

HOUSE OF ASSEMBLY

HANSARD
OF MEETING

HELD ON 13 JANUARY 1972

REPORT OF THE PROCEEDINGS OF THE HOUSE OF ASSEMBLY

The Nineteenth Meeting of the First Session of the First House of Assembly held in the House of Assembly Chamber on Thursday the 13th January 1972 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 & Social Security & Housing.
The Hon Major A J Gache, Minister for Commercial Economic Development.
The Hon J Caruana, Minister for Public Works.
The Hon W M Isola, Minister for Tourism & Municipal Services.
The Hon Miss C Anes, Minister for Medical & Health Services.
The Hon L Devincenzi, Minister for Education & Recreation.
The Hon R H Hickling, CMG, QC, Attorney General.
The Hon A Mackay, CMG, Financial & 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:

P A Garbarino, Esq., ED, Clerk to the House of Assembly.

PRAYER.

Mr Speaker recited the prayer.

CONFIRMATION OF MINUTES.

The Minutes of the Meeting held on the 16th December 1971 having been previously circulated, were taken as read and confirmed.

DOCUMENTS LAID.

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

- (1) The Indictments (Amendment) Rules 1971.
- (2) The Gibraltar Regiment Association Regulations 1971.
- (3) The United Kingdom Forces (Jurisdiction of Colonial Courts) (Prescribed Offences) (Amendment) Order 1971.

Ordered to lie.

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

- (1) Supplementary Estimates No.5 of 1971/72.
- (2) The Savings Bank (Amendment) Rules 1971.
- (3) The Exchange Control (Definition of Scheduled Territories) (No.3) Order 1971.

Ordered to lie.

QUESTIONS AND ANSWERS

STATEMENT BY THE MINISTER FOR PUBLIC WORKS

Mr Speaker, I would like to avail myself of this opportunity of informing the House about our fresh water situation.

2. During 1971 this House approved expenditure to the amount of £33,000 for the importation of 5.34 million gallons of water.

3. This week the Government has had to order another tanker for 4.36 million gallons which is expected to arrive mid February. The cost is estimated at £25,500 for which we shall come to the House for approval in due course. Whilst not wishing at this stage to go into great detail, the reason is that we have to close down the North Face Distiller in order to clean all tubes and vessels in the Plant and to install an additional piece of equipment.

4. The picture at this stage is not a good one since the Government will have to face the possibility of importing further amounts of water during 1972. Whilst the situation looks grim in terms of expenditure I do not intend to elaborate further at this stage, but I hope to be in a position to make a fuller statement in the House at the next meeting.

HON SIR JOSHUA HASSAN:

Mr Speaker, could we have some figures of the actual rainfall, the stocks and the consumption as against the intake production and rainfall since the summer?

HON J CARUANA:

Yes, indeed. I do not intend, at this stage, to elaborate further on this point since the whole situation is under review at the moment, but I will oblige the Hon & Learned Leader of the Opposition with a few comparisons. In 1970, we collected 16.1 million gallons of water and in 1971 we collected 18 million gallons of water. In 1970 the production of wells was 39.5 million gallons and the North Face Distiller produced 48.5 million gallons, the Kings Bastion Distiller produced 6.6 million gallons and no water was imported during that year. In 1971, the rainfall was 18 million, the wells produced 37 million gallons of water, the North Front Distiller produced 49.1 million gallons, the Kings Bastion Distiller produced 6.3 million, and we had to import by tanker 5.2 million gallons of water, and this is for the whole year.

HON SIR JOSHUA HASSAN:

Is the Minister satisfied, I am asking because I do not see any figures or report. Is he satisfied that there is no undue wastage in breakdowns and so on. Undue, I mean. There are bound to be wastages, wastages by breakdowns and so on, apart from the normal one of absorption etc.

HON J CARUANA:

I think we are generally satisfied that we have not suffered undue wastage through breakdowns, or leaks. The question of relying on tankers is solely dependent not so much on rain because rain has a very insignificant effect on our water position but mainly due to the non-functioning of the Distillers when they do break down. This is where the whole thing falls down, and the output of the North Face Distiller was 60% of its true rating.

HON SIR JOSHUA HASSAN:

I am looking generally at the question of stocks and I am not yet satisfied. It is difficult to understand how in 1971 with greater rainfall than in 1970 the yield of the wells was less by 2 million. Normally when there is more rainfall the wells yield more. And finally, could we have the present stocks in our tanks, which I think is also a matter of interest?

