representative position that you Sir hold in another capacity - was a completely different thing. It was a council properly constitutdd. and the powers exercised by the Mayor were the powers given to him by the Councillors who in their term were given these powers by the people. The Chief Minister has more power now because he now commands over the Council whereas before it was a different mandate from the people. It so happens that the people wanted the same people on both sides. That is what the people wanted, or it was possibly the only choice they had. Who knows. There were others who stood for election and did not succeed in getting a majority. When the Chief Minister says he does not want to be concerned with one or two committees it is fair enough but he has taken others.

I had nothing to do with economic development, and he has taken that one over. The Mayor's side is nothing to do with him. At the time that was the proper constituted Authority for the exercise of the powers within the Council, and if I stood for election as a Counsillor and the Councillors elected me as Mayor I had as much right to be there exercising those powers as he has now. Perhaps more than he has now because we went on a ticket and we carried on with that ticket. This is just by the way.

I said a word before supporting what my friend of theleft said about the question of labour not being cheap labour. This question of immigrant labour, I think somebody suggested that we should make a statement on that. Well, we have no difficulty in making a statement on that, because we abide by what we consider the most important aspect of the Constitution, which are the human rights clauses of the Constitution. And let me

say at this stage that if as a result of a labour policy of restricted labour, which we don't dispute, but nevertheless as a result of what my friend on my left was saying, Gibraltar cannot do it alone, certainly not now. We can all put our heads together and have three jobs or four jobs, then perhaps we might survive a little without anybody from outside, but it has never been the practice or the possibility. But let me say at this stage that if there are quarters in Gibraltar for immigrant labour to fill up posts that the Planning Committee, or whatever it is called, has decided should be filled, we do not, and I repeat, we do not allow any discrimination because we think that not only is it bad morally, but it is contrary to the principles of the human rights part of the Constitution. We would not, except from the point of view of security and that may be looked at by those people who hold security in their hands, as individuals, we would not discriminate between the nationality, religion or race of anybody to come to Gibraltar, so long as he is competent to do the work, has a good record and has nothing against him. On that we stand clear. If in that limited quota a few Spaniards apply and have the qualification, a good record here in Gibraltar and come in, we say that that is no crime at all. We don't say we want cheap Spanish labour. I have already said that they will never come. We do not discriminate and we deplore the people who try to create animosity against individuals who themselves are not responsible for the policies of their Government. A pronouncement was asked for and it has been given. We do not shirk this responsibility. It may not temporarily be popular, but let us not forget that whether it was cheap labour or whether it was proper labour, or whatever it was, I think it has been said before that the Spaniards did make a contribution with their work in Gibraltar and there is no reason, unless it is a security reason, why anybody should be excluded just

because he is a Spaniard. This may not sound very popular at this time, but this is only fair and reasonable and I am surprised that members of the enlightened Integration Party, some of whom maintain the Socialistic principles so high, should try to attempt to create animosity. I am not saying that against the Government, I am referring to members of the Party, about which we heard a lot yesterday from the Chief Minister. Anybody who does that is, I think, doing a disservice not only to ourselves internally, but a disservice to Gibraltar in its fight as a free community standing by the human rights provisions of the Constitution.

And attempting, as we did to some extent, and having achieved, as we did to a considerable extent, the admiration of the world for standing for freedom and standing for our rights. That in my view would be standing for no discrimination on any matter in accordance with with the provision of the Constitution and Human Rights.

I am prepared to give way to the Chief Minister now.

HON CHIEF MINISTER: Thank you very much, Mr. Speaker, I would like to thank the Honourable and Learned Leader of the Opposition for giving way again. I think that if what I said at the Conference had been reported and I was speaking of course as the Leader of the Party, he would know that. I stated very clearly that as the Constitution stands today, there can be no discrimination. In fact that no law could be passed which would be discriminatory, and that the Governor himself would be unable to give assent to the Bill. It would be contrary to the European of Human Rights Convention to which Britain and Gibraltar have subscribed and we could not possibly go against it. I hope this clears the air, because my Party has not made any such pronouncement.

HON SIR JOSHUA HASSAN: To be quite frank, Mr. Speaker, he has not said anything that I have not said before. I said that it does not apply to the members of the Government neither does it even apply to the Executive of the Party. I wasn't referring to that, I said "members of his Party." This is what I said.

HON CHIEF MINISTER: Thank you very much but I'm afraid that it is not only members of my Party who speak like that, There are members of other Parties who speak with the same language.

HON SIR JOSHUA HASSAN: Fair enough, but this is a matter for the other people when they pronounce themselves. So far we have only had one positive resolution put forward and passed which catered for this thing, and I indict those who tried to do precisely what the Chief Minister pointed out would not be done. This is all I say and I won't take it any further, because there is no point in it.

One or two final points Mr. Speaker. The Chief Minister said yesterday in the course of his long address that we should not deprive those who want to work longer hours to do so and have two jobs. That is rather a generous statement. Everybody in Gibraltar now knows that whatever increases in wages, whatever increases in salaries, whatever magic formula to adjust the cost of living, the real facts of the case is that with the present cost of living in Gibraltar no worker, in particular, no worker can live decently with his bare wages. It is not a question of whether people want to work more to get more money, it is a question that people must work more because they must have more money because the demands of the household are very high because of the very high cost of living. I am not going to get myself involved now, I don't want to make this part controversial by saying whether the Government is responsible for the increase or not. I am not dealing with that aspect

of it now. I am now dealing simply with the question that people do not have two jobs for fun, and people do not leave their houses for fun at seven oclock in the morning, when the children are still sleeping, and come back at eleven oclock at night, when the children have already gone to bed. They do it because they cannot possibly make ends meet with the bare wages for the normal working week. So let this not be a concession that people have. Of course in every place anybody who works a little more wants a little more money, but here it is a matter of necessity. I say, and this is where the whole concept of the economy of the Government is wrong. I say that we cannot never live on a two job society. We cannot, the economy of Gibraltar willnot, and the people of Gibraltar will not stand for a two job society for ever. It can be done and there was an element of patriotism at the beginning. There was an element of showing the Spaniards that this could be done for a year, it may be done for two. It may have to be done for more. I am not saying that this is not so, but standards must deteriorate. Standards must deteriorate as people go on working by routine, and in the end they may not be able to do either job properly. Then both jobs will be overpaid in the sense that they will not be producing at the time when they are talking about an increase in productivity.

These are the thoughts that we have on the points raised by the various speaker on the Budget. There could be many more but I want to limit myself to the principal ones and I think that whatever disagreements there might be let us at least know what we are discussing and on what we disagree. Of course we have voted the Budget. The money must be spent, the services must be rendered. This is inevitable. Whether we would have raised other things if we had been in Government or not

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remains to be seen. Whether we would have increased this vote more and reduced the other one is a matter of approach. Generally the Budget follows the pattern that has been developed over the years with the necessary amendments that are required by the gradual incorporation into one Budget the spending of the Municipal Department, the spending of the other Departments. The pattern is the same. The increases are the inevitable increases that are brought about by the increased cost of living; by the various awards and the increases in the Social Services which have been made and which we have supported. Let that be clear, but let it be also clear that on matters of principle, on matters that concern the people of Gibraltar, how we should govern ourselves, how we should look to the future, on that we are fundamentally at variance with the Government. We hold that we as Gibraltarians are the most important part of Gibraltar and Gibraltar is the most important part of us and not of a bigger community. Jointly with Britain let us go together in this idea of preserving our rights, but let us not blur our identity - to use a word used by the other side - let us not blur our rightas a people into a much bigger entity which have got quite a number of things common with us but they certainly also have a lot of things which are not common. The leather for one is one which is not common between Britain and Gibraltar, however much we may be on other matters. This is why we will continue to advocate - I am not going to say fight other people - advocate what we think is the solution of Gibraltar, the long term solution because what this Government has not faced is the fact that sonner or later the international question of Gibraltar must be settled. I do not agree that it is going to be settled by the entry of Britain with Gibraltar into the Common Market. When I say the international situation must be settled, I mean, and I don't want to mince my words that eventually we must try and come to reasonable terms with our neighbours to live as good neighbours. I am not making any concessions, I'm

not giving up anything which I think is dear, but I still have my eyes open to the future to know that Gibraltar should not in the context of the twentieth century, live on its own with a frontier which is closed and a barrier which holds us from other people in the world. That is the concept that we will not abide by. That is the concept that we must settle eventually and that is the concept that, in our view, cannot be settled through the European Economic Community.

The Chief Minister asked a very able lecturer the other night how long it would take for Spain to get into the Common Market, and I think his reply was "Well they have got a first six-year agreement, a temporary agreement, there may be an extension for another six years, so that it may be twelve eighteen or twenty four years." We really cannot just rely on that. We cannot do much about it, I agree, but we cannot just say that is going to be the solution of Gibraltar. We must look forward with a little more vision, not just integrating ourselves with Britain and once again becoming a colony which, though we may technically still have the rights and freedoms that we had before we would be ruled by Whitehall; ruled by the people who now come as advisers. We don't want that. With a little voice in the House of Commons we shall occassionaly ~~to~~ be able to catch the Speaker's eye , but there the Speaker, Sir, has got 650 double eyed to look upon him to see who catches his eye first. That is why we look forward in that way differently. But on the question of spending and the question of Social Services there is not much difference . That cannot be much different, the accent at one time may be on one thing, and at another time on another.

We will wait to see what happens later on in these proceedings to establish whether we may have

more differences or less differences. Thank you, Mr. Speaker. (tapping on the table)

HON W M ISOLA: Mr. Speaker, Sir, I think that I am going to keep on two points: one is the statement made by the Leader of the Opposition on the question of more buses and less shelters. I think this is quite an important subject and it affects a vast majority of people, and I would like to go back a little while to when we took over the Transport Commission. On the 21st February, 1969 - I was then a City Councillor - I appeared before the Transport Commision and the Chairman pointed out; I quote: "The diversion of all buses from Main Street to Queensway or Line Wall has been the subject of discussion by the Transport Commission for several years. Generally speaking, the Transport Commission felt that the diversion of all buses from Main Street to Queensway or Line Wall Road would be a good idea, since it would decongest Main Street traffic considerably. The matter, however, was left in abeyance pending consideration of other plans. This matter, together with shelters, posting of timetables at bus stops, notices showing the bus routes on buses, and equally important matters related to the public bus service is today very much in the mindsof the Commission. It would appear therefore that at that particular time the problems still existed and had existed; to quote: "for a considerable number of years." A further meeting was held on the 16th May, 1969 on a matter, let us remember, which had been continuing for a considerable number of years and it was stated: "Mr Isola had asked at the meeting of the City Council whether the Transport Commission had yet decided when to fix notices of timetables and destinations at bus stops and to route buses from Main Street to Line Wall Road." The Chairman then proposed that due to the late hour the meeting would be adjourned and resumed on another day." On the 23rd May, 1969, the matter was again discussed

and again the matter was left in abeyance. During that particular time that I was in the City Council - and don't forget that at that particular time the Spanish labour was in Gibraltar in full force - one bus shelter for schoolchildren was built at a cost of £1000. The present Government has recently brought in three bus shelters for the public at a cost of £150 each.

What has happened since the Government took over the Transport Commission? We have at long last, re-routed the buses away from Main Street. The buses now show their destination, which previously they did not. Wide publicity was given both by television and by the media of the two newspapers, showing the destinations and the timetables of the buses. As far as I know there have been three complaints since the re-routing of the buses was introduced. Those have been investigated. A Public Bus Inspector has at long last been appointed. Tickets on the bus routes are now being issued. I now, and we all know, that the bus services in Gibraltar have been a continuous annoyance to the public at large. It is a fact of life, not only in Gibraltar but everywhere else in the world. Now let me go back eight or nine years when the City Council brought over a Commission to investigate. Well, a few years back, anyhow, six or seven years ago and I stand to be corrected.

HON SIR JOSHUA HASSAN: In my time.

HON W M ISOLA: It was also in my time, in Mr Chamberlain's time - and what happened? In those days there were no problems of labour, nothing at all. And if the Municipality had taken over the buses at that particular time, it would have cost the taxpayers an enormous amount of money and the position now would be exactly the same. Everyone wants a perfect bus service, I'm the first one to say that and I think all members of the House would generally

agree with that, but the realities of life are such that it is very difficult. But at least the Government the present Government, have done something. Something actually concrete. The buses have at long last been re-routed from Main Street. Bus stops have sprung up. New ones; bus shelters have come out and benches. It is very easy to say that what we want is a better bus service and less bus shelters. I say, no, what we want is more bus shelters and also a better service. All that takes time, but I would like to assure the House that since I have been Chairman of the Transport Commission, every single month I have had meetings on this matter, and it is very much in my mind and in my heart to give as good a bus service to Gibraltar as we can possibly have in the present circumstances. Enough about a better bus service and better and more bus shelters.

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①
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The Honourable and Gallant Colonel Hoare said earlier on this morning, talking about the Dockyard and Tourism, to quote his words: "What we want is to see both expand" and I entirely agree with that remark. Of course we both want the Dockyard economy and tourism to expand. He also stated that what we want is package holidays with inclusive charter flights. If I might remind the Honourable and Gallant .....

HON LT COL J L HOARE: On a point of order, Mr Speaker, that is not what I said. I said that the package tour holiday was the most rapidly expanding part of the market. To meet that, we had to have certain basic requirements, the principal of which was enough accommodation, not during the off-peak period, but during the peak period when most people want to come on holiday.

HON W M ISOLA: Itake the point, Sir, but on the question of package holidays with inclusive charter flights, this is actually what is happening right now, except that there are no charter flights as such. The package tours take a certain number of seats on scheduled flights as a result of which many private individuals are unable to find seats during the peak period. But the fact, Sir, remains that

tourism is expanding. To give a simple example during the peak months, which are considered to be July to September, the guest nights sold in 1967 were 55,834 beds, in 1970, and I shall repeat myself from my previous statement, the number had reached to 87,717. To repeat myself again, without appearing to be a bore, there are two new hotels going up in 1971. The actual expenditure from the Tourist vote in 1969 was £83,592. The revised estimate, if I may repeat myself for 1970/71 was £140,863. That is, for a period of fifteen months. The estimates which we have approved in Committee Stage for 1971/1972 is £95,857. Surely, Mr. Speaker, this goes to show, does it not, that we in the Government consider that Tourism is an important part of our economy and we are doing everything we can to expand it. But there is a limit to what the Minister for Tourism can do and of course there is a bigger limit to what any Government can do in spending money on Tourism. There is one point which we must remember when we consider that we wish to expand tourism. Surely the Government can play an important part and I am quite happy, and quite satisfied in my mind, that the Government is doing everything it can to expand tourism. But there are other factors, surely, are there not, in which people can also play an equally important part in tourism. By this of course I refer to the Hotel Keepers and Restaurant people. It is so terribly important for us that when people come to Gibraltar on a holiday, that when they go back they can say what a wonderful place Gibraltar is, tell their friends and their friends will come to Gibraltar as a result of that personal touch.

People tell other people about Gibr ltar and they keep coming. It is a much easier way of advertisement and costs the Government much less. It would be terribly easy for the Government to spend £500,000 in advertising. You would get all these people coming here, but the important thing

is to bring these people here and let them go back saying what a good place Gibraltar is. That, Sir, very much depends an the Hotel Keepers, Restaurants and many other places like that. That is why I say, Sir, that there is a limit to what the Government can do and certainly there is a limit to what the Department of Tourism can do. On these words, Sir, I fully support the motion standing before the House.

HON E J ALVAREZ: Can I take the Honourable Minister up on the point of the Bus Services. He has said that this Government has implemented a scheme, which is quite true, and I thank him for it. Butwhat he has not said is that it was the previous Government who made all the arrangements, considered the whole matter and left everything ready for this Government to implement. The reason why it was not implemented by the past Government was because of the fact that it was at about that time that we lost the Election. The Honourable Mr Isola will remember that sometime in 1969 I invited him to a meeting and I am very conscious that he took the question of the Bus Service at heart, as a City Councillor. He was told of the different arrangements which the Transport Commission was considering submitting to the Government. At the time the Government received a claim from the operators of the Bus Services who wanted to increase their fares. The Government considered that the operators should put their house in order before any increase could be authorised. Tickets were not sold; time tables were not kept; buses were not operated as they should have been operated, and people were kept waiting for a considerable period. All this was discussed and decided by the Transport Commission, and I must say at this stage that the Government asked me to take over the Transport Commission in 1968 and by 1969 we had covered all the defficiencies in the Bus Services for which we were suffering at the time. There is one thing which the Transport Commission recommended to the Government which has not been implemented by this Government

as yet, and that is, that the bus operators were complaining that because of the relevant legislation the width of the buses which they were obliged to use in Gibraltar were not of a standard size, and that because of this they had to pay an additional £1,000 for each bus to have the vehicles modified. I made recommendations to the Government that the law should be amended in this respect so that the bus operators would save about £1,000 on each bus purchased. As a consequence of this the bus operators should buy an additional number of buses to replace those whose condition had deteriorated. These buses are still in service today. I hope that the Government will follow this up and if implemented, I am quite sure that this will be an improvement on the bus services.

end of 24/9/12

HON W M ISOLA: On a point of clarification, Sir the question of the width of buses has already been done. Bus operators are allowed to use buses larger than the ones authorised by law.

HON E J ALVAREZ: They were allowed to bring larger buses and this is in accordance with the law, but they wanted this to be amended because of the fact that since they had to bring larger buses, in accordance with the law, they had to pay that additional amount of money.

HON M XIBERRAS: Mr Speaker, at this late stage a number of points have been raised about my own Department, but I think by and large I put forward all that I wanted to say in respect of my department at an earlier stage. With your permission I would like to come back now to the question of labour which has been raised by a number of speakers an the other side. I should, however, like to concentrate on the address of the Honourable and Learned Leader of the Opposition, because he prides himself on summing up the views of his own side, and we on this side tend to depend on team work, quite as much as he depends upon himself upon that side.

We know that the Honourable and Learned Leader of the Opposition has been in office for many years and there have been few attempts to deny him the credit which is his due. I made a reference or a comparison between the Honourable and Learned Leader of the Opposition and Lloyd George, and I have made other references to other statesmen in the United Kingdom on other occasion For instance I have mentioned Robert Peel. But the point I have made on all these accasions was that, to my mind, the most important problem facing the Opposition is, in fact, their present role. After many years in Government it must be a hard thing to sit on those benches. I say this not in a personal way but for the good of this House. We have had long speeches from both sides. From this side we have tried to get acceptance from the Opposition of those points that are good, and we have had acceptance on a number of areas. But in a number of disputed areas, in a number of areas of principle, the debate has dragged on because each side has wished to convince the other duringthis session, in the sameway as we tried to convince each other on the Teesdale Session and at the last budget.

I thought that the offer on the Constitution by my Honourable and Gallant Friend the Chief Minister wasa reasonable one, and one which I have had in mind for quite some time. The Honourable and Learned Leader of the Opposition has gone on a broad field in his speech. He has touched upon the Constitution, he has touched more openly than he ever dared before on the question of labour, andhe has touched upon the economy. Then he has thrown in a number of innuendos against my Honourable and Gallant Friend, the Chief Minister, which somehow seems to tally with the campaign at large, both in Gibraltar and outside, by certain correspondence to belittle the image of my Honourable and Gallant Friend. I will not respond in like manner, except to repeat my loyalty to the Chief Minister and to this Government

and to express once again my conviction that the Government is performing a good job, is working twice as hard as the last Government did, and is producing much more for the benefit of people than the last Government in the last four years of office ever produced.

May I deal with the last point first, Sir. The Honourable and Learned Leader of the Opposition has adopted the tactic of trying to blur the distinctions as regards domestic affairs between this Government and the previous one. I appreciate that both parties are supposed to be defending the particular interest, especially, of the working classes and if not that, the interest of Gibraltar as a whole. But I think that the Honourable and Learned Leader of the Opposition does fall short of his role of statesmanship in Opposition, the role that Robert Peel might have adopted, when he tries to minimise the difference. For instance we have heard it from him, and we have heard from the Honourable and Gallant Colonel Hoare, that because Supplementary Benefits existed, any increase in that area does not amount to a change in policy. This is as much as saying that any Government in the United Kingdom would have to introduce a completely new tax in order to describe itself as either Conservative, Liberal or Labour. I think, Sir, as I mentioned before, that the difference inquantity becomes a qualitative difference after a while. I could go through item by item, and perhaps we have done a lot of this already, and the Opposition should have been convinced by now.

I should like to refer to the first socialist principle to which I referred quite a long time ago in the first article that I wrote in the Gibraltar Chronicle many years ago now, in which I said: "a mendicant Government can command no confidence and that the amount of money at the disposal of Government will dictate the social policies of Government and the social advance of Gibraltar."

I think it is a matter for great congratulation for all members on this side , and even for members on the other side, that whatever the Honourable and Gallant Colonel Hoare may say about statistics, there has been a very substantial increase in the funds available to Government. As a result not only of this budget, but last year's budget, and that this is all to the good and is obviously to the benefit of Gibraltar as a whole. Seen against the background of the years between 1963 and 1969, in which the Opposition was loath to raise taxation, was loathe to meet its commitments, was loathe even to pay its debts and pay its way, this is a tremendous achievement, and if only on that point, there is a qualitative defference between this Government and the last. We have heard of great increases in expenditure, Sir, perhaps the Honourable the Financial Secretarymight during his speech,give us an idea of how much all departments in Government have increased in size. And if the point is made by the Honourable Mr Featherstone about efficiency in respect of the Education Department, I can assure him that short of producing productivity bonus for the boys that money will yield a direct benefit anyhow however it is applied and increases in that particular vote bring an automatic benefit to Education.

Dealing also withthis the Honourable and Gallant Colonel Hoare said that most of the increases were due to wages and salaries and I will perhaps, on a later occasion, tell the story of the Second Marsh Report. I think it is a good story. But coming to the Honourable and Gallant members point that this is happening everywhere else, I would ask him to compare notes with other speakers on his side, the speakers that were extremely worried at one time about the competitiveness of Gibraltar, as regard whether we could in fact increase the salaries and the wages, whether we could keep pace whether we could enjoy the same standards as the United Kingdom, and whether we should even aspire to the same standards as the United Kingdom.

It is the policy of the Integration with Britain Party, and it is the policy of this Government and of the Isola Group too, to get to those standards. Towards this goal we have travelled as long a way as has ever been travelled in Gibraltar in a period comparable to ours in office. So it is a matter for congratulation, not from the "self-congratutory Club" on this side.... congratulatory

HON SIR JOSHUA HASSAN: Yes, yes!!

HON M XIBERRAS: ....but from the other side that wages and salaries have kept pace with the cost of living everywhere, and will keep pace with the cost of living everywhere. We have ditched no one. But in 1967 there were many people who were ditched, and there were not as many people who had got much more than the minimum increase, which is not 18% but which will amount to considerably more when a period comparable to the 1967 Report is reached. That is before the next revision of salary in July 1972, to which we are committed already before we are out of this one, and on which I am already working to establish a more satisfactory negotiating machinery and method of approach than has been the case heretofore. By the time this period has elapsed and this Report is completed, whilst the other to which we are committed is not yet started, I am quite persuaded that the increase will be, for everybody again - certainly in money terms - superior to that which was granted in 1967 even to the industrials after four or five years of wage freeze.

3/10/12 end
4/10/12 start

The Honourable Mr Abecasis made some play - and this has been done by the Opposition on other occasions - upon the question of responsibility and praise for what has happened in Marsh. I went on Television on one occasion, because I thought a certain gentleman who had put this

case across, not on behalf of the Unions but on behalf of himself as an Industrial Correspondent, had exceeded the mark. I felt that it was not fair to my colleague that they should have their own contribution to this belittled by gentlemen such as this. I have not tangled with the Unions on this and I give them the praise that is their due. But equally the members of this House in raising the money, in carrying out the work, in being approachable and amenable and respectful to the Unions, has enabled the Marsh story to come to what in fact it has become. A great success story and a sucdess story in which this Government is a major character. In any case if the Opposition, the political party as opposed to the Unions, wish to take credit in this, then let their credit be that they have supported the Government in the voting of the money, let their crddit be also that they intended to do certain things, according to their Election Manifesto, but let not their credit be that the President of the Gibraltar Trades Council makes it appear in this House as if it was the A A C R, and not the Unions, that were entitledto that bit of credit to which I think in fact they were entitled .....

HON SIR JOSHUA HASSAN: If the Minister will give way for one moment ...

HON M XIBERRAS: I will give way Mr Speaker. Unlike the Honourable and Learned Member I will give way.

HON SIR JOSHUA HASSAN: I am very grateful because and I say this because the Member who spoke on this point is not present, otherwise I would have left it for him to do. Certainly, as far as we are concerned, what he said about the Union was said in his capacity as a Union man, and of course he had to give the story from the Union side. He happened to be a Member of this House, but he was not in any way, and let this be quite clear, speaking for the Party. In so far as what the Union has done, which is completely independent, it has done what it thinks

proper. Let that be quite clear. Ithink the last person who would wish to manipulate anything like that would be the Honourable Mr Abecasis, who I think spoke with great sincerity and put forward the pointof what the Unions were doing and not what the Party was doing I think the Minister well knows that he takes gr eat care, when he comes to any conclusion, of dividing his three positions: as a member of this House, as the Vice President of the Transport and General Workers' Union and, for the moment, as the President of the Gibraltar Trades Council.

HON M XIBERRAS: I thank the Honourable and Learned Member for that contribution. I will again differ in my approach from his on a second count, in not making use of what appears to have been a slip of the tongue, to drive in unfairly a point which the Honourable and Gallant Member should know better and should not raise in this House.

Sir, be that as it may, I think that the ultimate judges of whether this Government has given the workers a fair deal or not, will be the people in the street at the next Elections.

May I touch for a moment on the question of the two job society, so called, by the other side. Sir, it is easy to criticise the two job society on social grounds and to say that it will be here in perpetuity. I have on other occassions made it quite clear that if it were up to me, and if it were up to this Governm ent to change overnight the whole attitude of Gibraltar, subjected as it has been to cheap labour for many many years, I would do this, but again the Honourable and Learned Member is blurring distinctions, because I remember a time, when the Opposition was in power, when the phases of "tightening their belts" and the phrases of "wage freeze" had to be fought in GTC,

and I belonged to GTC at that time, and the Honourable and Learned Member when on Television shortly after a statement made by the Financial Secretary which said that the economy was alright, in fact it was developing. I remember having to fight motionsabout the Honourable and Learned Member going on Television and appealing for wage restraint with the veiled threat that it might be necessary to control wages. This Sir, I remember destinctly because I was at the receiving end of that policy. But if those years were the worst in Gibraltar's history as the Honourable and Learned Member has made out that in fact they were, then there can be some reason for this. The Honourable and Learned Member has said that he did not know what would come next, it was a crisis, there was a crisis. They did not know what was going to happen next. Let me sympathise with the Honourable and Learned Member because even in the present situation of Gibraltar we are not in a completely invulnerable state and the Honourable Member knows that if workers from Morocco had not come in - even though they did so in a very disorderly fashion and with no plan at all - but if they had not come in then we would have been in dire strait today. But also that if they were to be withdrawn tomorrow we would be in difficulty as well. And this difficulty would be very much towards the end of the line. But we are not talking, Sir, of "wage freezing" or of "tightening our belts" even in these circumstances. We have put forward a labour policy, which on this occassion I shall call new. I have restrained myself over a year and a half, and the Honourable and Learned Member sneers at this remark, but I have always said that this Government deserves praise for taking advantage of the withdrawal of Spanish labour and for implementing the right policies at the right time. I have also said in this House, Sir, that I donot blame the Opposition

for not thinking further ahead than they did. It is a complex problem as I have found in my own experience. Whether enough was thought about it, whether enough was done about it, again is water under the bridge, but when the Honourable and Learned Leader of the Opposition stands up and tries to minimise what has been done, and more important than this, when he begins to adopt an attitude which I would call, a new one, a departure for the Opposition in this House, not only in respect of labour but in respect of the Constitution and in respect of the International situation, then I must state quite categorically that the policy of labour is based on the consideration that we are not in a position, in Gibraltar, to influence to a very great extent the quarrel between Britain and Spain over Gibraltar. That it is our duty to provide a viable, strong, affective and happy society in Gibraltar, in so far as it is possible to do so and also in the consideration, Mr Speaker, that we will not succumb to fear and to threats, we will not succumb to any direct fairy notions that we have the power in our hands alone to bring about a settlement to the Gibraltar dispute, and that it is a major contribution to make to hold this position and to hold Gibraltar British. This makes us neither hawks, nor bigots nor anything of the kind. It makes us strong, it makes us absolutely certain that any settlement that may be reached will not be because of the weakness of Gibraltar in the labour field, in the Housing field, or any other field. And to this extent we have framed our Development Programme, and to this extent we have emphasised the needs of the Community in the Development Programme. This is why, Sir, we talk of Hospitals we talk of Schools, we talk of houses, we talk of all these things and we tend to talk less about Tourism. Despite that, as I said at an earlier stage, Sir, there are two hotels going up. But for every

hotel that goes up each hotel owner will obey certain rules in respect of labour, Will obey certain laws in the interest of Gibraltar and in the interest of the labour situation. We have created, Sir, in a year and a half, a system of control and instruments which did not exist at the time the Opposition was in power. Price control, Control of Employment, the formula, all these are means of controlling the development of our society. These things were not done by the Opposition and these things are new, as is the phylosophy which inspires it.

Sir, talking still of the Labour situation and linking this point up with another point, the pointsmade by the Honourable and Learned Member in respect of the Base, may I say first of all that it is a bit of a misnomer to talk about the Dockyard Economy. What we are talking about, Sir, is Defence spending, overall. This is the 60% and that the Dockyard forms the most important part of that spending. I think, it will be readily admitted by the other side. But in the context of its general approach to the International situation, which I maintain is a new departure - in public at least - for the Honourable and Learned Member, I find that his references to the Base are somewhat alarming and I ascribe them to his failure, as a statesman in Opposition, to steer clear of doing precisely the same thing he accused Lord Greenwood of doing, of saying out of Office what he dared not say when he was at the head of a Government .....

HON SIR JOSHUA HASSAN: Exactly the same .....

HON M XIBERRAS: He has moved in this House, Sir, the motion that defence spending and our dependance on defence spending, is colonialistic and I put it to this House, Sir that this is so only when it is against the wishes of the people. (hear, hear) I would say Sir, that if he likes he can be

anti-militaristic, he can be against Defence spending, it is possible to be these things and still enjoy the benefits of such an economy. But when I begin to get worried is when in the same breath he is talking about the development of Tourism. I got the impression that there was at least a desire to reduce British commitments to defence spending if it were possible to develop the Tourist side ....

HON SIR JOSHUA HASSAN: Nonsense.

HON M XIBERRAS: ....If it were possible to develop that side of the affairs.

HON SIR JOSHUA HASSAN: Nonsense, nonsense,....

HON M XIBERRAS: ....and I see a danger in this now as we saw a danger in this earlier on. We have spoken quite a lot, Sir about defence spending and tourism but this has not been said. That whatever real limitation exists in the part of any development towards a more "private sector economy", if I may put it that way and they are real, the Honourable and Learned Member put his finger right on the spot, they are the frontier the withdrawal of the Algeciras ferry and so on, these are the real barriers. Inside these my Honourable and Learned Friend, the Minister for Tourism can make a point. My Honourable and Learned Friend on my right has also made a point. Inside these limitations it is possible to develop, and we are developing. I am not against this, but the Honourable and Learned Member must be aware that if he wants a real "private sector economy" this cannot be done with that frontier being closed. This can not be done from a labour point of view this can not be done from any point of view in Gibraltar. That is the major limitation and I would put the Honourable and Learned Leader of the Opposition on notice about this, that the more that he presses in a certain context for the development

of this side of our economy, the more will be the pressures from Gibraltar to open that frontier and sometimes, amon g certain members of certain organisations, at whatever cost. I think it is wise to be socialistic, not only right and power. I think it is wise to give the Spanish workers what they merit, but before everthing, to my mind - and this may not be all that socialistic - comes the worker in Gibraltar. Before all these things. I was surprised to hear the Honourable and Learned Leader of the Opposition referring to socialistic principles in the question of the possible importation of Spanish labour, when it was he of all people who said in this House that we were giving half a million pounds to the Spaniards. (Hear, hear)

HON SIR JOSHUA HASSAN: .....WHo did it?....

HON M XI BERRAS: .....Yes. He Sir, was opposing it. He shouted out in this House, out of turn, and quite beyond control, he shouted out and it appeared in a certain newspaper the day after. (hear, hear) Sir, the rights and wrongs of this matter are pretty deep. I do not know how far our obligations go, but I would ask for consistency on that side, as they demand consistency on this side.

Sir, I am referring to the Honourable and Learned Member's role as an Opposition Leader, and this has been the subject of a number of comments in this House. I realise that what is being ventilated here in this House most of the time, is the political changewhich has affedted not only the composition of this House but also, by and large, Gibraltar as a whole. Sir, perhaps I am paying a tribute to the Honourable and Learned Member that he was the constitutional authority over many years in Gibraltar, and it is he, Sir, whohas raised this matter in connection with the Estimates rather than I. But he will

admit that the Constitutional proposals which were framed by the AACR in preparation for the Constitutional Conference are worth very little today. He will admit that the original idea of Free Association is worth very little today. He supported this, and I do not blame him for having supported it, but what I do blame him for doing is for flogging a dead horse and causing confusion that, to my mind and I say this in all sincerity - to my mind there could be at least a narrowing down of differences in the light of recent events. In other spheres, Sir, on other occasions we have debated the Constitutional issue, especially in relation to the UK. Citizenship motion presented by my Honourable and Learned Friend. And reading back through the Hansards it is quite clear that the most important factor separating the two Sides, such as they now are in Gibraltar, is in fact the political situation and the power situation inside Gibraltar. I will put the blame equally on circumstances, on both sides of this House and their respective parties, and I appeal once again, Sir, as the Chief Minister has done, for a real close look at what our differeances really are. I believe that it is possible - and I will not enter into the dangerous field subjudice of United Kingdom Citizenship - but my experience during the last one and a half years inside Government had led me to confirm that we in Gibraltar must resolve the power relationship between Britain and ourselves. This must be done, because it is dividing Gibraltar, and dividing Gibraltar more than it is necessary. I do not think, Sir, that the question of identity in the Constitutional sense will present much difficulty - and I am talking in a very personal way. I do not think that the other side would question the desire of this side to be Gibraltarian. This point was made by my Honourable Friend the Minister for Medical Services in very clear and simple terms. I do not think it is

a fitting thing to do, that we should carry on at this stage, having ventilated the matter, calling ourselves, in the Constitutional field, more Gibraltarian than the other. This is a constructive proposal, Sir, I hope, However, in politics - if I may reminisce on one and a half years experience - it may be necessary to make a strong speech in time to let the other side know how strongly one feels on certain points. This in fact is what I have endeavoured to do in relation to the Honourable and Learned Member's remarks on the International situation. I will make them, Sir, just once more with leave of the House. That we must get in Gibraltar, and it is the opinion of this Government, a situation in which the people are happy, strong and proud to continue in Gibraltar. There must be no weakening, there must be reasoning but there must be no weakening, and what I fear is that out of context the Chamber of Commerce has done this. Out of context they come forward and they present a perfectly tenable solution. The Triay Brothers did this as well out of context. They pushed the thing in and hoped for the best. When people are quarrelling about marbles, marbles may not be very important, but if you should remove some marbles from the floor, they go for you. The subject may not be that important but the context is and when the people of Gibraltar are trying their best, through no fault of their own, to live this sort of life to the best of their ability, then let us beware of making statements which we will have neither the power nor resources to carry out. I will say this to the Mr Clinton s of this world too. Let me make it quite clear that to be a peace-maker one needs to have a certain amount of influence otherwise one can be a martyr in the cause of socialism or anything else. And even though one's personal martyrdom is a subject for one's self, the martyrdom of the

community is a defferent question.

Sir, may I clear up one point about cheap labour ....

MR SPEAKER: May I interrupt to find out whether it is the intention of the speaker to go on for much longer?

HON M XIBERRAS: I have only about three minor points, Sir, to make and I think that I should take about ten minutes more. If that is too long, I could try to reduce it to five.

MR SPEAKER: No, no, it is quite in order.

HON M XIBERRAS: Sir, the Common Market may not be the panacea to our trouble but it is an important remedy in curing,not our disease because we are thriving, but in curing our predicament. I would have liked also more wholehearted and prompt support from the Opposition on this issue. We did not get this, but I am glad that it is there now and I go entirely with the Honourable and Gallant the Chief Minister that this is an important innovation because it points to the future. It gives us acceptance within the European Community, it takes away what we lost, or gives back what we lost to some degree in the United Nations, it puts us amongst powerful people. I would like also to be accepted in International and Social Organisations like the United Nations, but this has not been the case Sir, despite the efforts of the Honourable and Gallant Member this has not been the case, and therefore I welcome our adherence to this particular group for the sake of the community and there should be no minimising the advantage which this will give Gibraltar. Equally, Sir, it was said by one particular newspaper - not the usual newspaper but another one - that the Honourable and Learned Member has insured that certain laws, such as the Control of Employment Ordinance limiting the amount of labour

coming into Gibraltar, the whole question had been examined by him in relation to the Common Market, this was said by El Calpense at one stage.

HON SIR JOSHUA HASSAN: I am laughing, but I do not want to be held responsible later for anything that is published in El Calpense !! (laughter)

HON M XIBERRAS: A sentiment which I am trying to share with the Honourable and Learned Member!! However I would like to say that we have looked up this particular problem, that we have found references and that we have got confirmation that if the living standards of Gibraltarian workers were to be affected by any change brought about by our adherence to the European Community, then we could carry on our control of labour from abroad. We have got this, Sir , in fact pretty late in

the day and only after a considerable amount of interchange of correspondence, and a considerable amount of research into the meanings of certain resolutions that have been taken and of the applicability to Gibraltar. I am very glad about this, but let me say in the same breath that if this had not been the case, then I would have put the political advantage of Gibraltar over this particular question of labour, and that we should go into the European Community for the sake of preserving the community. That is in the political interest, and I would have done this too.

When number two in Europe, Mr Ford, came over - and we have heard a lot about Number 1 in Europe in the course of this debate. When Mr Ford came over there was a communique, as you know, talking about the merits and demerits of this scheme. I have said that I do not think that this was a particularly helpful attitude on the part of the Opposition because the issue was being enlarged; any way that we had to go into the Common Market. I hope that the substance of that communique does

not become the substance of communique hereafter. I hope that in fact, we will get full support on this question of EEC and we are not out of the woods - to quote the Honourable the Financial and Development Secretary - yet on this question. Until Britain herself joins, as we know, we will not join ourselves and if Britainshould not join then we might be in serious difficulty politically, and then we would in fact see the advantage of the EEC proposals.

Sir, may I say just one more thing about the formula and again there has been an attempt by the other side to blur the significance of this formula. It is significant from the point of view of the UK Department; it is significant from the point of view of Government and Government policy; it is significant from the point of view of prices too it is significant in every possible direction. An Honourable Member said that this had been done before. I am open to correction on this but I do not think so. I do not think that the Commitment to automatic reviews has been accepted on a worked out premise, on a worked out criteria beforehand. I do not think that this is the case. If it was, maybe it should have been continued during the hard years.

HON SIR JOSHUA HASSAN: It was done away with by the Hambury Award, who covered it in his arbitration.

HON M XIBERRAS: Sir, the Hambury Award was a very long time ago ...

HON SIR JOSHUA HASSAN: Well it might have been taken away, but it was there before.

HON SPEAKER: Order, order.

HON M XIBERRAS: It was a very long time ago, but no matter. The fact is that we should all in Gibraltar be aware of the significance of the formula as it affects ourselves. That for every price rise - I have brought here for the purpose of reading out religiously,

the Cost of Living Index; one, two, three, four, five, six, seven, eight, nine lists of articles goes up then we will have to vote money. We are aware that the increase in the cost of living in UK was 3% two years ago, 8% last year and 11% expected this year and maybe 15, 16, or 17% next year. I am arguing for efficiency, not only in labour, but also even with the small businesses that we have because of our nature in Gibraltar. I am arguing from minimum profit, reasonable profits, but minimum profits, because otherwise we shall have to come to this House and seek more taxation. I also put the Chamber of Commerce on notice about this, that the Government has adopted this policy and there must be efficiency there. What I am going to say about labour, Sir, I will say after having said what I am saying about trade. And that is, that we must have, efficiency there, we must have efficiency in management, we cannot afford to have people wandering up and down Main Street having cups of tea, we cannot afford to have that, we cannot afford to have that anywhere, and if we do not do it then we will go bankrupt and this is the point that the Honourable Financial Secretary was in fact making. This is a personal responsibility and a collective responsibility. Productivity is not just a nice word, productivity is a call to the people of Gibraltar. It is a call to all levels of the people of Gibraltar and I have not said this before having satisfied myself that we have the mechanismto be able to help those people who cannot increase their productivity all that quickly, all that obviously I have talked, Sir, in this session of Middle Management. I talked a bit about the Third Marsh Report, I have talked about the great story of the Second Marsh Report, about my concern for the basic wage, which is not settled. I have talked about Contracts of Employment for Gibraltarians, which includes an element for redundancy pay. I have talked about the system, but now I am talking of work, and distribution of work. I do not think, Sir that we

should in any way encourage the workers of Gibraltar to work less, or to aspire toless because this is something which might rub off. I am proud that the people of Gibraltar have found the energy and the ambition to pull in the money when it was therefor the taking. I do not agree with giving up one's principles or one's responsibilities because of this, but there is something good to see people in Gibraltar, who lived minimally and spent minimally in Spain before, now building up homes, buying Television sets, buying cars, taking holidays, this is good. I will make the point, Sir, in another way, if I may. If we give in too early on their two job society we are going to be very far behind Europe when we have a none job society. The earnings are there, the earnings are plainly there, this is the great thing and this is the gold mine. You may pour yourscore on the metaphor, you may pour your scora on productivity, you may pour your scora on the two-job society, but over and above these things there is a fact that the money is there, that the ambition to become Europeans is there.

And let me finish up on this point, Sir, when we have raised our standards, when we have the money coming in, when we have based our efficiency, then we will not go to Britain with an inferiority complex to ask for whatever itis . Then we will go there as people who are enjoying a standard of living which is comparable with the United Kingdom or anywhere else. We will drive up in our cars, we will talk abour our television sets, and our washing machines. We will be able to talk about all these things and we will be able to stand up. And if that is not enough then I am sure, from both sides of the House, we will be able to talk proudly as Gibraltarians (Tapping on the table).

HON SIR JOSHUA HASSAN: Mr Speaker, I would like to make some points of personal explanation, if I may. And that is that apart from all the dialetics and so on, there is

one thing which has been said that I would like to clear up because it was not true. Certainly I was not conscious of having said anything that could be interpreted in that way. I have said nothing in the derogation of the Base, what he calls the Base nothing in the derogation of the base and I only spoke about that because it was raised by the Chief Minister in the context of colonialism. The other point which I want to make is that I was accused of not having spoken before about this, and having spoken of it now, and so on. May I remind the last speaker that this question was one of the difficult points that we had to defend at the United Nations. The amount of Defence spending, to what extent we were dependent on the base - I am sure the late Minister of labour may recall that. Nothing that I said, nor that I will say, is in derogation, and the last Speaker will recall that I said that it was the British presence that preserves our rights and I will continue to say that. All that I want to clear isthat my references were to the emphasis by the Chief Minister on this question of the economy.

HON CHIEF MINISTER: Could I clear a point too, Mr Speaker, with the indulgence of the House. It is precisely on the same point that the Honourable Leader of the Opposition has spoken on and it will be very short. He mentioned the emphasis that I put on the Base, which is not obviously the emphasis that he puts, t is is very relevant because if for the sake of the other side of the economy we are not prepared to accept higher wages forthcoming from the base, because it will be detracting to the other side of the economy, that is the emphasis.

The emphasise is very important because obviously in the Joint Industrial Council, whenall the Official Employers meet and decide on a rise of wages, we have to consider the effect that this will have on the rest of the economy and this is where the emphasis come. This Government is not prepared to stop increases in wages forthcoming from the Official

Side because of the other side. This is the emphasis and if you agree to that we are on the same boat.

HON SIR JOSHUA HASSAN: Mr. Speaker, we are not at all in conflict on that. When the base was mentioned this never entered my mind. The reference to the Base to me, seems to be that anything that is said against the base, or anything that is said against anything else is in derogation. Not at all, we do not disagree on that.

HON CHIEF MINISTER: It looks to me as though we are arguing at cross purposes.

HON SIR JOSHUA HASSAN: We ought to have lunch.

HON A P MONTEGRIFFO: I am going to disagree with the Leader of the Opposition, Sir. If the House wants to save themselves indigestion by having to listen to me after lunch, I promise to ....

HON SIR JOSHUA HASSAN: No, out, out!!

HON A P MONTEGRIFFO: What about the rest. There is no whip now!

MR SPEAKER: We will recess until 2.30 p.m.

The House recessed at 1.30 pm and resumed at 2.38 pm.

MR SPEAKER: We are still on the motion for the Estimates of Expenditure. Does any Honourable Member who has not had a word yet wish to do so now?

HON A P MONTEGRIFFO: Very few left, Mr Speaker, only myself and the Honourable Minister I am shadowing, who will no-doubt speak after me. I am in the unfortunate position, Mr Speaker of having for the first time, more or less - because, as I said before, the Honourable Minister for Medical and Health Services will be speaking after me winding up or picking up the loose threads and it is difficult to do if only because I have never been in this position before. So I will do

my best, although perhaps some members of the House may feel that that is not good enough.

Sir, I will start answering some of the points raised by the Honourable Minister for Labour and Social Security and I would like to emphasis the point cleared by the Leader of the Opposition on the word 'Colonialism' related to the Base, I must reiterate that we welcome the Base but we did not use the word Colonialism in this context. We used it in the context of that approach, that emphasis that members of the Government give to problems nodoubt carried away by the very fundamental differences that divide the House on the question of Intergration, of the right to our land. Mr Speaker, perhaps the day may come, why not, when we on this side of the House succeed with this question of the right to our land and we shall still have the base in Gibraltar. Perhaps Britain which loves us, and wants to protect us so much, may be paying for the Base.'

Sir, fromthe question of the Base I go now to the Common Market. Of course when the communique was issued by the Government on the question of the Common Market, we raised objections. And the objections again, were coloured by the same motives that coloured the question of Colonialism in relation to the Base. Before committing ourselves we wanted to know where we stood, where Gibraltar was going to stand. Whether Gibraltar was going to have a voice. This happened subsequently when an expert came to Gibraltar and, Mr Speaker, we discussed this with him. We are now quite happy to be, as the Chief Minister put it, in the same boat as the Government, in wanting to go into the Common Market.

We come now to the question of the formula. Mr. Speaker, I think too much is being made in this House of what you are doing that we did not do; of what we did that you have not done. We must discuss things in the context of 1971 and look forward to the future in that particular context. But there is this tendancy if I may say so from both sides of the House, but more so from the other side of the House. I must give a little history about the formula. Of course today's formula is not the same formula as that which existed before, I am prepared to say it is better. If you are going to buy a car today, you do not ask for the 1960 model. As a result of arbitration, which is not of our making - and this is the price Union pay - the formula was done away with. In 1967 this was represented to Marsh and we did not know anything about it ourselves until about 1969 when we were asked by the Union for our political support in obtaining the formula. I give credit, as the Honourable Minister of Labour and Social Security gave to the Union, and I am prepared to give credit to the Government for having been in the particular moment and at the particular spot to implement it. Fair enough, and that that.

We now come to price control. On the question of price control, I think if I remember rightly, hearing the Minister for Labour and Social Security saying "And now we have price control, we did not have it before." Mr. Speaker, price control has been in existence I think since 1964 or 1965, covering a wide range of article of essential goods.

HON M. XIBERRAS: On a point of clarification, Sir, if the Honourable Member will give way. The point I made on the price control was in relation to the formula, and I said that price control became very essential now, in view of the fact that any increase in prices would be reflected in the formula.

HON A F. [illegible] MONTEGRIFFO: Mr Speaker, I consider that price control is essential now, was essential before and is going to become more essential in the future. But price control existed and if he agress that it existed, I have nothing more to say about it. I do not like repeating myself

Two invitations were made from the other side. One was on the question of the Constitution. Mr Speaker

I believe very much on this question of getting together and the Government knows that I do, but this has been tried before. The previous administration had a Constitutional Committee, where we tried to iron out all our difficulties, and all our differences, if that had been possible. And I must here pay tribute to one of the members, now sitting on the other side of the House, who did sterling and excellent work. I cannot claim much credit for whatever came out of the wash, because I came in at the last stage of this Committee. But I will say, in fairness to the Honourable Mr Peter Isola, that he really went out of his way to try and find the words that would make the whole thing less controversial and would at least create a unity that was essential when we had to go to a Constitutional Conference and fight for the basic and human right of the Gibraltarians. Unfortunately - may be it was our fault - we failed, Sir, Maybe, as the Honourable Minister for Labour and Social Security mentioned this morning, it was something to do with this struggle for power which had been going on and I would be the first one to attempt to find ways and means, without in anyway depriving any one of his democratic rights, to try and minimise this as much as possible in the interests of all. As was said from the other side this morning, we have still got a lot of difficulties to face, the crucial one of which is our place in the international field, which has still got to be sorted out.

The other invitation, Mr. Speaker, was on the question of comprehensive education. If the Chief Minister feels I am dividing something I am being unethical, I am prepared to apologise and withdraw. But I think I made, maybe a feeble attempt, to try and get this ffom becoming a contraversial issue. I will not say more at this stage. But I am very surprised, Mr. Speaker that this Government of Statements should not have brought a statement on the question of comprehensive education to this House which as an Opposition we at least deserve in the same way as details or whatever it may be, have been given to the Teachers and to the Press. This is, Mr. Speaker, what is motivating the motion on the adjournment. We could have done it, we could have adjouned the House in any way. If the statement had been made, or if we had been satisfied with the statement, perhaps we would not have done it. But that was the opporutnity we were going to take to

adjourn the House, it has not been possible and we are adjourning it by giving you notice, Mr Speaker.

I would like to refer again to the question of Comprehensive education, about which I think Mr. Isola gave a fair history, except on one point. It was the question of compromising our principles, Mr Speaker, if the Party has ever compromised any principles then I have been unaware of it, because the moment this Party, or any other Party that I may happen to belong to, compromises any of their principles, I myself would not be a Party man any longer. On the question of comprehensive education, unfortunately, we did not get a mandate and we had to form a coalition or go into Opposition. And looking back on past history I am glad we went into Government in a coalition because as a result of that we were able to convince not only Mr Isola, who was at the time quite sincerely opposed to this but the rest of the Elected Members. We would probably not have been able to do this had we gone into Opposition and today we would perhaps be further away from doing away with the 11-plus than we are.

We come now, Mr Speaker, to the question of wages. And here again the whole question has been wrapped up as if a revolution has suddenly taken place on the question of the increases in wages. I am prepared to admit that wages have just taken the usual pattern except, Mr Speaker, in reverse. Because when we wanted to get away from the usual pattern in 1967, we committed ourselves publicly to start a process that would bring a new structure to Gibraltar. This proposal was halted in the Second Marsh Report and, Mr Speaker, today Tradesmen still get £13 and labourers £10 odd. We cannot be satisfied with that and let me say here that I am not trying to get votes or behave like a demagogue. The idea of a living wage, of a basic living wage, is a continuous process. One which may come about in the short or in the long run, but it is certainly one principle, one airm of policy, that both sides of the House must subscribe to in order to achieve the real social justice that we have all been fighting for. And this cannot be clouded if I may say so, by the two-job society. I accept the point made by the Minister of Labour and Social Security but I have still got certain qualms, certain suspicion, that the Government is placing a lot of stress on this two-job

society, Mr Speaker. He talked about "Well, thank God for the two-job society, at least we can look forward to the same standards as Europe". He talked about people now being able to buy television sets, washing machines and all sorts of gadgets, Mr Speaker, I am a little alarmed a t this approach and I am going to tell you why, Mr Speaker. This is the typical approach of a capitalistic consumer society from which I cannot opt out, and from which I do not pretend to opt out. I am going to be very much in it to see whether, with my humble and little contribution I may be able to change it. It is not on the question of fundamental and human rights and human dignity and all the rest Mr Speaker - washing machines, television sets and cars and all that cannot be of that importance. You must have a sense of values and this is what must colour your thinking and your approach to the social pattern we want to develop. I cannot subscribe to that idea, more television sets, more cars, certainly not me.

I think the question of the basic wage is being clouded a little bit by this two-jobs society. And let me say that I want to pay tribute, very much the same as the Honourable Minister for Labour and Social Security paid, to the workers of Gibraltar. They were moved by this patriotism in making a contribution which history will record, to use a word which is very much thrown about in this House, as a very "gallant" one, but our aim and our commitments, and perhaps I do not understand the Honourable Member and Minister for Labour and Social Security quite clearly this morning. Our understanding is that the primary objective must be to aim at a decent basic wage. Again I may have misunderstood him, but I think that he said that with this formula this was being achieved. I cannot accept it, Mr Speaker. That I cannot accept as a principle. I think it was the Chief Minister who very rightly and in a very lucid manner drew attention to some potential dangers of this two-job society. At one stage or other at least we hope it will come about one day, we may achieve some sort of normality, and can you imagine Mr Speaker, what would happen to people whom we are accustoming, as a result of this consumer etc, society, to two wages - even it you were to give them a just and true just basic living wage. The whole thing would explode in our faces. People will not accept it and therefore I do feel, Mr Speaker, that rather than talking

about television sets and all these things, I feel that we should talk more in terms of reorientation, educating the community to accept moral values. Perhaps we politicians do not do it because if that ever came about we would be out of a job, all of us.

Mr Speaker, I am going to touch on this question of going stale; "you have run short of ideas". I think something was done, not 20 years ago, not fifteen years ago, not ten years ago, but in the last five years a lot of thinking had to be done. Ofcourse I admit that one of the biggest blows was the withdrawal of the Spanish labour force. I admit that but we have been toughened, roughened and conditioned to the number of restrictions that were being imposed on us, when even experts from Britain were prophesying the day of doom. I remember an expert telling us, "in three years time you will be under Treasury control", and that is why - taking expert advise as the Government is very prone in taking - we have to opt for tightening our belts. Nobody liked it, neither did I, Mr. Speaker. That is why we undertook a wage freeze. There was a lot of thinking then which created the pattern and the foundation which is now developing, and giving credit where credit is due, Government is further developing this. Good luck to them, they are in power, not us. They have got to claim the things they do, this is unavoidable, but four to five hundred houses were built in that period; schools were built, extensions to schools were built; quite a sizeable amount of development, and, Mr Speaker, Marsh - who was not a saint in 1967 - no very much the opposite - but now, when he committed himself to come in 1970 again I get the impression that the Government claims they brought Marsh. Marsh was committed in writing to do this in his 1967 Report, Mr. Speaker. Now that he has done a very naughty thing, to which the Government has subscribed - as I think I remember one member of the Government saying that the question of reversing the process of the gap, enough is enough, was on advice given to him - Now he is being canonised. This is what they dispute. We do not dispute Marsh but it was disputed before. Now he has been canonised In fact one would almost think that they brought Beeching. They cannot say that so they say, "before Beeching came,". We would have foretold Beeching we had the foresight to say all that Beeching

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did say - a man who gets, I think, £20,000 a year - we knew.

So, Mr Speaker this on this question of going stale, perhaps we sometimes place more emphasis on some things more than others, this is human Mr, Speaker.

Now we come to Income Tax. Again we hear it being said that this is part of the new policy. "We have put income tax up" yes, Mr, Speaker, they did this, but it is coming down this year. We never used to [illegible] tax as a dogmatic formula, because we knew, as the Honourable Financial Secretary said, that there are times when you cannot press taxation too far. It is not that I do not want taxation, Mr Speaker, but again I am living in a capitalistic society - whether I like it or not - and if we press certain taxation, or any form of taxation, too far at any given moment you might find - however repugnant it might be to us, and I am sure to most members of the other side of the House - that people with capital will not come to Gibraltar and then we a re going to b e the worse off, until we are able to change Society completely. At the moment I cannot opt out and I am certainly not going to do it. Income Tax went up twice in; 1965 and, I think, in 1968. Of course they will say "But now we have put up the higher bracket - the six-shillings one." I can also say that a lot of people in the lower income groups who were not paying income tax before are doing so now. And people who were getting Family Allowances in the lower income group - £800 to £1,000 - are today paying ihcome tax precisely by virture of getting Family Allowances. I am not criticising Government for that, but one must get things in the right perspective. I know, Sir, that we on this side of the House have had our falls and failings. Of course we had them, Mr Speaker, we never claimed to be perfect. Neither do we claim now, or at any other time in the history, that we can afford the magic formula that would sort out all the problems that there are. I have been toolong at it to know that this is not possible. I am glad to hear Members on the other side of the House saying "we must do things according to our potential, the money that is coming in; we have to wait till money comes in." How they are learning, Mr Speaker! !

Lastly I come to the question of Intergration, and here

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Mr Speaker I have got to restrain myself, because in this particular point I do not give way. Although one appreciates the invitation and the good motives behind it, I think it would be a complete waste of time. Perhaps when we know what they call "Integration" - because honestly, Mr Speaker I still do not know - there might be a possibility, but we want to clear the ground before ever accepting an invitation of that nature

If it were possible, with my whole heart and I am not ashamed of saying that as a Gibraltarian; it is only economic factors and size that deprive me - but I am not ashamed or inhibited from saying that if I could have it I would be shouting independence from the roof tops.

HON CHIEF MINISTER "Gita!"

HON AP MONTEGRIFFO I am no "Gita" Mr, Speaker. I am a Gibraltarian and I am going to defend my right as such, I do not mind interruptions because when there are interruptions it means that what I am saying is hitting their conscience, I do not mind interruptions and I will give way every time.

HON CHIEF MINISTER You will give way now?

HON AP MONTEGRIFFO Yes, carry on.

HON CHIEF MINISTER Sir, what I meant by "Gita" is what I said the other day, "go it alone". Do you think Gibraltar will go it alone? That is independence!!

HON AP MONTEGRIFFO I have said that if I could have independence I would not be inhibited from clamouring for it and my whole thinking, despite the fact that I cannot get it, is going to be coloured by this natural human feeling. Let there be no mistake about it. This is the whole thinking of this side of the House, whatever the other side of the House may say. I took the Chief Minister's point when he said that all of us who have been in Government know very well that this question of domestic and non domestic matters overlap, My God, if they overlap now and we have difficulties, is the answer

then Integration, Mr. Speaker. It would be much worse then because we shall end up with a confrontation with Britain. Whatever the thinking in this world of unreality which some members of the Government are living in on the question of Integration, this relationship between Britain and the people of Gibraltar that we have now - which is not perfect and that is why we want to pursue the question of the right to our Land - would be broken. It would be the people of a little town belonging to a larger entity. Gibraltarians as such would not accept this sort of situation and in the end - I hope not and I would certainly lay down my life to prevent that - we might have another Northern Ireland in our lap. Maybe the Chief Minister thinks I am idealistic in this aim. I am entitled to be, as he is, and I say, Mr. Speaker, that even if this idea takes a hundred years, the struggle would have been worthwile (Tapping on the table.)

ON L DEVINCENZI: On a point of clarification Mr. Speaker, just one. I am not in the habit of doing this. The Honourable Mr. Montegriffo mentioned during the course of his speech that he was glad that they made the alliance with Sir Peter Russo and had gone into Government. That in fact, if they had not done so the 11 plus, or rather the abolition of the eleven plus, would have been further away than it is today. Let me assure the House that this is not a question of having it further away, or a question of comparison. It has been abolished completely. This is all I want to say.

HON CHIEF MINISTER ... Could I, Mr Speaker on a point of clarification, I think the Honourable Member made a very important statement. Something about suggesting that Britain should pay for the Base. Is that his personal view? Is that the view of his Party; is that the view of the Opposition? It is of course very much connected with the Estimates, I would like to know, if this is the case, how much he thinks Britain should pay for the base?

HON AP MONTEGRIFFO Mr, Speaker, I am not a financier myself but I am glad to be able not to clarify because I was quite clear in what I said, but to repeat what I said. I said that perhaps the day would come when we would get the right to our land, and then Britain, following her desire to protect the Gibraltarian on a dignified footing - because then we would have the right to our land and they would be protecting us as they are today - then they would be prepared, instead of giving us £8m to pay for the Base. How much, Mr. Speaker? Perhaps if the Chief Minister sends me on that assignment to Britain I may find out from the Ministry of Defence.

HON CHIEF MINISTER: Mr. Speaker, perhaps he could answer the other side, whether in fact this is his personal view, the view of the oppositon, or the view of his Party?

HON AP MONTEGRIFFO: If we ever get the right to our Land this would come automatically, and this is the view of my Party, yes.

HON MISS C ANES: Mr. Speaker Sir, the Honourable Mr Montegriffo and myself had actually agreed yesterday not to speak but thing have turned out otherwise and we have decided to do so. I would like to answer the Honourable Mr. Abecasis on what he said yesterday, amongst other things, on the question of the Housing Department. I was involved in that Department for only ten months. He, I believe had occasion to work there for, I think, three or four years, so naturally his knowledge of the Department is first class. But what struck me most at the time when I took office and visited all the departments that came under my ministry, I was disgusted, for want of a better word, to see in what deplorable conditions the staff of the Housing Department had to work in. No doubt this may have been because in that way the general public, and there are all sorts of people involved, that call at Housing Section, exprience that environment, get deflated and leave in another frame of mind. Perhaps this may have been a form of "brain washing" the general public. But the fact remains that the Staff there have had to put up with the most deplorable, disgusting, demoralising, despicable conditions that I have ever come across. The linoleum is rotten; the walls are crumbling; the furniture is in bits and pieces - you would think that you were at the flea market in Paris, or even in the Rastro in Madrid. I have never seen such conditions in my life. What amazed most was that in all the time that the Housing Section had been housed at the Secretariat neither the proper Minister - who was most of the time in absentia - nor the Minister who took up the responsibilities for that Department had put in an appearance. They had never been there, they did not even know who the staff was. They did not know then anything at all about them.

HON SIR JOSHUA HASSAN: Nonsense.

HON MISS ANES: Perhaps it is nonsense but this is what the people themselves say. I can assure the Honourable and Learned Leader of the Opposition that I was the first Minister who was invited to their Christmas party. They had never been approached by any Minister. They did not feel at one with him. They could not get across to him.

I can assure the Honourable and Learned Leader of the Opposition that very rarely did he pay attention to the allocation lists that were brought to him for disposal. In fact, the last time - I am referring to the Tower Blocks - the allocation list which was presented to him was torn into pieces by him and thrown away. The answer was "I have got a list of my own, I will dispose of it."

HON SIRE JOSHUA HASSAN: Nonsense, and I challenge the Minister.....

MR SPEAKER: Order

HON MISS C ANES: Sir, the Honourable and Learned Leader of the Opposition refused to give way to anybody when he was speaking; I also do so, I will not be interrupted by him or anybody. (

Sir, the Minister for Housing will deal with the question of the allocation of points himself. I know that it is very difficult to convince the general public that you are working for them, that you are really concerned about them. The present Minister of Housing was accused of having answered an applicant for an interview and granting that interview for August and discarded the matter as if the Minister were not concerned about that applicant. I can assure the Honourable Mr. Abecasis, and the House in general - most particularly the Learned Leader of the Opposition, who used to deal with Housing at one time - that the fact that these interviews are granted so far ahead is precisely because there are other people to be seen and if one received a letter today the applicant must realise that that particular letter has got to be looked into, the diary has got to be looked into, and it has got to be answered. It has got to reach the other end and one has to attend to other people who have an interview on that particular day. Interviews just cannot be granted on the spur of the moment. It may on occassions be possible to do so.

Of course there is also another question, as Mr. Abecasis and I know. We have to go through it. We are not self employed. We have to attend to our work, so naturally we have to dedicate our free time to attending the Ministry. After all we are part-time Ministers, and the Opposition are a part-time Opposition, so we have got to attend to other duties. This is inevitable in Gibraltar, we just cannot avoid it.

There is also the question of the meetings we have to attend. We also have got to have a break for lunch, and also have to rest.

We cannot work round the clock, nobody can. We may do so on Election night, perhaps that is one occasion only. It is only natural that applications for interviews have to be dealt with and

it takes a little time to see that particular person. On many occasions I have seen people without appointment and have gone to meetings late because of this. I could not, and cannot refuse to talk to people, I am not brave enough to say, "I cannot be bothered now, I cannot see you any more," I cannot, I am not that kind pf person. Perhaps I am not officious enough, I just cannot say "no" to people. I will stop and talk to them even if I get into hot water afterwards, if I go late to work or if I go late to meetings, I cannot discard them just like that. I know that Mr Abecasis, obviously because of his first hand knowledge - having worked in the Housing Section - had to defend his position and that if the Opposition as well. But I certainly have to defend that position because I was involved for ten months and even today I still get people who call at home to see me on Housing matter. I refer them to the Minister concerned, it is his responsibility, but I also promise that I will try and see the Minister to see what can be done for them. The same happens as regards the question of Municiapl Services and the Social Services. We have a very happy liaison as far as I am concerned. ut each Minister after all is responsible for his own Ministry. This was made clear when I was asked a question on licences for hawking fish. The Government did not hear about it until the question was put. It was my responsibility to decide whether I should revoke that decision or not and I took it upon myself to carry on with it.

Sir, on the question of the Hospital, I think it was the Honourable and Learned Leader of the Opposition who said we do not have to take any credit for the building of the Hospital, I suppose that by that he meant the Mackintosh Wing. I am not very sure whether it was Sir Joshua who said this. We are certainly not taking any credit for the Mackintosh Wing at all. This was done long before we came in, but we certainly did not put up a plaque commemorating any minister. If anything, Sir, it was the Minister for Housing, who was then Minister for Medical and Health Services, who ordered a plque in memory of John Mackintosh, who was the one person responsible for the Mackintosh Wing, not the people who look after the Estate. They of course have to look after the estate and have to apply the funds in the best way possible, but it was after all John Mackintosh who left us the money for Gibraltar and who deserves the credit. They have not thought of putting up a plaque commemorating that man for his generosity. Oh no, it was for the Minister and for the person responsible for handing out the funds for building the Mackintosh Wing. These were the two people who really deserved the credit, not poor Mr. Mackintosh who gave his fortune for Gibraltar.

Coming back to theBudget, Sir, I think it was the Honourable Mr.

Montegriffo who said that we had been cutting down. Well, if I know my figures, and I am not very good at figures, we are not cutting down at all, in fact we are expanding. The medical Department will cost nearly 38% more than estimated in 1969; Education 3990 more than in 1969; Labour 53% .....

HON MISS C ANES: Of course things have to go up because the cost of living has gone up. But I also think it is because we have examined our priorities in the manner that a Government should look at them, in a realistic manner. Certainly, Sir, we do not examine our priorities with a view to making political capital, but rather because we feel that this is what we were elected for. We have a duty, a commitment, to look into each and every department and give the best that is available to us, whatever the sacrifice on our side. In conclusion Sir, in what I think is perhaps one of the best presented estimates for many years, I would like to say that I am extremely pleased with the many advances made in the Medical Department, both financially and in respect of staff.

I think that one must thank the staff and the Medical profession for their co-operation. As the Chief Minister very rightly said, the fact that there have been such substantial increases in expenditure with a deficit of only £85,000, goes to the credit of this Government for following what can only be termed as a very progressive and sensible policy, with the accent on a fairer distribution of wealth. The biggest increase has been in the Social Services, and may I ask, Sir; where else could it have been better spent? In view of the above it only remains for me to say that the motion as it now stands has my very full support. (tapping on the table).

HON AP MONTEGRIFFO: Mr. Speaker, the last thing I wanted to do was to cross swords with the Minister for Medical & Health Services. I never mentioned the word "cut", I know a little about simple arithmetic and I did not say that. Perhaps what I did say was that if you look under "other charges" the increase is £21,000 - this is the increase that really goes to the patient - and that that £21,000 have been taken mainly by £5,000 increase in electricity: £2,000 increase in water; £2,000 increase in provisions and £10,000 in respect of the wages staff. So let us get thing in their proper perspective, too, Mr. Speaker.

HON J. CARUANA: Mr. Speaker, I would like to clarify one thing to which I took the greatest exception, a remark made yesterday by the Hon. Mr. Abecasis on the question of interviews. I took the greatest exception to his remark and in particular his reference to an applicant for an interview. Had he criticsedmy policy in housing; the way in which I am conducting the Housing Section and the Public Works; the way in which I conduct myself in and out of Council of Ministers; the way in which I conduct myself in and out of Gibraltar Council; the way in which I conduct myself in the Development and Planning Commission; I would have accepted that criticism. But for a member to come out and say that he has been approached by somebody who wants to see me and I have given him an interview for August, I think it does not become him. He must be very well aware that at this moment in time, because there is "allocation fever" one is under tremendous pressure from the public, and I am seeing at least two to three persons daily. If somebody has to wait it is because I also see other people without appointments and in the streets, whose cases I do take up in earnest.

A case comes to mind of a person, whomI have in fact already seen - it could be the person I have already seen three times this year. Probably a person who wrote to a certain newspaper about an allocation which was made in Tower Blocks only a few weeks ago concerning a husband,wife, and a dog. If that is the case they are referring to, I would like to say categorically that this allocation was a commitment accepted by the previous Administration1968 which I found in my hands and which I had to honour, together with at least fourteen other cases which today would not deserve accommodation in relation to the present priority in the Department.

MR SPEAKER Does the Honourable mover which to reply to the motion before I put it to the House?

HON FINANCIAL & DEVELOPMENT SECRETARY Yes, please, Sir. Sir, I shall first of all crave your indulgence and that of the House, because after all the Oratory that we have heard, I feel verydiffident and indeed, inhibited. Little did I realise, when I moved the House to approve the Estimate of Expenditure for 1971/1972 three days ago, that the pains of labour were to be so prolonged, that there was almost danger that there would have to be a caesarian section. I certainly did not think then, Sir, that I would be called upon to say much and I would follow my Honourable friendin what he said, that I also will try and keep it brief.

Sir, in the House we have heard so many eloquent speeches on such a lot of topics related to the economy as a whole and to individual Heads of Expenditure, both from the Government benches and the Opposition benches, that it might be thought presumptious for me - and I confess that I am in a state of mental indigestion - to say very much. Indeed Mr Montegriffo spoke that he was going from the Base, and at that stage I though we were going to be launched into outer space. Then we went into the Common Market, into a formula, and into price control, which are all of course very inextricably linked. But I am very glad, Sir, that the Estimates as estimates have received such unanimous support. Particularly so this year, which as I am sure the House realises, is only the second occasion on which the House considers a joint budget for Gibraltar. There are, Sir, a number of points, however, that I feel I must refer to and in doing so I hope you will forgive me if I do have to quote a bit.

In the first place, Sir, there is the question of comparisons. Comparisons, Sir, are always odious and I am glad that the Honourable and Gallant Member Opposite agrees that a base line is required We must try to compare like with like, and I thought that I had made it clear, Sir, when I spoke three days ago that I had chosen a base line which I thought was a fair one. I apologise if I did not make it clear but I would insist and underline that it was my intention to draw a fair comparison.

I would like, Sit, secondly to refer the House to what I said here on the 17th December of 1969 when I introduced the budget for 1970. And I then said, Sir: "I am, however, a Civil Servant and it is the duty of the Civil Servant to advise the Government of the day." I went on to say: "today I am presenting a budget on behalf of the Government and that budget must reflect the policy of the Government," If I might follow that quotation, with two very quick ones about the Civil Service. The first one says: "the political neutrality of the Civil Service is a fundamental feature of British Democratic Government and is essential for its efficient operation", That, incidentally, Sir, is from a Report of the Committee on the Political Activities of Civil Servants in 1949. If I may go a bit further back, Sir, and quote from the then Permanent Secretary to the Treasury and head of the Home Civil Service, a very distinguished gentleman by the name of Sir Warren Fisher in 1931, he said: "determination of policy is the function of Ministers and once a policy is determined it is the unquestioned and unquestionable business of the Civil Servant to strive to carry out the policy with precisely the same good will, whether he agrees with it or not. That is axiomatic and will never be in dispute. At the same time it is the traditional duty of Civil Servants while decisions are

being formulated to make available to their political chiefs all the information and experience at their disposal and to do this without fear or favour, irrespective of whether the advice thus tendered may accord or not with the Minister's initial view". I repeat that, Sir, I repeated the first quotation and I have gone on to say that because again, Sir, the Constitutional Despatch makes my own position quite clear. Paragraph 5 of the Despatch says: "th significance of Gibraltar's economic problems at this time, as well as the nature of the new Constitution itself and the merging of the finances of the Gibraltar Government and City Council, make it important that all financial affairs, both as regards defined domestic matters, and as regard residual matters not so defined, should as hitherto be fully coordinated. It was for this reason that all those who took part in the Constitutional discussions in July, 1968 recognised that the Financial and Development Secretary would be in a special position under the new Constitution and that the Governor should have certain powers in relation to the maintenance of financial and economic stability. Accordingly, responsibility for the financial business of the Government of Gibraltar should continue to be entrusted to the Financial and Development Secretary and it is thus necessary that there should be very close liaison and consultation between him and the Ministers responsible for defineddomestic matters." That consultation, Sir, and that liaison exists today and indeed it has existed during the years that I have been Financial Secretary, as it did with my predecessors. But I am the first Financial Secretary who has had to work with this Constitution.

I make the point, Sir, because whoever the Civil Servant who follows in my foot steps, he will owe his loyalty to the Government of the day and will have to advise them to the best of his ability. Indeed, Sir, and again I apologise to the House, it is rather interesting to look back on the very first Hansard produced for this House on the 15th December, 1950, when the then Colonial Secretary of the day said. "the concept which to my mind emerges most clearly from Your Excellency's speech" - he was then addressing, Sir, the Governor who presided - "is that through and above all the diversities inherent in an Assembly such as this, there is transcendant unity that whatever divergencies may as time goes on manifest themselves, this House is and must always be one that it is precisely through the inter play of different points of view within this House that there shall be forged a synthesis suited and beneficial to the interests of Gibraltar as a member, an adult if not as yet a senior member of the British family of nations." He went on to say: "and I assure your Excellency that the House, and I give this assurance on behalf not only of my official colleagues here present but of all my colleagues in the Civil Service of Gibraltar, that it will be our constant

endeavour in community of purpose with our Honourable Friends, the unofficial members, to bring about the realisations of the aims which your Excellency sets before us."

Now, Sir, I have said that and I have quoted all this because my position in this House must be quite clear. It has, Sir, been a considerable source of embarrassment to me to find my position, my salary, quoted not once but four times. It is something which I feel puts any official who has to sit in this House - and the Constitution leaves us no option but to sit - in a most awkward predicament. And that I should have been singled out for this, Sir, as I said, is embarrassing in the extreme and I hope that if I make the point, Honourable Members will forgive me. I am sure that it has been said with the best will in the world, with the best of intentions, but let me say here and now, I am not the only one. Why should I be singled out after all, and on a point of personal explanation, I am probably one of the few who has been saddled with two jobs instead of one

Sir, again it should not be overlooked - and I repeat myself - that if I am carrying out the policies of the Government, the Financial Secretary is acting with the Government. He is advising the Government, the Government have to take the decision; the Government have to accept the responsibility. The Financial Secretary may be wrong and if the Financial Secretary is wrong then his head should roll. This is team work, Sir, the official is here to serve the Government, the Government of the day, whatever that Government may be .....

HON SIR JOSHUA HASSAN: Hear, hear,

HON FINANCIAL & DEVELOPMENT SECRETARY: He has got to do that, and he will always do that, Sir. That is the Civil Service and the Gibraltar Civil Service is as good as any Civil Service in the world. (Hear, hear) I cannot Sir, imagine for a minute that it is in the interest of Gibraltar that there should be looking over one's shoulder, any leap frogging, any awareness of what the chap behind you may do. And I say this, Sir, in relation particularly to wages and salaries because it has a very definite importance in what the pattern of the economy is going to be. I mean, it is all very well, the Government says: "Mr A must have X," the Opposition can say: "Mr A should have X plus Y," and then the Government would say: "X plus Y plus Z." That Sir, is no way to run a railway.

Sir, I am going to finish now with a warning that is contained through twentyone budget speeches delivered in this House. Today

the position is probably - I said it earlier - better than it was six months ago. There is no reason why it should not continue to be so but I am afraid that Ministers will always find me as difficult as I have always been because that is my job. I am no blue eyed boy, in fact I have been described as the "abnominable No-man", and I intend to carry on living up to that reputation, Sir. I thank you. (Tapping on the table)

Mr Speaker then put the question which was resolved in the Affirmature. The motion was accordingly carried.

HON FINANCIAL AND DEVELOPMENT SECRETARY: Sir, as the House already knows, approval of expenditure related to the Annual Estimates is given in two ways. In the case of the blue book that we have just waded through, we will come later on in the proceedings to an Appropriation Bill. In the case of the Appendix which deals with Improvement and Development Fund, the resolution of the House is required. I accordingly move, Sir, that this House approve the expenditure of £1,736,763 from the Improvement and Development Fund for the year ending 31st March 1972, for the purpose set out in Appendix "G" to the Estimates of Expenditure for the year 1971/1972. Sir, I commend the motion to the House.

MR SPEAKER: I now propose the question which is that this House approve the expenditure in 1971/72 of £1,736,763 from the Improvement and Development Fund for the purpose set out in appendix "G" to the Estimate of Expenditure for the year 1971/72.

HON SIR JOSHUA HASSAN Mr Speaker, I do not propose to say much on this for the simple reason that in the very long debate that we have had reference has been made backwards and forwards to the Appendices, Ministers have referred to them in detail, particularly the high spending departments such as Public Works and have referred in great detail to the expenditure involved and we have, in one way or another, discussedthe matter. Unless of course there are any new particulars which have not been explained which might call for any remarks, we do not propose to say very much on this. The expenditure is there, the schemes have been spoken about, all of them have been spoken about in great detail by all the Heads of Department and in particular by the Minister for Public Works and Housing, which was right and proper because it is mainly the question of public works.

A considerable amount of the expenditure this year is partly on account of the purchase of machinery; the new telephone exchange and so on, and in that respect I know that one must depend on manufacturers. We hope that the delivery date should be in

accordance with those plans so that the money can be spent this year. In so far as the buildings are concerned, as so many of them are being put out to tender, it also very much dependson the availiability of the tenderers, having regard to other demands on the building trade and so on. Again we hope that you do get the tenderers willing to do the work in time so that the money is spent. It is a difficult problem, you hape to spend it, I hope you do, but I appreciate that sometimes one may may not be able to spend all the money that one hopes to, particularly in development. I know the importance, particularly that part of it which is on development, not to under spend at the end of the period, so that when you get more money you do not get the same money voted all over again. I think that in the end all the money may not be spent. I hope that I am wrong, because that will avoid the same money being voted again. As far as we are concerned most of the projects have been fully discussed in this House and we raise no points on them.

HON M XIBERRAS: Sir, I think the suggestion of the Honourable and Learned Leader of the Opposition is a good one because so much has been said in other places of this session. However I would like to draw the attention of the House to my statement of September 1969 in which I outlined a mothod by which the building could take place. Specifically on the question of labour I am glad to report to the House that to the best of my knowledge, the best of my judgement, if we are unable to spend the money for this Development Programme, it will not be becasue of the labour situation. We now have enough accommodation, we have enough money, we have a method of bringing people over here and people who are willing to come. Something very untoward must occur if this system is to break down. I earnestly hope that it does not.

The other thing is, if I may put in a light point that some things do get done!!

HON J CARUANA. Mr Speaker I would like to associate myself with the Honourable and Learned Leader of the Opposition and the Honourable Minister for Labour that enough has been said, enough has been drawn out during the course of the prolonged debate on the various items that come out prematurely. As I think I mentioned on one occassion, I think for the benefit of those of us who do not recall this, the Improvement and Development Fund does not include any financial provision for the 30 odd houses about to be built in Catalan Bay, neither does it show any money for the Sports Centre at the Victoria Stadium and the Grand Stand. Neither does it show the money for the comprehensive school at Lourdes School. The reason for this is simply as the Financial Secretary mentioned, that these schemes have been approved in principles since the Estimates

were prepared and are now in the process of being prepared to go out to contract.

There are many other little items of great interest this year the improvement of Waterport, the Improvement to Devil's Tower; Moorish Castle; further development in Camp Bay and also the purchase of a mobile crane, which I am glad to say is already here in Gibraltar. It was something which we needed in rather a hurry and this will be used to remove derelict cars from our roads. I am pleased to say that we shall look forward to this very challenging year andhope that in the interest of the people of Gibraltar we will be able to carry out this work in the time given so that we can use the money to the best advantage.

Mr Speaker
/then put the question which was resolved in the Affirmative.

The motion was accordingly carried.

HON FINANCIAL AND DEVELOPMENT SECRETARY: Sir, I have the honour to move the suspension of Standing Order number 19 in respect of this motion.

MR SPEAKER: I now put the question which is that Standing Order number 19, which is the Standing Order requiring notice to be given of the moving of a motion in the house, be suspended in respect of this motion.

This was agreed to.

HON FINANCIAL AND DEVELOPMENT SECRETARY: Sir, before the merger of the City Council and the Government Administrations, the City Council laid down what the Brackish Water and General Rates should be for the following year at their final meeting of the year preceeding. In December, 1969 the House followed this pattern and similarly resolved in respect of 1970.

As a consequential move the the decision to change the Financial Year, the House passed a Bill on the 10th December last - the Financial Year Ordinance 1970 - under Section 4 of which the Rates laid down in 1969 for 1970 were extended for the 1st Quarter of 1971. It is now, therefore, necessary for the House to prescribe what the Rates will be in respect of the year beginning the 1st April, 1971 and ending on the 31st March of 1972.

I have already given the House, Sir, during the course of my address on the Estimate of Expenditure which have now been passed a birdseye view of what the Municipal Department accounts will

look like next year. The increases in Rates applied last year have to a certain extent balanced those accounts, and if we receive more co-operation from the General Public in the payment of accounts, there should be no reason for altering the existing Rates at present.

Accordingly, Sir, I beg to move that in exercise of the powers conferred on the Assembly by Section 116, 289 and 295 of the Public Health Ordinance, this House resolves as follows:-

1. A brackish Water Rate for the year ending on the 31st day of day of March, 1972 is made and levied as follows:-

(i) In respect of offices stores, safes, bars and other like premises at the rate of 1 decimal six seven pence in the pound;

(ii) In respect of tenement buildings, flats and other dwelling houses, at the rate of 10 decimal four two pence in the pound; such brackish water rate to be collected by equal quarterly instalments payable in advance;

2. Subject to the provisions of the Public Health Ordinance a general rate for the year ending on the 31st day of March, 1972 is made and levied at the rate of fifty pence per pound on the full net annual value of such hereditament in Gibraltar, and such rate shall (subject to the provisions of Section 295 of such Ordinance) be collected by equal quarterly instalments payable in advance.

The effect of this resolution, Sir, will be to maintain the poundage on both the Brackish Water and General Rates at their present levels wich is now of course expressed in terms of decimal coinage.

Honourable members will also wish to know that in future the Valuation list will coincide with the new Financial Year.

Sir, I commend the motion to the House.

MR SPEAKER: I now propose the question in the terms of the motion proposed by the Financial and Development Secretary.

HON SIR JOSHUA HASSAN: Mr Speaker, Sir, just a few words. I think it is very satisfactory that there should be no need to touch the rates. ~~It is always unpleasant to raise taxation~~.

It is always unpleasant to raise taxation, but if there is one avenue of so-called taxation where it is in the interest of the economy that the rate should last for a few years if possible, it is in reaction to Rates, because the effect it has in the community as a whole, particularly in respect of those people living in tenement buildings who pay a rent inclusive of rates, increases in the rates can by Law be passed on to the tenant. This is always a very hard operation which sometimes affect people much more out of proportion to the amount of money raised under this method. We very much welcome this.

HON CHIEF MINISTER: Mr Speaker, if I may. Here again, I think it is the sound policy decision of this Government, which was taken last year, to ensure that those Departments which depend on the rates for their functioning are self-supporting. I am very pleased to say that because of the drastic action that we took last year, it has been possible for the Honourable and Learned Leader of the Opposition to be satisfied and happy that there has been no need at all to raise the rates this year.

Mr Speaker then put the question which was resolved in the affirmative. The motion was accordingly carried.

REVENUE RAISING MEASURES - Motion Re:

HON FINANCIAL AND DEVELOPMENT SECRETARY: Sir, I beg to move the suspension of Standing Order No.19 once again, to enable me to introduce another motion without notice.

MR SPEAKER: I now put the question, which is that Standing Order No.19 should be suspended in respect of this motion.

This was agreed to.

HON FINANCIAL AND DEVELOPMENT SECRETARY: Sir, I am afraid that this is not the sort of delivery that I like to do from scribbled notes. I might make some silly mistake and put up something when I should not be putting it up or down. May I have your permission to read, Sir?

Sir, as I informed Honourable Members earlier in the proceedings, the extent of the deficit in the Estimates for next year, which have now been approved by the House, is £85,000. To this figure, it will be necessary to add the estimate of meeting the cost of living allowance which has been under negotiation in Joint Industrial Council and to which the Government is committed, in the industrial and non -industrial sectors, between now and the time of the next wages and salaries review. How much this will amount to depends very much

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on the increases that take place in the Index of Retail Prices during the year. Quite frankly, Sir, that needs the type of crystal ball that is not available even in these days of highly mechanised and computerised equipment.

Sir, how to raise additional revenue always poses problems in Gibraltar. Honourable Members will recall that when earlier in the proceedings, I gave a general breakdown of the sources on which we depend for our revenue, I said that broadly speaking $\frac{1}{4}$ came from Import Duties; $\frac{1}{4}$ from municipal charges; and the remaining $\frac{1}{2}$ from other sources, a quarter of which, or $\frac{1}{8}$ of the total, was from Income Tax.

In December, 1969, when introducing new measures of revenue, I pointed to the fact that in previous years I had alternated between the direct and indirect approach, and on that occasion I tried to spread the load as evenly as I could over both. This year, I find myself in a dilemma because, as I have already intimated, I shall at a later stage in the proceedings, be seeking your permission, Sir, to suspend Standing Orders to enable me to introduce a bill to amend the Income Tax Ordinance. And here, Sir, if I might perhaps invite the attention of the Honourable Mr Montegriffo, because it has a bearing on something that he said when winding up in the last debate. This amendment Sir, will have the effect of reducing the standard rate applicable to companies by $2\frac{1}{2}$p in the £ and the Government, in view of the amendments to rates made last year, do not propose to introduce increases in that sphere. Similarly, Sir, the House has already approved a resolution which leaves the poundage in the General and Brackish Water Rates unaltered for 1971/72. Thus, two avenues of taxation are immediately closed, although the Government is very conscious of the need to ensure that the return from direct taxation is adequate. For this reason, steps are being taken to strengthen the Income Tax Department.

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I have, therefore, Sir, had to think very hard bearing in mind, of course, that whatever is done may, in fact, precipitate cost of living awards. That, however, is inevitable in any case and the money must be found somehow.

The first measure proposed by the Government is in relation to motor car licences and is very much on the direct side. Here, it is proposed to apply an overall increase of 33⅓% which will bring the cost of a former £7. 10. 0d. licence to £9.60; the 8 Guinea licence to £11.40; the £9. 7. 0d. licence to £12.60; a new category of 20 cwts. to 25 cwts., formerly included under the £9. 7. 0d. group, to £13.80; the £11. 15. 0d. licence to £15 and the £13. 3. 0d. licence to £17.40. The additional fee hitherto prescribed of £3. 16. 0d. for each additional 5 cwts. will in future become £5.40. This precentage increase will also be applied to motor cycles and dealers' licences, whilst a number of the fees prescribed under the Traffic Ordinance are to be increased to make them more realistic.

To safeguard to some extent the effect on the cost of living, no increase is proposed in the case of goods and public service vehicles, the licence fees for which will remain unchanged. It is hoped, Sir, that this measure will produce an additional £25,000 in revenue per annum.

The second is in the indirect field where there appears to be some scope for increasing import duties. Here, it is proposed to increase the duty on malt liquor, motor spirits, spirits generally, cigarettes and tobacco with what, I truct, will not be unduly discouraging results. The effect of these increases will be, broadly speaking, that draught beer should cost 1 new penny more a pint and 1 new halfpenny more per reputed pint bottles; whisky brandy, gin and liqueurs generally should cost 5 new pence more per quart bottle; manufactured tobacco should cost 1 new penny more per ounce; cigarettes should cost 1 new penny more per packet of 20; and petrol should cost 2½ new pence more per gallon. These measures together, Sir, should produce between them another £125,000 bringing the total additional revenue to be raised to £150,000.

If we raise this amount, we will Mr Speaker, be converting the deficit of £85,000 into a surplus of £65,000. That will cushion off the effect of the cost of living formula and will enable us to face the coming year with a reasonable degree of confidence.

In addition, Sir, I shall, later in these proceedings, move another resolution - in respectof which I shall again, Sir, ask your indulgence to suspend Standing Orders, designed to increase passport fees whilst maintaining them at a level below those in the United Kingdom. Rules and Regulations, as the case may be, are also to be made and will be laid on the table of the House at

the next meeting, the effect of which will be to increase the fees payable under a number of Ordinances. These relate to Births, Deaths and Marriages; Gibraltarian Status; Business Names; Trade Marks; and Patents. All these fees have not been revised for many years, dating back in one case to 1918; in the majority of others to the late 1940's; and in the most recent instances, which is the Gibraltarian Status Ordinance to 1962, and it is not unlikely that in that particular case the fees were related to other earlier enactments. The opportunity is also being taken to revise the Hospital Fees relating to admissions to the Private Rooms and the licensing of Dogs, whilst an amending bill to be introduced later in the proceedings will aim to revising fees under the Comapnies Ordinance.

As the House will appreciate, Sir, it is virtually impossible to estimate how much all these new fees will produce. Nor do I regard the action being taken as designed to raise any great amount of new revenue. It is merely an attempt, timed for a convenient opportunity, to reflect more realistically the present day cost of the services involved. After all, Sir, every little helps, - and I was worried about pennies a few days back!

I accordingly move, Sir, that:-

In exercise of the powers conferred on the Assembly by Section 48 of the Imports and Exports Ordinance, this House resolves that the rates of duty set out in the First Part (Import Duties) of the First Schedule ther to be amended by deleting items 1 to 6, 8 and 8A therein and substituting therefor the following new items:-

(Item No.)	(Article)	(Preferential Duty)	(General Duty)
1	Malt Liquor per gallon	19.33p	20.58p
2	Motor Spirit per gallon	10p	10p
3	Whisky, in bottles	290p	300p
	Whisky in cask	285p	295p
4	Brandy, in bottles	250p	300p
	Brandy, in cask	245p	290p
5	Gin, rum and other spirituous liquours, other than liqueurs:		
	(a) in bottles	290p	340p
	(b) in cask	285p	330p
6	Liqueurs and cordials irrespective of strength	290p	340p
8	Manufactured tobacco not otherwise enumerated, including chopped, pressed or packed, shredded long cut and rolled, plug, snuff, siftings and cigars, per lb.	142p	145.33p

(Item No.)	(Article)	(Preferential Duty)	(General Duty)
8A	Manufactured cigarettes per lb.	70p	72½p
	with an additional duty per 1,000 cigarettes of	188p	188p

I am making available to Honourable Members with the resolution, a paper showing the effect of the various increases proposed in the majority of the measures I have outlined. This I hope, Sir, will enable them to appreciate, at a glance, what it all involves.

Sir, I commend the motion to the House.

MR SPEAKER: Before I propose the motion to the House, will the Honourable Financial and Dev. Sec. make it quite clear that he is now just propos ing these measures. You did mention Car Licenses etc.

HON FINANCIAL AND DEVELOPMENT SECRETARY: Well, Sir, the question of car licenses involves Legislation which is not before the House. I am merely announcing, Sir, that the legislation is to be made. What I am asking the House to do, Sir, is virtually to endorse the suggestion. I am merely informing them of the intention of the Government so to do and at the same time asking them to vote on the motion tabled.

MR SPEAKER: The vote is exclusively on the motion tabled, as circulated to members.

I now propose the question in the terms of the motion proposed by the Financial and Development Secretary.

HON SIR JOSHUA HASSAN: I hope, Mr. Speaker, that one will be able to say a few words, even if it is strictly outside the motion, on the announcement made by the Financial Secretary, otherwise we would have to devide the whole thing. I would like to take the measure as a whole and deal with them as they have been spelt out so to speak, and then when we come to the motion we shall be voting on this thing.

HON CHIEF MINISTER: Mr. Speaker, I fully agree with the Learned Leader of the Opposition Perhaps if we are going to have a debate, we could debate the whole thing now and that would save a lot of time when we do come to the other matter.

HON SIR JOSHUA HASSAN:

Well, Sir, I do not know that we have much to debate because I am in the rather happy position of being able to tell the Financial Secretary: "You should have done this last year and not raised 5% on clothing." In that case at least, the people who have paid that extra this year would have been saved a year. This is precisely the attitude that we took at the time of the measures of taxation last year. I am very alarmed, however, because the way that the Financial Secretary has presented this it looks as if even the price of being born and dying is going up. But I am sure that what he is referring to are the fees in respect of Certificates of Births and Deaths. At least that is all right. It is a consolation that we are not having the price of being born or dying brought up. We know that we have more money for funeral expenses, but I do not know that they were anticipating this one.

It looks as if the Financial Secretary has really swept the cupboard of all the places where he could get bits and pieces, in order to do it. As I say, this is more or less - in respect of one or two of the items - what we have suggested last year. Now unfortunately, they have the clothing and these things. Last year we said we should have this thing. Anyhow if that has come this year we would have had it one year later.

But it does show, if I may say so, the fact that the Government - and when I say the Government in this, I mean the elected members in Government, the Ministers - are learning the hard facts of life that one cannot be too doctrinaire in one's approach about direct taxation, of which so much has been done in the past; that there is a limit to everything. In fact, in so far as the measure of taxation of Companies is concerned which do not affect us directly in Gibraltar, I am sure that the Financial Secretary will not deny me the fact that I did point out to him, when the Conservative Government came into Office, that we would have the ridiculous situation that the standard rate of Income Tax in England was going to be reduced by sixpence - from 8/3 as it was to 7/9 and I have not been decimalising yet so perhaps you will forgive me if I keep to the old one - and that in that case our standard rate of income tax was going to be higher than in England. In fact I did mention this to the Minister of State, Mr Godber when I called on him when I was in London on a private visit, just to show him that we in Gibraltar were not afraid of taxation. On the other hand there was a limit and if Gibraltar was going to have an element of attraction to foreign investors and generally to the economy - despite all the theories about other aspects of the matter - we had gone as far as we

could go then, and I think for a little time I hope that will be enough.

I must say that as a pipe-smoker I am glad that at least this time "snuff" is being put up. The Chief Minister has never been a smoker, he has now taken up snuff and I am glad that he will pay a little bit more for it!! You see this is the point, last year we did not have an increase in Whisky and he was drinking Whisky now that we have it he has stopped it. This is a conspiracy, we cannot put up with this !!. (Laughter)

I am very pleased that the measures in respect of the increase in the Licence fees do not include Public Service vehicles and goods vehicles, which of course means taxis as well as buses. This would put a great strain on the cost of these, which are already high enough. In that respect the increase which is inevitable - and I am not saying that I welcome this measure, let it be quite clear that I do not welcome any measure of taxation - but if we must have taxation and these are the things that are being proposed well, what can we do about it? This I think is the sensible attitude that we have to take in these matters. We have voted considerable sums of money for the Social Services.

On the measures of the Car Licenses I would like to say that we are very glad that those licences that would affect more directly the cost of living have been exempted, and that although the others will be a heavy burden on motor car owners, no doubt these can be better absorbed rather than would be the case if the increase in this respect had been less in order that the others would have had an increase.

You appreciate, Mr. Speaker, that I am speaking very quickly on this beautiful presentation that has been made in three minutes, and that I must try and look at my notes as I go along. I do not want to shirk, by omission, any responsibility that I or my party should have in dealing with this matter. Perhaps you will bear with me if I have to look through the paper quickly, because even this paper does not deal with anything but the part on the resolution. I think perhaps the Financial Secretary has not been fair to himself in a point, in so far as he has talked about fees for Birth certificates and Death certificates and Registration. Here I would not call them fees, because these are really "fees for services rendered," and therefore it is quite

obvious that the Births and Death s Registry, the people who deal in these matters and with whom one is in daily contact professionally are all getting much more money. Therefore the work that they do in providing this service has increased and therefore it is a fair increase of the charges, some of which I entirely agree having regard to the present standard.

It is a pity that he did not raise - he might have got a little more money and some other people might have got a little more money- the fee payable on the swearing of affidavits, and the fee due to the Government when this is done by J.P.'s and when it is done by Commissioners for Oaths. I must disclose an interest here, we might have got the odd 5/- here and there, Anyhow that may come some day when all the other things are more rationalised. I would like to see how the increase affects the question of tabacco. I mean per ounce. Could you tell me Sir?

HON FINANCIAL & DEVELOPMENT SECRETARY: One penny.

HON SIR JOSHUA HASSAN: One penny per ounce? one new penny? This is important, the feeling that a penny is a penny when it is not a penny anymore, it is two old pence. The difficulty about these small increases - and I am not suggesting that they should be any higher - but the difficulty about these small increases is that sometimes, as we know too well, when it goes to the retailer or when it is purchased by retail, the thing is not as tidy as it is here, as we have had reason to experience in respect of cigarettes in the past. But I am told that the import duty on cigarettes is being increased by a new penny, which is what the Financial Secretary has said. Are we assured that it is going to be the increase to the consumer. I am sure the Financial Secretary will remember when it was by weight that they wanted to suggest that the increased capital outlay on the bigger duty paid would justify an increase to the retailer, and I am glad that I see that there is a little consultation going on but whilst I speak or I do not I would like to have a little assurance because this great importance. If it is going to be increased by a new penny let everybody know that it is a new penny that they will pay when they go to the counter of the retailer and that there is not going to be something else because the question of weight and so on is taken into account. Well, cigars and pipe tabacco we shall have to put up with it; what can we do? I hope that this will not have a very serious effect in the Cost of Living, not because we would have to pay more money because of the formula, but because everything is not solved in the budget to provide for the formula for the workers. For one thing private enterprise are not all following the formula, and for the other thing there is an element of people who are really, at this stage in Gibraltar, the people who are suffering most by the increase in the Cost of Living.

Those are the people in the middle classes income - when I say middle, I really mean in the terms of income and not of classes. I mean the pensioners; the people who live on rents; the people who have a small share in a property; the elderly ladies who are not poor enough to qualify for Supplementary Benefits, but whose income is very steady because the source of their income is the same; people with bonds in the Government or City Council; all these people are very much affected, some indirectly by these measures. Some of them may not drink Whisky, but some of the other thing are not that essential, in a way, even though they may not be reflected in the Cost of Living Index. It is, I suppose inevitable and that is all I can say.

I certainly do not say that I welcome all these measures by far, I am sure the Government do not welcome them either, but it has to be.t These are the realities of life, and the realities of life are that you have got to adapt the thing to the situation and it is no good sticking out for one kind of taxation alone. I notice that last year the Chief Minister said "with this in mind the Government has never before placed an emphasis on Income Tax." This year no doubt he will say: "with this in mind we have placed an emphasis on Indirect Taxation."

HON CHIEF MINISTER: Mr Speaker, I am so glad that the Honourable and Learned Leader of the Opposition approves the measures that we have taken. In fact he has had no alternative but to do so, since most of the measures that we have taken are in fact those the Opposition suggested last year. But he mentioned that if perhaps we have done it the other way, that is, taxed the luxuries which really are luxuries, and which attract tourists to Gibraltar, last year, and taxed clothing this year, people would have had to pay less for clothing, which contradicts the argument we have been hearing all the time that this Government is not interested in Tourism, or that this Government does not realise the importance of keeping trade going, if only to milk them later in order to be able to pay for the expenses that the Government must necessarily incur to provide for all the services, particularly the social services, that this Government is so keen in providing. It is rather interesting, and I would like to draw attention to it that precisely because we were clever enough, I should say, last year not to introduce these measures that there appeared a wonderful advertisement in more than one of the leading newspapers in England which gave a comparative table of price of things like Scotch Whisky for instance; in Gibraltar 2/-; in the Costa Del Sol 3/6; Costa Brava 3/6; Mallorca and Balearic Islands 3/6; South France 3/-; Italian Riviera 4/6; Malta 2/-. You will see that the county which we had to compete with, which I think

is Malta, was on a par with us. Had we done what has been suggested we would have seen in this advertisement the price of Whisky in Gibraltar a little higher than it is now, so at least we gained thisspace in this piece of advertisement. I just do not know what is happening in Malta, very likely the Government in Malta is faced with the same situation and I do hope that it has gone up there. The same applies to Cigerettes, where in fact we are well ahead of anybody else. In Gibraltar we pay 2/9 for 20 cigarettes, everywhere else it is must more than that, in Malta, which is again our biggest competitor, 3/-. It shows therefore that this Government has not overlooked the importance of Trade by any means, and of attracting Tourists to Gibraltar. And I am sorry that the Honouable Mr. Serfaty is absent at the moment because I am sure that he would welcome very much the fact that we did not put up these prices last year, and that we have done so this year.

I think one of the functions of the Opposition is to ask; but the difficult function of the Government is to Tax. So they ask; we tax. This is inevitable, and in Taxing I am afraid there is always a degree of unpolularity. Whatever we do, somebody's pocket is going to be affected. I have to pay more for my snuff now, as the Honourable and Learned Leader said just now, but it is the only way that we can keep Government going. But what I think is significant in this Government is that we did not have to put up Rates; we have not had to put up water; we have not had to put up electricity; and this is, I think, something that must be drawn to the attention of the public. That we are also bearing in mind the Cost of Living. Very mush so. Telephones is another item, items that one is inclined to forget about if they are not mentioned. People only listen to the bad things, and very seldom realise the good things that we take for granted. Well, let us hope that in this year, through better organisation, through higher productivity, better management, we shall be able to keep the price of those essential things for Gibraltar at their present level.

As to the question of the fees I know that the Cost of Living is going up. The Leader of the Opposition has suggested that the Cost of dying is also going up. Well, I am afraid that those are the facts of life and the facts of death. They are both going up. But believe me the idea of putting up those fees is in no way intended in any manner - in fact the Honourable Financial and Development Secretary said so clearly - it is not the idea to collect more Revenue but to try and make those services less subs idised than they have been for many years. They are a service and they have got to be paid for, and if nothing has

happened since 1918 in some cases, I think it is only fair that this Government - which has a new look on everything and is really not s weeping things under the carpet but really dusting things off - should do that. I think it is important that we should try and make things pay for thems elves as much as possible. This is the only way of having a sound ecomomy and a sound administration.

He mentioned Income Tax andon this one again I would like just to say a few words. This Government does not intend in the future to tax for the sake of taxing - not because we are dogmatic or doctrinaire. We are practical, we know it is possible and whenit is not possible to tax. If it is necessary in the future, because the circumstances are such that this is where the emphasis should be placed, of course wewill, without any hesitation whatsoever. It proves in fact that we are not doctrinaire, we have never claimed to be doctrinaire, we have always claimed to be practical. We have always taken a pragmatic approach to the problem of Gibraltar and our Finances, and we shall continue to do so. If we have reduced the tax, as we quite rightly said, it is simply because it has been reduced in the United Kingdom, and the same as we have got to be competitive in other fields we similarly have to be competitive in this field too. There are U.K. Companies operating in Gibraltar which I do not think would be interested in carrying on, or new ones coming over and developing our economy, if in fact they had to pay more here than there. If as time goes by we come closer to Britain, our Social Services are integrated with Britain, if our Health Services and Education and other very important services, for which, whether we like it or not we do depend on Britain to a large extent, one day become intergrated through the action of this Government then all this business of Income Tax about which we are talking now, may well have to come to the same level as in the United Kingdom. But we have not reached that stage yet.

However, I am very concerned about one statement made previously, which of course I could not develop because I had already spoken, and I trust that the Opposition will be able to expound on it. I have got to come back to it because it is a very important statement. This is the question of paying for the Base. This statement was made by the Honourable Mr Montegriffo, who said that this was the policy of his Party; I do not know yet if it is the policy of the Opposition. This Base is of course a source of income, there is no doubt about it if it is taken in the context. But there are very serious implications. This obviously now will become public knowledge and all sorts of interpretationscan be given to it, particularly when it is identified with the flying of the flag of independence, as was done in the same statement.

It needs clarification it needs very careful clarification, it can have very serious repercussions. Upto now I have felt at least, that the Base is part of us and we are part of the Base, We are all just one big happy family. If we are going to start thinking that the use of the Base is something to which we have a claim and from which we are going to start demanding at one stage - I do not know at what stage, he did not explain that - we are going to start demanding payment for the Base, this has got to be clarified. The whole attitude of the British people may change because of this. This is a very serious statement to make at this stage, it needs clarification, and I really would like to hear this explanation for us to know how to stand, and particularly for the British public to know how we stand. The British public has had experience in other places where they play one side against the other. It is very serious too because if it came to the worst the danger that the Opposition was expressing yesterday that the Base may become redundant, what do we do then. If this is the way we are going to take it, if the Base is just going to be a mercenary way of helping Gibraltar, in that it is here because we are getting something out of it, and for no other reason, they will therefore not see Gibraltar as an integral part of United Kingdom which has completely nothing to do with the Base, for which they are committed to support and sustain regardless of whether the Base stays in Gibraltar or not. This is very important because if that is the attitude, God help us if at one stage the British Government did not require the Base, because then they would act in the same manner as we are suggesting that we should act. If that happens then and the Base were to be withdrawn, where does Gibraltar stand for defence and in every other respect. I think it is very appropriate, at this stage, to have full clarification. I personally would welcome the Leader of the Opposition to expound on that.

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MR SPEAKER: We are now debating the revenue raising matters and we are in session of the full House and NOT in the Committee. The rules of debate apply and the Leader of the Opposition has already had his say on this. I think that if this matter is one of importance, perhaps it can be raised at the adjournment .....

HON SIR JOSHUA HASSAN: Mr Speaker, I would like to say this because I think that more alarm and despondency has been created by the remark of the Chief Minister that by anything incidental that Mr Montegriffo may have said. I will of course make a full statement on our policy on this matter without any difficulty, with leave of the House, at the end of the proceedings, in order to be within the Standing order, may I, however, Mr Speaker raise just one point for clarification, since we are not elaborating to much.

In so far as the Legislation regarding fees in respect of these matters - patents and so on - which it is proposed to be introduced is concerned, I hope very much that it will not come into force immediately. First of all, apart from the fact that there would have to be departmental arrangements to put up the fees in Documents and so on, I can assure you that from the point of view of the Profession it would be very welcome if it were to be introduced not earlier than the 1st of April, if that is the intention. Dealing with Company matters and documents one has got to adapt oneself and most of these charges are passed on to clients but it would, for the sake of proper professional administration, be much tidier if it started from the new Financial Year.

HON A W SERFATY: Sir, I would like to say a few words. I was listening to the Chief Minister in the loud speaker outside when he referred to that very valuable advertisement in the London Press, paid for by the Malta Government. It was very helpful to Tourist promotion in Gibraltar. It was paid for by the Malta Government, Mr. Chief Minister. I agree that these increases will decrease of course the difference between Gibraltar and Malta in some respects, but nevertheless, I think we hold a very good position, and will continue to hold even after this budget, a good position amongst the Mediterranean resorts. One thing does worry me and it is something I have just seen here. The cost of petrol, which is going up as we know. Will this affect the cost of public transport, I would like to ask the Honourable Financial Secretary? I am rather worried as transport includes Taxis.

HON MAJOR A G ~~J~~ X GACHE: Mr Speaker, the Hon and Learned Leader of the Opposition asked before how the public would be affected by the taxation measures on tabacco and cigarettes. As is known they will go up by 1 new penny an ounce. This will produce 16 pence per pound in respect of tobacco leaving .67 of a penny for the Traders, and in connection with cigarettes, they will go up by 1 penny per 20 cigarettes which will produce 50 pence per thousand cigarettes and there is a margin of 2 pennies for the trader. As the Honourable and Learned Leader of the Opposition knows there is a working arrangement between the Government and the Tabacco Importers that they will retail cigarettes at 13½ pence, and with the addition of the 1 penny now this will make it 14½ pence, for 20. This will still leave cigarettes in Gibraltar cheaper than they are in Malta, and cheaper also by ½ penny than they are on board the B.E.A. and B.U.A aircraft. So it will still be possible, we hope, for people to buy the tobacco in Gibraltar and not in the aircraft. Of course the increase in the cost of petrol will naturally affect the cost of transport.

HON M XIBERRAS: Mr Speaker, I would like to say a few words on the revenue raising measures and this to say that even though I had some points of agreement, in sentiment with the other side on the last budget on the question of children's clothing, the last budget was, as far as I could see, very important in respect of Direct Taxation and it is in this respect that I would like to s ay very few words, one sentence in fact. That is that I must express my disagreement that there has not been in the budget an attempt to counter the drop in income as a reduction on the Companies taxation, whilst accepting that it is necessary to reduce such taxation. I would, as I say, try to make this point especially in view of future budgets , and in view of a general approach to the situation in Gibraltar, in which I feel that there must be, not only in effect, but that we must convince people that there is a better distribution of wealth taking place. I would have liked to have seen some measures. brought in to counteract the drop in other measures. It is not the substance of the thing, it is not the quantity of the thing but merely the principle of the thing and what the public will be led to expect from the Government.

Mr Speaker then put the question which was resolved in the affirmative.

The motion was accordingly agreed to.

The House adjourned at 4.30 pm and resumedat 5 pm

Passports Fees

Motion Re:

HON FINANCIAL AND DEVELOPMENT SECRETARY: Mr Speaker, Sir, I beg to move the suspension of Standing Order 19 to enable me to introduce this motion without notice.

MR S PEAKER: And I now put the question which is that Standing Order Number 19 should be suspended in respect of this motion.

This was agreed to.

HON FINANCIAL AND DEVELOPMENT SECRETARY: Mr Speaker, I referred earlier in the proceedings to the Government's intention to increase the fees payable on passports. The fee for the issue of a Gibraltar passport was increased from £1. 10s to £2 with effect from the 1st September 1968. Following the U.K. lead, however, passports issued as from that date were made valid for a 10 year period instead of 5 years in the first

instance, subject to a renewal for a further 5 years. In effect, therefore, this meant that there was no increase in passports fees at all. Now, Sir, fees in the United Kingdom were again increased from the 16th November, 1970 and a new U.K. passport now costs £5 instead of £2; a renewal of an old passport £2 instead of £1; and after the 1st September, 1973 there will be no further renewals because by that time 5 years will have elapsed from the date of the introduction of the 10 year passports, and the addition of particulars of a child or children to a passports, except on issue now costs £1 instead of the old 10s.

Sir, we propose to be more modest in outlook and with effect from the 1st April 1971 a new 10 year passport will cost £4. The cost of an emergency passport will remain unchanged at 50 new pence, the renewal of an old 5 year passport will cost 20 new pence per year or part thereof, instead of 10 new pence pro rata. This will cease as from the 1st September 1973, for the reason earlier given and any endorsement will cost 25 new pence instead of the present 10 new pence. I accordingly, Sir, beg to move that this House approves, under Section 52 of the Licensing and Fess Ordinance (Cap.206) that the Government may by notice in the Gazette amend the Second Schedule to such Ordinance by deleting Item 5 thereof and substituting the following therefor:-

5. Passport Fees:-

(a) For the issue of a Passport valid for one period of 10 years £4. These passports are not renewable except those issued to minors under 16 years of age which will have an initial validity of 5 years and may be renewed for a further period of 5 years free of charge.

(b) For the issue of an emergency passport: 50 new pence.

(c) For the renewal of a five year passport for a year or part thereof: 20 new pence. The fee will cease to be operative as from the 1st day of September 1973, on the expiration of the five year period from the date of introduction of the 10 year passports.

(d) for any endorsement on the passport 25 new pence;

(e) Visas. The fee to be paid for a visa by a National of any particular Country shall be equivalent to the fees charged by the representative of the Government of that Country for their visas on the passports of British subjects.

Sir, I commend the motion to the House.

Mr Speaker then put the question which was resolved in the affirmative.

The motion was accordingly carried.

BILLS

First and Second Reading.

HON FINANCIAL AND DEVELOPMENT SECRETARY: Sir, I have the honour to move the suspension of Standing Orders numbers 29 and 30 in respect of the next three bills, that is: the Appropriation (1971/72) Bill, 1971, the Income Tax (Amendment) Bill 1971, and the Companies (Amendment) Bill 1971.

MR SPEAKER: I now put the question which is that Standing Orders Numbers 29 and 30 should be suspended in respect of the Appropriation (1971/72) Bill 1971, the Income Tax (Amendment) Bill 1971, and the Companies (Amendment) Bill 1971.

HON SIR JOSHUA HASSAN: Before we take the motion, Mr Speaker, can we have the Bills to which we are saying Yes! In the past this resolution has reached us after the vote has been taken. We are prepared to co-operate but we do not want a steam roller.

HON FINANCIAL AND DEVELOPMENT SECRETARY: I have no intentions, Sir, of being a steam-roller. I apologise to the Honourable and Learned Leader and The Bills will be circulated immediately, Sir.

HON SIR JOSHUA HASSAN: No, I want to see the Bills and then we will take the vote. Are you asking us to agree to a bill which.....

MR SPEAKER: No, what you have been asked to agree upon is the suspension of Standing Orders to consider the Bills.

HON SIR JOSHUA HASSAN: Oh Yes.

This was agreed to.

The Appropriation (1971/72) Bill 1971.

FIRST READING

The Honourable Financial and Development Secretary moved that a Bill entitled "An Ordinance to appropriate an amount not exceeding £4,620,380 to the Service of the year ending on the 31st day of

March 1972" be read a first time.

Mr Speaker then put the question which was resolved in the affirmative.

HON FINANCIAL AND DEVELOPMENT SECRETARY: Sir, I have the honour to move that the Bill be read a second time. The purpose of this short Bill, Sir, is to authorise the Accountant General, on the Governor's warrant, to pay out of the Consolidated Fund of Gibraltar, the various amounts set out in the schedule during the course of the year 1971/72. The amounts correspond , S ir, to the Estimate of Expenditure as already approved by the House, and the passing of the Bill completes the statutory process of budgeting for the next Financial Year. Sir, I commend the Bill to the House.

Mr Speaker then invited discussion on the general principles and merits of the Bill.

There being no response, Mr Speaker then put the question which was resolved in the affirmative.

The Bill was read a second time.

HON FINANCIAL AND DEVELOPMENT SECRETARY: Sir, I beg to move that the Committee stage and Third Reading of the Bill should be taken at a later s tage in the proceedings.

This was agreed to.

The Income Tax (Amendment) Bill 1971.

The Hon Financial and Development Secretary moved that a Bill entitled An Ordinance to amend the Income Tax Ordinance be read a first time.

Mr Speaker then put the question which was resolved in the affirmative.

The Bill was read a first time.

HON FINANCIAL AND DEVELOPMENT S ECRETARY: Sir, I beg to move that the Bill be read a second time.

Sir earlier in the course of the proceedings I referred to the announcement made by the Chancellor of the Exchequer some months ago that the standard rate of the Income Tax in Britain would be reduced from, I think it was then, eight shillings and three pence

to seven shillings and nine pence in the pound with effect from the 1st April 1971. The standard rate in Gibraltar is now eight shillings, or forty new pence, in the pound and when we decided on this figure last year we purposely allowed ourselves a margin of three old pennies in order to give ourselves a bit of leeway over the United Kingdom. The Chancellor's decision has reversed the balance and it seems to be desirable that we should redress it. The main purpose of the Bill, therefore, is to reduce the standard rate in Gibraltar by the same amount as in England. This is achieved by clause seven and we have procured to reproduce section 25 rather than amend it because the consequential amendment was required to paragraph (b) of the proviso the effect of which is to ensure that certain persons, who would otherwise be liable to tax at the standard rate, should continue to be assessed at the maximum rate for individuals. For the same reason clause 5 and 6 are designed to amend Sections 23 and 24, which apply the same principle to non-resident individuals.

The opportunity, Sir, has been taken to make two other amendments to the Principal Ordinance. The first is contained in clause 4 of the Bill which introduces a special relief for persons aged 65 or over with small incomes. The Clause is based on Section 7 of the United Kingdom Income and Corporation Taxes Act 1970, except that the income has been related to the corresponding amounts in the local Ordinance. Its effects is to regard the income of such persons as if it were earned income even if it is not so, and to grant them the relief thereon normally allowed on earned incomes.

The second amendment, S ir, is contained in Clause 3 of the Bill which effects a minor amendment to Section 7 (1). This is intended to clarify the position in law without, however, making any change therein. To show that the exemption of charitable institutions from tax is restricted to institutions in Gibraltar. Sir I commend the Bill to the House.

Mr Speaker then invited disucssion on the general principles and merits of the Bill.

HON SIR JOSHUA HASSAN: Sir, first of all I would like to have an indication. As to whether it is intended to have this Bill through all its stages today.

MR SPEAKER No

HON SIR JOSHUA HASSAN: Well that has cleared one or two points, because one would like to look at these things much more carefully. The only point I would like to make and perhaps it was not sufficiently emphasised

by the Honourable Financial Secretary originally, is that this in no way reduces tax to the people of Gibraltar, but that it is a reduction of the Company Tax which is charged on companies and which is not taken into account, although it is taken into account when the income is from a resident and that therefore there is no reduction in the income tax that the people of Gibraltar will have to continue to pay.

HON FINANCIAL AND DEVELOPMENT SECRETARY: I am very grateful Sir, to the Honourable and Learned Leader of the Opposition for making this absolutely clear.

HON M XIBERRAS: Although we might, S ir, if the base is going to be paid for, have to revise the income tax laws depending on who gets the money.

HON MAJOR A J GACHE: I think there is, Mr Speaker, a benefit to be derived from the reduction in the income tax and that is by the Company who will now have to pay less tax than it did before. Whilst before there might have been a way of avoiding that by paying possibly Directors remuneration, this money can now be left in the Company. The Companies would benefit from that.

HON SIR JOSHUA HASSAN: No, No, it is still one shilling and six pence more than the maximum you pay on your personal income.

HON MAJOR A J GACHE: It does stay as "undistributed profits" in the Company. Before it had to be paid as tax.

HON M K FEATHERSTONE: Sir, I think we are spliting hairs on that point.

HON SIR JOSHUA HASSAN: No, it is very improtant. We are not spliting hairs, It is fundamental.

HON M K FEATHERSTONE: Well, I was going to give a bit of clarification.. It is quite tru that if the profits are left in the Company they will pay at seven and six pence or thirty seven and a half new pence. It is also true, Sir, that if the Company wishes to give out all its profits, which it can do quite easily as Directors' Fees, then those Directors, if they are residents of Gibraltar, will get the benefit and pay at the highest rate, eventually of 30 pence. If these Directors, Sir, are not from Gibraltar, they will not get this benefit, they will pay at 37 and a half pence, Sir. I think this might clarify it a little bit.

HON CHIEF MINISTER: Mr Speaker, I think it goes further than Directors, I think it applies to any profits that is distributed even to share holders, I think they are entitled to a rebate.

HON SIR JOSHUA HASSAN: Of course, as long as they are residents.

Mr Speaker then put the question which was resolved in the affirmative.
The Bill was read a second time.

HON FINANCIAL AND DEVELOPMENT SECRETARY: Sir I beg to give notice that the Committee Stage and Third Reading of this Bill will be taken at a next meeting of the House.

The Companies (Amendment) Bill, 1971.

First Reading

The Honourable Financial and Development Secretary moved that a Bill entitled "An Ordinance to amend the Companies Ordinance" be read a first time.

Mr Speaker then put the question which was resolved in the affirmative.
The Bill was read a first time.

Second Reading.

HON FINANCIAL AND DEVELOPMENT SECRETARY: Sir, the purpose of thisshort Bill is to bring the fees paid to the Register of Companies to a more realistic level than they are at present. This is achieved by Clause 2 which repeals the Schedule to the Companies Ordinance and replaces it by a new one setting out the fees proposed. I would reiterate, Sir, that the present scale of fees dates back to 1930. It seems to be about time that they were revised. Sir, I commend the Bill to the House.

Mr Speaker then invited discussion on the general principles and merits of the Bill.

HON SIR JOSHUA HASSAN: No, Sir, just to raise a point I raised before. Perhaps the Attorney General should advise where the operative part should come in. Perhaps as a new Clause 2 and the other one should be Clause 15, or at the end the Ordinance, so that it should come into operation on the 1st of April. This is the one I mentioned previously about charges for Companies and so on.

HON FINANCIAL AND DEVELOPMENT SECRETARY: Sir, as I do not intend to ask that this Bill should be taken through all its stages today, it will have to be taken through Committee Stage and Third Reading at the next meeting and it is not the intention to bring it into operation until after it has gone through Committee Stage and Third Reading.

Mr Speaker then put the ques tion which was resolved in the Affirmative.
The Bill was read a second time.

HON FINANCIAL AND DEVELOPMENT SECRETARY: Sir, I beg to give notice that the Committee Stage and Third Reading of the Bill will be taken at the next meeting of the House.

The Cooperative Societies Bill 1970

Second Reading

HON MAJOR A J GACHE: Sir, I have the honour to move that a Bill for an Ordinance to provide for the formation and to regulate the operation of Cooperative Societies, be read a second time.

Mr Speaker. Throughout history people have combined for certain purposes, mainly for defence against common enemies. Consumer s Cooperation orginated in Britain in the hungry 40s of the last centnry, when the workers of the industrial north suffered a long period of low wages, evil conditions in employment and the exploitation of some shop-keepers, to whom many of them were in debt. Hardly the case in Gibraltar today even after seven yearsof cold seige. Therefore why then cooperation, why then the Bill before the House.

This Government, within a month of taking office, decided to revise and press forward with the necessary legislation which would permit the formation of Consumer Cooperative Societies in Gibraltar with the aim of bringing down the cost of living. The Consumer Cooperative Movement in Britain was a pioneer of modern consumer cooperation, when in 1844 a store was founded in Rochdale, Lancashire by 28 working men. These working men became known as the Rochdale pioneers and they based the operation of their Cooperative Society on principles which have been imitated throughout the world. Their four main principles were:

(1) Open membership; (2) Democratic control;
(3) Distribution in proportion to purchase; and
(4) Limited interest on capital.

The Rochdale stores, Mr. Speaker was started by the members investing small sums of money at a low fixed rate of interest said to be 3½ per cent. All members had an equal vote in deciding policy irrespective of the size of their investments and the net trading profits, after payment of interest, were repaid to members as a rebate on purchases. Later new members could join on payment of one shilling deposit on a £5 share, the balance being paid out of a ccumulating rebates on purchases. Anyone could buy from the Society for cash and anyone could join the Society and become entitled to the dividend, ie the rebate on purchases. Mr. Speaker the role of Government in relation to this Bill, is one of active help intended to stimulate cooperative enterprise, to guide it and keep it on a sound line without either attemtping to compel or to replace local initiative or self help. Membership of the cooperative Society is voluntary and is available without artificial restrictions, or any social, political, or religious restrictions, to all persons who can make use of its services and are willing to accept the responsibilities of membership. Cooperative Societies are democratic organisations, they are fairly administered by persons elected or appointed in a manner agreed by the members and accountable to them, and to them alone. Members of primary society enjoy equal rights of voting and participation in decisions affecting their society. In other primary Societies the administration is conducted on a democratic basis in a suitable form. Share capital receives a strictly limited rate of interest if any. Now the aims of these Societies are to bring the people together in an endeavour to curb rise in prices, especially those which have a bearing on the cost of living. Surplus or savings, if any, arising out of the operation of a Society belongs to a member of that Society and are distributed in such a manner that would avoid one member gaining at the expense of others. This is done by decision of the members as follows:

(a) by providing for development of the business of the Cooperatives;
(b) by providing common services; or
(c) by distribution amongst the members in proportion to their transactions with the Society.

The possibility of establishing such a society in Gibraltar was raised by the Gibraltar Trades Council in 1966, in an endeavour to stabilise prices of essential consumer commodities. As a result of this, Mr Bottomley visited Gibraltar in 1967 under Technical Assistance arrangements made by the Ministry of Overseas Development to advise on the subject.

Mr Bottomley submitted his report in 1967 and it was forwarded to the Transport and General Workers Union; the Gibraltar Trades Council, the Gibraltar Chamber of Commerce and the Housewives Association later in January 1968, for their comments. With the exception of the Chamber of Commerce, who expressed disagreeement, all other bodies had by November 1968 agreed in principle to the introduction of the necessary legislation in Gibraltar.

In January 1968 the matter was considered by the previous administration who decided to promote the necessary legislation if the Union were still prepared to take an active participation in establishing a Society. This was duly confirmed by the Unions on the 28th January 1969 but the matter was again allowed to rest until it was revived by the present Governmnet in November 1969, when it was agreed that the necessary legislation should be proceeded with.

As I announced in the House, Mr Speaker, on the 7th July 1970, printing difficulties led to further delays in the preparation of the Bill which was however read for the first time in the last meeting of the House, thus bringing to fruition a very desirable measure which we hope will be taken advantage of and use for the benefit for the people of Gibraltar.

For the reason I gave at the beginning, that is mainly because of rising prices in Gibraltar, as in the rest of the world, the Government has decided to produce this Bill. In doing so the Government is providing the frame work, or machinery, for others to use, because one of the dangers which assail Cooperatives is too much Government interference. The position now therefore, is that any group of persons, not less than ten in number, who wish to join together with the object of protecting themselves against rising prices can do so through a Cooperative Society and they will find that the Bill provides the statutory backing and regulations for such an enterprise. When an application is made to the Registrar of Cooperative Socieites, who is to be appointed under the Bill, the Registrar shall register the applicant Society, if it complies with the various requirements of the laws. There is an appeal to the Governor against a refusal of the Registrar to accede to any application.

Part III of the Bill deals with the duties and privileges of Societies registered under the Bill. This part of the Bill is mainly of a technical nature affecting such matters as the amendment of bye laws of Societies Registered Address, inspection of documents and financial arrangements.

Part IV is concerned with membership. The salient points here are that members must be at least 18 years of age and residents as prescribed by the Society bye-laws; that payment must be made before right of members can be exercised; and that generally a person must be a member of only one registered Society whose primary object is to grant loans to its members.

The remaining parts of the Bill, Mr Speaker, which on the whole is a technical Bill and not one which provides great interest or amusement, provides for the regulation of the properties and funds of societies or its inspections, inquiries, dissolutions surchage, attachments and disputes and I will not weary the House with the recitation of such matters. If, however, any Honourable Member has any query on any of the points dealt with in these Clauses I will undertake to look into them and for this purpose, I would appreciate some degree of notice before the bill comes up for Committee Stage at the next meeting of the House.

There are two dangers which must be avoided in this matter of Cooperatives. The first is that Cooperatives may be used by the Government to such an extent and in such a manner, that owing to Government control or finance and other control, or plans imposed by the Government , they lose the liberty of full development claimed as a right. The second danger is when the cooperative movement allows itself to be identified with one or other political party that the policies of the party sooner or later become the policies of the movement.

Mr Speaker, the spirit of the Rochdale Pioneers, who joined together in the face of the common enemy to produce a Cooperative system of trading is, I think, something which we should consider carefully when dealing with this bill. Let us hope that it will enable the people of Gibraltar to deal with the Common enemy of rising prices. But may I also venture the thought that some spirit can be harnessed to more positive ways of thinking about cooperation in others spheres, where there is no common enemy but only the artificial and barren enmities created by ourselves, amongst ourselves. With cooperation we could make considerably greater progress than we are doing today.

I commend the Bill to the House.

Mr Speaker then invited discussion on the general principles and merits of the Bill.

HON I ABECASIS: Mr Speaker, I am of course supporting the Bill and I do so with great satisfaction. I am sure the House is aware how much interest I have taken in this matter elseqhere and in other capacity. I would like at the outset, Sir, to thank the present Government for bringing forward this piece of legislation which I know is most welcome. But this is a legislation that Government inherited from the previous Administration, it was at least prepared by the previous Administration. I am saying this, Sir, not in criticism of the Government but perhaps because the wrong impression was given in a particular local paper. And on this occasion it is not the "you know who," it is the other "you know who". (Laughter)

Anyway, Sir, in this paper, it was stated that the presnet Administration was doing something, that the previous one did not think about. That is not quite so. The previous Administration did think about it and had prepared the legislation which is now being considered. As a matter of fact I have a record here for establishing the facts and the sequence of events which led to the preparation of the Bill.

On the 14th of April 1967, the Executive Committee of the Gibraltar Branch of the Transport and General Workers' Union requested the Government to explore the possibility of establishing a Consumer Cooperative Society in Gibraltar. At the same time Government was also requested to seek the assistance of the Ministry of Overseas Development to send a Technical Adviser to Gibraltar to study and advise on the possibility of establishing such an organisation on the Rock. On the 25th April Government wrote to the Unions informing them that they were looking into the matter and on the 21st June the Unions were assured that Her Majesty's Government had undertaken the responsibility to provide the technical assistance required. A month later, on the 24th July, as stated by the Honourable and Gallant Member, Major Gache, Mr Bottomley came out to Gibraltar and, as he said he met Ministers, Senior Officials, Political Parties, the Chamber of Commerce, NAFFI, the private firms and the Housewives Association. He also looked into the framework required to establishing Cooperatives and made a survey of our commercial activities and of Gibraltar's social and economic backgrounds. In his report, which was published in early 1968, Mr Bottomley states that to make such an Organisation function properly it would be necessary to introduce a Cooperative Society Ordinance providing for the registration, control and supervision of Cooperatives. His main recommendation to the Gibraltar Trades Council membership, whom he addressed at John Mackintosh Hall, was to open a branch in Gibraltar of a United Kingdom Cooperative

Society. This recommendation is being looked into by the Unions, and in this respect Government assistance may be required later on. Mr Bottomley praised the Gibraltar Branch of the Transport and General Workers' Union and its Resident Officer, Mr Mor, for their initiative in promoting public interest in this matter.

With your permission, Mr Speaker, I would like to take this opportunity to express the Unions' gratitude to Mr Bottomley and to the Government, for having brought this legislation, which I am sure will be welcomed by everyone, specially the working class.

In March, 1969, Government requested the Foreign and Commonwealth Office to provide a model legislation on Cooperative Societies and this was forwarded to the Trade Unions for their comments in October. The Unions then sought advise from thier Headquarters in London, on the strength of Mr Bottomley's report and the model legislation, before submitting their comments to Government.

Sir, I have mentioned so many times the Unions that I may have given the impression that this is a Trade Union matter. Of course it is not, far from it. The Trade Union role has been to promote the public interest and to set themachine into motion, Now it is up to the people. The Cooperative Society, as the Honourable Member opposite has said, is a democratic institution which is open and unrestricted in membership, it is open to everyone. People wishing to become members can do so by buying one or more shares; it is run by a committee of management elected by the members, each member having only one vote, irrespective of the amount of shares he holds. It is a body organised by people and not for people. It is a form of business organisation run by its members, who are at once owners and users of the business. Its success or otherwise will depend largely on the degree of the interest and participation of its members; it could do much to protect and advance Consumers' interest and to improve standards in consumers service generally. Through the devise of distributing surplus in the form of dividends on purchase, it could contribute in some ways to reducing the cost of living. If only for this the Society deserves our support. I trust that the people, especially the working class, will take advantage of this law and introduce in Gibraltar the so much needed Cooperative Society. I wish to appeal as a trade Unionist from this platform to everyone to come forward and help the steering committee to materialise its venture. As the Honourable Member Opposite said, we are one hundred and twenty seven years behind the Rochdale Pioneers, but as the saying goes, it is better late than never. I support the motion.

HON M XIBERRAS: Mr Speaker, I could hardly compete, even with my background as a history teacher, with the excellent expositions made; on academic lines by My Honourable and Gallant Friend and on practical lines by the Honourable Mr Abecasis. I fully support this bill as of course does the Government, and my particular interest in this is almost the other side perhaps of Mr Abecasis's, and that is that the working classes would definitely benefit from any scheme launched under the Bill. There were one or two points raised by Mr Abecasis, which do not find a reflection in the Honourable and Gallant Members' speech, but I am sure that those issues can be tackled as and when they arise. I should make it clear, though, in the public interest, that this Bill does not set up a Cooperative but allows for the setting up of Cooperatives, otherwise both members of the House will have to answer questions in the near future as to where is the Cooperative which was voted for in the House.

Sir, this is a Bill which allows for the setting up of Cooperatives. I do not know what interest has been shown by the UK Cooperative Societies, beyond what Mr Abecasis has said, but in any event I would imagine it would be a Store or two Stores, and that from the point of view of local competition, I think, again we are going to be thrown back on the consumer to choose between buying in one place and another. From the point of view of competition and self-help, I imagine that that again will be no different than between an existing big store and another store which is created on present lines, non-Cooperative lines, I think that the point made by the Honourable Mr Abecasis that this came from the Unions originally and its gratitude to the present Government has found an echo on this side of the House. It is one of the measures by which we do try to please the Unions and the working class. I fully support this Bill, Sir.

HON CHIEF MINISTER: Mr Speaker I would like to endorse the words that have been spoken already in this House and without claiming to be one of the Rochdale Pioneers, by any means, I think this is another occasion when the dreams of the previous Administration are going to become real through this Government. Certainly we are very pleased to see that in this connection we are also supporting the Unions on an issue that apparently they took over many years ago. I fully support the Bill.

Mr Speaker then put the question which was resolved in the affirmative.

The Bill was read a second time.

15½ pgs
End 18/10/12
start 15/10/12

in this House before. However, I will of course bring to the members notice the requirements of subsection (5) which limits a debate to forty minutes and that no vote will be taken at the end of it.

HON M K FEATHERSTONE: Sir, rising to bring forward this motion I would crave your indulgence, Sir, that if I am constantly interfered with from the other side, that you will grant me, as they do in football, some "injury time." (Laughter) Not, Sir that they injure me at all!

Sir, this side has been more than a little worried over the Government attitude on the question of education going comprehensive, and, Sir, we had expected some statement from the Honourable Minister for Education. After all, Sir, he had ample opportunity, but we did not get a thing from him Sir. This is very strange, Sir, in spite of his having said in one of his many speeches in this House during this session that the House was the place to make statements. This, Sir, does not seem to me to be completely compatible with his preferred image on TV because, Sir, he used this medium to give the first news that the eleven plus was going to be discontinued and that some form of comprehensive education was going to come in. This, Sir, I think it is rather a pity because in my view this shows some lack of courtesy to the House, which I think should have had the first information on such a vital matter.

Sir, the Honourable Mr Caurana once said that I was like Cerberus, the dog with three heads at the gates of the Underworld. The Honourable Mr Caruana, Sir, as usual is very wrong in his facts, Sir Cerberus did not have three heads, we all know, according to Hesiod that he had fifty heads. He is often portrayed, however, as having one, two or even three. The Hon. Mr Caruana, Sir, may not have two heads but he seems to have two jobs, Sir.....

HON J CARUANA: Nonsense!!

HON M K FEATHERSTONE: I will not take interference, Sir,

MR SPEAKER: Order.

HON M K FEATHERSTONE: He seems to have two heads, Sir. He speaks on the one hand as the Minister for Public Works and on the other hand as the Minister for Education. In one of his statements, Sir, and he gave us quite a porridge of vindictiveness, personal insults and snide remarks - and his tirade was against me in particular.

But as a friend of mine told me outside, if I did not exist perhaps he would have to invent me, he has got to vent his spite on somebody - in one of his remarks, Sir, he said "there is no individual who knows less on comprehensive Education than the Hon Featherstone" he does not put the "Mr" in. Well, Sir, I feel that there is at least one person in this House who, from his attitude, his lack of giving any facts, seems to know less than me, and that, Sir, of course is the Honourable Minister for Education. Surely, Sir, if he was au fait with all the facts, if he knew everything, why didn't he tell us, why did he rely on somebody else to tell us. This is a great pity, Sir, and I feel the Opposition has a duty to the public to question the lack of pronouncements in one instance by the Minister, and the pronouncement he does make when he does do anything outside this House in particular. I believe Sir, the Honourable Mr Devincenzi said, not too long ago, either on TV or at a press Conference, that the Department of Education was in agreement with the Government's plans. Well, of course this is obvious, how else could they be, but he also said further that the teachers were in agreement. Now, Sir, this is something that I rather feel should be challenged, because when the teachers had their say, they seemed to say something very different. They complained that they had not been consulted at all; they apparently disagreed, on almost every point, with the plans that the Honourable Minister for Education was trying to put across. I am not going to say, Sir, which teachers; I would only say the GTA, the Official body that speaks for the teachers. Perhaps, Sir I am wrong in this, however, Sir, they make quite a categorical statement on the way they think things are, they made a statement on Government proposals on the reorganisation. According to the Honourable double headed Mr Caruana, he said that the plans were prepared and he produces them out of a hat rather like a conjurer, Sir - as far back as October, but the teachers, Sir, put down, black upon white, this is the GTA, and I beg your leave to read Sir: The sixth February 1971 was the first time that the GTA or any body of teachers were presented with the full plans for the interim changeover. At two meetings with the Director of Education, the GTA was informed in some detail of Government's plans for reorganisation. "These meetings had been for the purpose of information, not consultation." So you see, Sir, this is the way that the Honourable Minister and his advisers treat the teachers, and yet, Sir, one would have thought that like his predecessor, the present Minister would have realised that the most important people are the teachers. The Honourable Mr Isola loses no opportunity, Sir, to say that he thinks the teachers, and their opinion, and their advice, are vital. He said, Sir, back in 1964: "I am a great believer in consulting teaching opinion on any changes, because whether any changes can be made effective will depend principally on the teacher."

May I repeat two words in that Sir: "in consulting", for the Honourable Mr Isola believes in consulting the teachers, but apparently the Honourable Mr Devincenzi does not; at least not according to what the teachers tell us. They are "informed". But then the teachers went on to say, Sir, "The GTA has raised some objections on educational grounds and feel that these are not being taken into consideration."

Sir, when we hear things like this do you wonder that we are concerned to know what is going on. And do you wonder, Sir, that our concern is augmented and increased when we come here, not just for an ordinary meeting, but for a budget meeting, when the whole year's policy is up for discussion. We have had some policies given out today; from the Honourable Chief Minister, plans for integration; a very long, strong and very good speech from the Honourable Minister for Labour; a very detailed speech from the Minister for Public Works on Public Works, in which he pin pointed, I think, fifty-five items out of fifty-five. We did not hear a word, Sir, from the Minister of Education. The Honourable Minister for Education seems to think that this House, either does not deserve or does not need any information on what is to be done. Well, perhaps his side doesn't but this Side does, Sir, and we feel the public do too.

Now, Sir, let us look at some of the facts that apparently have filtered through. There is going to be some form of comprehensive education in 1973, and according to the Honourable Mr Caruana, this is going to be a segrageted form: boys in one school, and eventually when a messy little complex apparently gets to work, girls in another. In the report on Secondary Education, made as far back as 1965, it was agreed, Sir, that for the moment there would be two single-sexed schools, but they said: "In recommending single sexed schools we are not categorically excluding the future possibility of co-education." That was six, nearly seven years ago, Sir. Why can't we have co-education now? After all, Sir, we have it in the primary school, we have it in the junior schools, we have it in the sixth forms. What is there in this little middle section that is so difficult. According to the Honourable Chief Minister, who is alwo quite a TV star at times, he told us that we are already integrated with Britain. Well, his reasoning is a little vague, first he said that the land was integrated for one reason, and the people were real citizens of the United Kingdom for another, because we depend on the Ministry of Defence spending.....

HON CHIEF MINISTER: Mr Speaker, the debate was on the eleven plus not on Integration. We could have another one on Integration if he feels like it.

HON M K FEATHERSTONE: Injury time, Sir, fifteen seconds.. (laughter) I am coming to that Sir, it is very salient. And because we depend on the... by the way I would mention, Sir, that he brings in everything within range, even trips to the moon, when he is talking on the budget.

HON CHIEF MINISTER: But not renting the base.

HON M K FEATHERSTONE: We are already integrated, Sir. Now, if we are integrated we would have the UK system of Comprehensive Education, which mainly is based on Co-Education. So why is it that they want Integration in one hand - and they are pledged to it . He said so many times. Why, Sir, is he so pledged to all these things they have in Britain but when one little aspect of it is going to be, or is suggested to be put into effect in Gibraltar, then this Government seems to be dead against it.

Sir, this was not only recommended by the Secondary Education Commission, it was also recommended by Mr Brown, but then after all these were the advisers who came out to the AACR, and, Sir, what do we know of these advisers? "An indictment of the AACR on education and its advisers," this is from the honourable Mr Caruana. All the advisers in those days were wrong, it is only the advisers they get today that may be right.

HON J CARUANA: Mr Speaker, I don't think .....

HON SIR JOSHUA HASSAN: Shut up .

HON CHIEF MINISTER: Mr Speaker, I think that the only person who can call us to order here is yourself, Sir, if I may say so. This is now the third time that the Honourable and Learned Leader has told us to shut up.

MR SPEAKER: Could you hold on Mr Featherstone. You were saying then Chief Minister?

HON CHIEF MINISTER: Mr Speaker, I remember very distinctly that the Honourable and Learned Leader of the Opposition gave an undertaking that he would never again, in this House, ask us to "shut up". That this was very much your prerogative. He has done it again and I would like to call your attention to this and I hope, Mr Speaker, that you will call his attention to this.

MR SPEAKER: I think it is clear that the prerogative of calling people to order in this House is mine and I would of course ask members to refrain from trying to use up the little opportunities that I have to say something.

HON M.K FEATHERSTONE: Sir, they do not seem to want to have Co-Education. But one important thing in this, Sir, and even though I would mention as an aside, once again that most important body, the GTA, in their statement on comprehensive Education, stated: "the new system of education will provide boys and girls to mix in a sound educational environment. This should be done by introducing Co-education in our schools." Again, Sir, the teachers advise, and the Minister does not take any notice. Sir, why can't we have it. The Honourable Minister for Education was asked this ad nauseum on TV and he had neither the knowledge or the courage to give an answer. He said again and again, "we have decided not to do it and that is all there is." When pressed he really bored the audience and the interviewer, I think, with his uncooperative measures, uncooperative attitude, based I feel, on lack of knowledge.

But I wonder, Sir, just what is wrong with it, what has this Government got against Co-Education. Perhaps, Sir, this Government is going to suggest a segregated family structure. This could be quite a joke, Sir, especially I think for the Honourable Minister of Public Works who must know full well that many of the people who complain to him about the Housing situation have the same trouble, or have the trouble, Sir, of the two different sexes having to sleep in the same bedroom. This of course is a very difficult problem. I am not blaming the Honourable Minister for Housing for this, Sir, but it is a fact. So why can this situation occur at home and yet they must be separated when they go to school, as though there is something strange about it. The Comprehensive plans, apparently on the long term and as far as we can gather, are to have the Annex to Lourdes School built and boys' comprehensive will go there. Then, sooner, or later, the girls would go into three buildings or something like that, and perhaps one day - I believe the Honourable Minister for Public Works said seven years - the girls might get a school. Well, Sir, as the Government is finding out, when one hopes to do something in two years it takes five. If they are now planning to do this in seven, it will probably take twenty. But once again, Sir the teachers who of course know nothing about education, say that you should not go comprehensive until at least the new buildings are planned and even started. You should not do it while you are living in some nebulous hopes, and they did agree, Sir, that once you had your buildings started and planned, then for a little

time, you could put up with a two - tier or a three-school system to tide you over. This, Sir, apparently is not Government thinking. The Minister seems, as I have stated more than once, to take no advice, or no heed of the good advice given by the teachers. He just goes on blindly with his own plans which he hopes the teachers will make work. However good the teachers are, Sir if their heart is not in something, they are going to find it very hard indeed, to give of their best. Not that they will not give of their best consciously, but subconsciously there would always be those little difficulties.

That, Sir, is the basis of the long term plans, but what of the short term , Sir. What is going to happen between now and 1973. We have not heard a word of that either, but there are two lots of youngsters who are going to be very affected by this. From what I understand, Sir, the juniors will stay at school for one more year. This, Sir, is of course following the Plowden Report, which suggests that Junior Schools will be from eight to twelve, so the present Juniors stay on in their school for one year. But what is being done to make sure that year is not going to be wasted, that they are not going to be allowed to vegetate for a year. What is being done, Sir, to provide the Junior Schools with special equipment? Things like simple laboratories. I do not know, Sir, no one on this Side knows. This is something we should have been told, Sir, in a statement by the Minister, but we are told nothing, in spite of all the opportunities that he has had. Do we have enough qualified teachers to take on this extra year?

Again, Sir, the Hon Mr Isola was very worried about staff problems in connection with the introduction of Comprehensive. We are also worried, Sir, we are worried by this extra year. Are the children going to have enough qualified teachers to cover this period? We are in 1971, Sir, we are moving very fast in many things, not least education Sir. As the Honourable Peter Isola said, education is a continuing process. Today, Sir, in the subject of Mathematics we are moving into something called "Modern Mathematics". It is a thing, Sir, that the majority of people over the age of 30 have not got a clue what it is all about. I challenge the majority of the members on that Side to explain what is a Binary Scale? And yet today you have youngsters of eight to nine doing it.

What is being done, Sir, to start modern mathematics in our Junior Schools? Have we got the books? Have we got all the things? We do not know, we do not hear anything.

Sir, unless we get some assurance from the Minister that these things are going to be dealt with adequately, then we have a very great fear that for the first year, our juniors are going to have perhaps a very happy time, but unfortunately a very sad time educationally.

Let us move, on, Sir, to 1972-1973. These juniors are no longer 12, they are going beyond 12, so they cannot stay in the Junior Schools because there will be another lot there. We still have not got the building at Lourdes; the girls - well, they are sort of forgotten completely. What is the plan for these twelve pluses. Again Sir, we know nothing from the Minister but the grapevine does tell us something. Apparently Sir there is a very brilliant plan on a geographical basis. There are about 190 to 200 boys involved, and what do we do? We are going to put 60 in one school 60 in another and 90 in another. Now, this is really going to mean we are going to have three mini-comprehensive units, in an ordinary Seconday Modern School or a Grammar School etc. This is the biggest possible mess that you really could think out. In each mini-group there will be all types of boys, some may be brilliant, some may be quite good, some may be rather dull, and this will occur in all different subjects. Are we going to have enough teachers in each of these schools to deal with sixty boys who may need twelve teachers on their own? This, Sir, seems to be muddled to say the least. I will offer the Minister free of charge a suggestion which he might like to listen to or he might not. Would it not be at least a little more intelligent, Sir, to put the whole 180 or 200 boys in one school, empty that school of its present tenants and spread those tenants into two other schools - because then you would be putting the old style of education with the old style. You will then have a first small comprehensive school of hundred and something , as one Unit. I know there is a school where it can be done. you could do it in Lourdes, and the more brilliant boys in Lourdes could go to the Grammar School, the rest to St Jagot's. Of course, Sir, the girls; one just doesn't know what is going to happen to them.

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It is a muddle, Sir, a very great muddle, and the greatest pity of the whole matter, Sir, is that this Side of the House is kept so much in the dark. Why, Sir? We do not know. Is it perhaps that the other side wishes to have education as a political matter? Surely, Sir, the answer to education is to have a proper Planning Committee, where education could be made apolitical. On this Committee, Sir, you could have a constitution, you could have the

Minister; I think you should have the shadow Minister - not because it is me, it might be anybody - you should have members of the GTA and of course of the Department of Education. These people could take education out of the political sphere, because making Education political does not do any good to the boys or the girls. What you want as far as Education is concerned is something which is for the benefit of the children. To fight over in this House the different aspects of comprehensive education - should it be done this way? should it be done that way? - is not condusive to the best for education. Surely, Sir, the way to get the things done is to have some form of cooperation. Of course, Sir, I do appreciate that there is difficulty. If there were such a Committee if there were such a form of cooperation, then the Government could not take the credit for everything, and of course they do everything. They are building hotels, they built a cinema down at the Prince of Wales. Oh, I am sorry I should not advertise . But they do everything. If they had a committee in which the other side was represented then of course they could not take all the credit, they would have to give just a tiny bit of credit to the Shadow Minister. It might not be me, Sir. They would have to give some credit to the teachers. They would even have to listen to the teachers, which apparently today they do not wish to do.

There is no vote on this of course, so I would leave it that here is the chance, Sir, for the Government to have a little rethink. After all, Sir, what has been done is not so far advancedthat it could not be changed. The extra building at Lourdes ~~at Lourdes~~ School has to be done of course, that is definitely essential, whether it is for a segregated school or for a co-ed School, it has still got to be done, and we have it from the Honourable Minister for Public Works - who smiles across at me occasionally. I know he has got a happy face and I always look despondant, but then I have a reason to be despondent, I hear all these vague policies from the other side. That they have a re-think, Sir; that they give the teachers a chance to have a say; that they do not rush blindly in; that they are big enough, men enough to say "perhaps we have made a little hasty judgement; perhaps it might be wiser after all to go back and consult; perhaps the Opposition is not quite so daft and so stupid as the Minister for Public Works would have us believe." But then you know, at least we all know, like old Cerberus, perhaps the Hon Minister's bark might be a little worse than his bite, we do not take very much notice of what he says. Let them have a rethink, Sir. Let them, when they have a rethink, have the courage to come to this House and tell us all that is going on without being prodded, without being provoked into it, Sir. When we have got this, they will get our cooperation.

You have cooperation, Sir, I believe, in other Departments. For my part I am quite happy to cooperate in the Education Department. But this, Sir, has been denied to me from the beginning, why, I do not know, I am fully willing to cooperate. I think, Sir, that the invitation to cooperate should emanate from the Minister, I have seen it emanate from other Ministers and were I a Minister I would only be too happy to have my Shadow visiting me, seeing me often, because in that way he would be in the know, he would not be able to ask me any embarrassing question, he would not be able to put me through the mill. Perhaps it would be to his own benefit that there was some cooperation. I am sure, Sir, if one doeshave some form of Committee, Planning Committee, with the teachers - and the teachers have put him through the mill more than once, and they will probably put him through the mill again, if he does not take some notice of them and consult them, if he just wishes to inform them. So, Sir, this is what I suggest to the Honourable Minister.

Sir, not counting "injury time," I think, I have had about thirty two minutes and I will leave some time for a reply (Laughter). I do hope, Sir, that it will be the Honourable Minister at least who replies, not the Honourable Minister for Public Works or any of the others. Let the Minister for once stand up and give us a straight answer to a straight question. (Tapping on the table)

HON J CARUANA: Mr Speaker, I am sure the Minister for Education will give an ample reply to the Honourable Mr Featherstone, but could I quote from the Little Oxford Dictionary the definition of Cerebus - it is precisely, Mr Speaker, to show that I do get my facts right: "a three headed dog guarding Hades." You stand corrected.

HON M K FEATHERSTONE: I do not have to be corrected, Sir. The expert on Greek Mythology was Hesiod, who said Cerebon was a fifty headed creature, the off-spring of Typhone and Echidna. That is taken from the Encyclopaedia Britannica and I think Hesiod is known throughout the world as the real expert on Greek Mythology. I would not bother to ask for an apology.

MR SPEAKER: Most elucidating, but could we go back to comprehensive. (laughter)

HON L DEVINCENZI: Mr Speaker, quite frankly, I think it is most unkind of the Honourable Mr Featherstone who fully realised - and I say this not for the benefit of the House but for the benefit of the bored spectators which I see here - that we are only allowed 40 minutes amongst us to speak, that he should have used up thirty two minutes, leaving me just eight minutes, less than that, and expecting me to answer all the question he has brought up.

Surely he should have brought this question as a substantive motion, where every body would have had ample time to speak, and not take advantage of this rule. However, I have one advantage, one great advantage even with the few minutes I have available, over the Honourable Mr Featherstone, and that is that everybody knows that he is insincere and does not mean a word of what he is saying. The Honourable Mr Featherstone cares about one thing, and one thing only, and that thing is Mr Featherstone. He talks about.....

HON M K FEATHERSTONE: Excuse me, Sir, is thatnot under one of the Standing Orders: "No member shall impute improper motives to any other member?"

MR SPEAKER: If it is not, it is certainly sailing very close to the wind, and I would ask the Honourable Member to perhaps measure his words so that there will be no doubt to what the intention is.

HON L DEVINCENZI: Mr Speaker, I shall carry on. I think the Honourable Mr Featherstone realises that many of the things he has said are very inaccurate. I have, however, got to be very, very brief, because of lask of time, and let me limit myself to say this. A lot of the reports which have appeared in the Press - quite frankly, the Gibraltar Evening Post of which he is Editor-in-Chief although he says it has nothing to do with him - have been very, very inaccurate and I have this from the very same people who have been interviewed and have given Press Conference s. This he knows, They have given over-emphasis where they should not have given it. I say most categorically that the Gibraltar Teachers Association are basically in agreement with nearly everything we have put forward. They certainly are in agreement about the first stage of the implementation, and that is that we should keep the children behind for one year. I cannot allow the Honourable Mr Featherstone to come here and even go as far as to talk about moving classes from here to there; put 100 children here and 20 there. Who does he think he is? We have a Director of Education, we have a Department, and certainly it is for these people who make all these plans not for him to do so (Hear, hear) Let me say again Mr Speaker, that as far as GTA are concerned they did agree, although they had other ideas previously, that Lourdes School should be extended and that there should not be a new Girls School. First of all because we only had a £1m and could only afford to do half a school, and this could not be done. This they accepted. Again they accepted the principle of having three different Comprehensive schools in the interim period. This was put in the plans and there again they have agreed to that. In fact, Mr Speaker, I think that they had very valuable points, and we have not closed consultation with them.

After all we have until September, at least and this is only for the first stage. There are many things which can still be consulted and we are very pleased to do so. We are still in fact in consultation with the even in connection with the actual building, as was said by the Minister for Housing yesterday. Again you can see from what the Honourable Mr Featherstone has said that it has been an attack on me all the time. "Why did the Honourable Mr Caruana say this yesterday?" Well, I can give an explanation. The Hon. Mr. Caruana was dealing with the question of the building part of the Comprehensive System. In fact he did extend his remarks somewhat into other things, but this was unavoidable. There is no harm in that.

It is very clear that this is just a personal attack on me and of the time available he has used up 32 minutes.

I do not know how much time I have got left, but certainly not very much, I think Mr Speaker has been over indulgent in allowing me a few minutes.

Quite frankly all I can say is that I know it is a plain fact, that the Honourable Mr Featherstone is the one who is making political capital out of this. There is no question of our trying to do so. Why should we? On the question of the plans, I want to make it quite clear that whilst we agree that we should consult GTA - and we have done so and shall continue to do so - the final responsibility is that of the Government. If anything goes wrong we cannot come back to the House and say: "We consulted the GTA, the GTA said this, and we did it." We are the one who have to take the final responsibility and nobody else. I can say very categorically that I have had many meetings with the GTA, I get on very well with them, I do value the advice from the teachers, although he is trying to imply that I do not. It is very clear ; he has been trying to create a rift between one Minister and another, the GTA, the parents, every one. He has used the press to do so and has not succeeded.

One final thing is this: We have not, and I repeat not, received one single complaint about having done away with the 11 plus and going comprehensive, in spite of the very strenous efforts made by the Gibraltar Post to imbue this into the minds of everyone. (Tapping on the table). This is very, very bad. Mr Speaker, quite frankly I would certainly like, if I am allowed on another day to debate this question so that this can be aired properly.

One last thing that I would like to mention is that I did offer the Opposition, at the last meeting of the House of Assembly, that if they want to see any plans, I would certainly show them to them. None of them especially the Shadow Minister, have availed themselves of the opportunity to do so. Why then all these complaints?

Mr Speaker, thank you very much. I realise quite frankly that I have exceeded my time and I know that those who are listening will realise who is who.

Mr Speaker then proposed the question that the House should adjourn sine die.

HON SIR JOSHUA HASSAN: Mr Speaker, with your indulgence, I propose to say a few words at the request of the Chief Minister, not because the matter in my view is of any great importance, nor is it one which needs to be debated. If he thinks that there is any need to debate it I shall be very happy to do so, but he rather made too much if I may say so in all sincerity, out of a remark made by the Honourable Mr Montegriffo in the course of his speech this morning and that is in connexion with the reference to the Base. Let me say that the whole matter arose out of the fact that the other side, when dealing entirely with the estimates, started speaking about colonialism and so on.

The Base is not ours, so there is no question of charging anybody rent to pay for something which does not belong to us. So there is no question at all of asking anybody for anything now in that respect. In fact, in this context, we have had enough trouble to get certain concessions at the Western Arm.....

MR SPEAKER: May I interrupt. Is it that you are asking for leave under Order No.25 (b) to raise something on the adjournment, which I will most certainly grant?

HON SIR JOSHUA HASSAN: I am sorry Mr Speaker, but I thought that it had been tacitly agreed, Mr Speaker, that I would like to make a statement, at the invitation, if I may put it that way, of the Chief Minister which I think will air the matter. If you give me leave, I will do so.

MR SPEAKER: Most certainly, yes, under 25B. I want to clear the atmosphere because we do not want to feel that we are opening ourselves to a further debate. If that is not the case of course, we have got another forty minutes.

HON SIR JOSHUA HASSAN: No, no, no, I do not want that, I was asked for a statement to clear up a matter and I am trying to do it. If there is going to be a debate then I would rather leave it for a substantive motion at another time.

HON CHIEF MINISTER: Mr Speaker, I fully agree with that. He said a moment ago that he does not think this is of great importance. Well, I think the statement made today is of immense public importance and I welcome the suggestion to have a substantive motion on the issue. Therefore there is usually no need for a statement now.

MR SPEAKER: May I perhaps explain the position so that Honourable Members can decide what they feel ought to be done in the circumstances. At this stage one of two things can be done, and that is that the Honourable Leader of the Opposition can, under Order 25B (4) ask for leave from the President to raise the matter, which then of course means that we are exactly in the same position as we were with the case of the Honourable Mr Featherstohe, or we can do it under Order 50 which says: "By the indulgence of the Assembly, a member may make a personal explanation, although there be no question before the Council, but no debatable matter may be brought forward, or debate arise upon the explanation."

What I would like to explain is that if what the Honourable Leader of the Opposition wants to do is to explain something which may have been misunderstood, then this is good enough, but nothing else, and no debatable matter must be brought into it.

HON SIR JOSHUA HASSAN: That is really my intention. It is certainly not my intention let it be made quite clear, to bring any motion of any kind to this House. If the Chief Minister thinks that it ought to be debated, as a Minister he can raise a motion at any time he likes at a subsequent meeting. I do not attach any importance to this. If I am allowed to make a statement, which I was invited to do and perhaps to clarify the matter. I am explaining something said by another member. But I was invited as Leader of this Side of the House to make a statement and I propose to make it. That is as far as it goes.

HON P J ISOLA: Mr Speaker, on a point of order. Order 50 states that this can be done by the indulgence of the Assembly; and secondly it has got to be a personal explanation, I mean "By the indulgence of the Assembly a member may make a personal explanation" It seems to me that that is not the right vehicle for making a statement of Opposition Policy.

If that is so, then I would suggest that the only remedy open to the Honourable and Learned Leader of the Opposition is to raise this as a matter, either on the same basis as the Honourable Mr Featherstone has done ie, under the forty minute rule, or alternatively as a matter of public importance on which there can then be a debate. I do not think the rule should be stretched in such a way as to enable either the Chief Minister or the Honourable and Learned Leader of the Opposition to flout the obvious intentions of the Standing Orders.

MR SPEAKER: I would like to draw the attention of the House to Order 46 (8) which reads "A member who has spoken to a question proposed to the Assembly may again be heard, if the President so permits, to explain some part of his speech which has been misunderstood; but when so speaking he shall not introduce any new matter.

HON P J ISOLA: Mr Speaker, that rule would apply if the motion is actually under debate, but not when the motion on which he spoke has now been voted upon and closed. That rule, I would suggest, is the rule for debate which referes to the question before the House.

MR SPEAKER: I have been given to understand that there has been consultation between the Chief Minister and the Leader of the Opposition. For the purpose of clarification, may I have that point clarified to my satisfaction beforehand.

HON CHIEF MINISTER: Mr Speaker, I certainly have no objection to the Leader of the Opposition making a statement of clarification, I have no objection to that. The point is that he started by saying that he did not think that this was of any great importance and immediately after that he said it might be preferable that this should be brought as a motion. I said yes, I would be prepared to debate this.

HON SIR JOSHUA HASSAN: No, No, I think there has been a misunderstanding and if the Chief Minister will give way I will explain. I say now, as I said before, that to us this is of no importance because no new principle is involved, but since he was so concerned , it was in deference to him that I said that I would explain the position, which is what I have been trying to do for the last five or seven minutes, that is all. I am not going to bring any motion, I have nothing new to propose and therefore as far as I was concerned, if it had not been that he appeared to be worried about it, I would have said not a word.

HON CHIEF MINISTER: Of course, I am extremely worried about it. This has never been mentioned before, that I have heard of. This was introduced in this House for the first time today by a member of the Opposition who categorically stated that this was the policy of his party and of the Opposition. Therefore, the statement that the Leader of the Opposition is making is in contradiction with the statement made by a Member of the Opposition. The statement that I was expecting was one which would corroborate the position, but now it seems that this is not the case, that there is no importance to this statement. Well, if he says; this is not the policy of my party; this is not the policy of the Opposition, let us hear it.

HON SIR JOSHUA HASSAN: But you have not allowed me to speak so far.

MR SPEAKER: In order to simplify matters I give leave to the Honourable the Leader of the Opposition to proceed under Rule 25B(3), which means that you can make a statement as in the case of the Hon Mr Featherstone.

HON SIR JOSHUA HASSAN: Oh, no, I am not prepared to have that. I do not want forty minutes at all.

MR SPEAKER: You do not have to have 40 minutes.

HON SIR JOSHUA HASSAN: I do not want forty minutes for debate. I think this is going to do more harm than good. He is doing exactly the same as he did with another problem. Let me make the statement and if not I make no statement, I could not care less what the Chief Minister thinks about the statement we have made on this side of the House, on this matter. He is blowing it completely out of proportion, he is creating alarm and despondency and I have not been allowed to do exactly what I said I would do, and that is to read a few lines that I prepared which I think would have put his mind at rest. But I have not been allowed.

HON CHIEF MINISTER: Mr Speaker, if it is true that he could not care less of what I think about it, he might as well not make the statement!

HON SIR JOSHUA HASSAN: I said that because he was harping on it. Of course I care, that is why I offered to do it, but if he keeps on wanting to amplify the matter and put it completely out of context, then I really think he is making such a farce out of it, that I start to cease to take an interest in pleasing him by saying what we feel. That is all.

HON M XIBERRAS: Sir, I have not got a copy of the Rules, I have not consulted a copy of the rules, but it seems to me that the debate suggestion is the obvious one in this case. If the Honourable and Learned Leader of the Opposition is worried that the thing might flare up as a result of something which we might say at this time, then he must just make his statement and accept a sense of responsibility on this side of the House to either engage in a debate or not,

but not make a statement and walk away without giving the other side even a chance to judge whether that statement should be debated or not. I think that the Honourable and Learned Leader of the Opposition can be assured that if it is in the public interest this side of the House will not pursue the matter in terms which he has suggested it might have.

MR SPEAKER: In order to cut the proceedings short I think it is completely and utterly clear that if the Honourable and Learned Leader of the Opposition wishes to make a statment his remedy lies in Order 25B (3) and (4). It is up to the Honourable Leader of the Opposition to decide whether he wishes to do so or does not. It is his privilege and it is up to him to take a decision, but I think that the rule is there and we must leave it at that now.

HON SIR JOSHUA HASSAN: Well, Mr Speaker, I do not want to be driven into a debate. I will say what I have to say, and to be quite frank, after that I will disregard anything else that may be said in this matter. (Cries of Shame Shame)

MR SPEAKER: Order

HON SIR JOSHUA HASSAN: Well, I will say nothing.

Now I want to ask leave underOrder 50 on a matter of personal explanation. On the other point, Mr Speaker, I do not take your offer and I am very grateful.

MR SPEAKER: Leave is granted.

HON SIR JOSHUA HASSAN: Mr Speaker, in the course of the speech of the Honourable Minister for Medical Services this morning, she made a very serious allegation. I did not want to interrupt her at the time - we had been at the end of a number of speeches - or to try to play a fast one and speak after her. She said many things, amongst them she said that I did not know the Department,I did not visit the Department etc., I do not mind that, these are comments on matters of public interest, but she did make a very serious allegation, and I propose to make a personal statement under Order 50, and that was when she said that when the allocation of the Tower Blocks were being made an Allocation List was produced and that I tore it up and brought out another list from my pocket. I want her to hear what I am saying because it is important. She said that I had brought out a list from my pocket and that I tore the other one. Well, let me give the most solemn assurance to this House that this is completely untrue. The list for the allocation of the Tower Blocks, which I remember perfectly clearly was produced

by the Commissioner of Lands and Works himself in person because there was the particular difficulty that some of the flats were habitable and some were not. Some flats were hatched in blue in the list and some were hatched in red, according to when they would be available and it is on that list that allocations were made. First of all to have done what it is alleged I did would have been most improper, and secondly, I would never do anything like that.

If the Minister has heard of this from a Civil Servant I should be grateful if in due course she would let me know where the information came from and I will then consider asking His Excellency the Governor to institute an inquiry into this matter.

This is a serious matter, an allegation against me whilst I was holding office, and I give you Mr Speaker, and the House - and I appreciate the importance of this statement - my most solemn undertaking, my most solemn promise that nothing of the kind happened.

HON MISS C ANES: Certainly I am not naming any Civil Servant. The information that I have is the one that the general public had prior to Elections and which was a vote catching thing. This is what I said, You cannot draw me into mentioning any Civil Servants, whether you go to the Governor or even to Her Majesty the Queen.

HON SIR JOSHUA HASSAN: In that case, Mr Speaker, I think it is perfectly in the interest of the House, that I view this matter in the light of the information on which she has said she made the statement. I would therefore invite the Chief Minister to ask his Minister to withdraw the allegation.

MR SPEAKER: Under the rule no debates will be allowed.

HON MISS C ANES: Certainly I will withdraw, if the Chief Minister asks me to. But certainly I will not mention any Civil Servants because it has nothing to do with them.

HON SIR JOSHUA HASSAN: If she got the information it would have been in her own interest to reveal it because the same thing can be said about her the day she leaves office. It would be said, and one would like to feel that one has loyal Civil Servants, whichever party is in office.

HON J CARUANA: Mr Speaker, I think I.....

MR SPEAKER: Under the Rule there is express provision that no debate will take place on matters of personal explanation, and I cannot allow any one else to speak.

The House adjourned sine die

The Adjournment was taken at 6.40 p.m.

End 16/10/2