HON J CARUANA:

Mr Speaker, the amount produced by the wells is also obviously related to the rate of pumping and there is a 2 million gallon difference between the production of the wells in 1970 and 1971. This is balanced with a difference in the fall of rainfall of 2 million between one year and the other as well, 16 to 18 and again 39 to 37. But I do not think that this for a moment has any effect at all on our supply position because even if the wells had produced that 2 million gallons of water, had we not imported water we would have been 3 million gallons short.

HON SIR JOSHUA HASSAN:

I still have not got the stocks and I feel the Minister has not got me right on this, because it is not a question of balancing, it is very much the opposite. The more rain there is the more water should be produced by the wells and there has been less production of water in 1971 when there waswas it 18 million gallons? which shows that there was a bigger rainfall in 1971 than in 1970 and the production of the wells was less. And the other one is: may we have the present stocks of water in the reservoirs at this moment?

HON J CARUANA:

Mr Speaker, the first question I think is an intelligent question but it is not at all relevant to the position, because 2 million gallons of water has no effect on the amount of rainfall. It could have rained but you can only pump so much out of the wells. What I can assure the Hon Member opposite is that the wells are pumped continuously to their full capacity. However two million gallons of water in one year can easily be lost through a malfunction or a slowing down in efficiency, so in fact the wells produce more, we pump more from the wells in the drier season in fact than when it rains.

HON SIR JOSHUA HASSAN:

Can I have the stocks of water now!

HON J CARUANA:

I am afraid I cannot oblige the Hon & Learned Leader of the Opposition with the present stock at this moment.

HON SIR JOSHUA HASSAN:

Why?

HON J CARUANA:

Because I am not prepared at this moment with that answer. It is not that I do not want to give it. I do not have today's stock in hand. I have all sorts of figures but not that particular one.

HON P J ISOLA:

Mr Speaker, this statement from the Minister is of course fairly alarming because one would have thought that after the new North Front Distiller was erected there would be no need to import water into Gibraltar in such a large scale as is apparently envisaged for 1972. I do not want to question the Minister on the water that the Almighty releases because he is not responsible to this House for this, but I do want to ask him, not question him on the North Front Distiller, I do want to ask him if he would give the House an assurance that when he comes for his money for the tanker he will give the House a full and frank statement with regard to the North Front Distiller, its success or failure, in achieving the object for which it was constructed and the general situation for the future of that particular plant. I ask this question, Sir, because the House is aware of the enormous amount of money that is being voted by this House in Supplementary Estimates connected with this North Front Distiller and we have been given one reason after another why this expenditure

has been necessary and now we are told of the need to import vast quantities of water in 1972 and we are told that the Distiller is to stop. The pertinent question is: Has the Minister got any idea of how long it will be stopped for? And secondly, as I have said already, will he give the House at the first available opportunity a full and frank statement on the Distiller and its operation?

HON J CARUANA:

I am very grateful for those two questions. I think there is an attempt to draw me out on this one. I must resist the temptation to be drawn out. The seriousness of the matter lies in the fact that the Distiller has to close down and in fact it has closed down. The length of time the Distiller is going to be closed down is yet to be determined and we shall not be able to determine this until certain parts have been dismantled. There are vague estimates but the seriousness of the matter could be a shutdown of between three and five months, and I would not venture to suggest what this would amount in terms of money. As I said at the end of my statement, I hope to be in a position to make a fuller statement on the matter at the next meeting of the House.

HON A P MONTEGRIFFO:

Is the Distiller being closed down because it has broken down or because they are installing certain gadgets or equipment in order to clean the tubes more efficiently, that is the first question. Secondly, what was the yield expected of this Distiller in terms of gallons of water per week, and how much has it distilled during 1971?

HON J CARUANA:

Mr Speaker, I am being drawn again. The Distiller has to be stopped 18 months after it was constructed for the purpose of installing a vital piece of equipment to keep the machine clean, I would not venture to pass judgement at this moment whether that piece of equipment should have been added on at the very beginning or not. I am not prepared at this moment to make any such pronouncement. On the question of what is the loss, I have said that the Distiller is working at 60% rating and this means, in terms of annual production, 19.2 million gallons.

HON M K FEATHERSTONE:

Two questions, Sir. How many days did the Distiller not work in 1970, and how many days did it not work in 1971? And of those two amounts of days how many were foreseen that it should not work and how many were due to breakdown?

HON J CARUANA:

Mr Speaker, I would be greatly obliged if the Hon Member opposite and the House could await the next sitting of the House of Assembly, since although I have all the information available, it is not in the form of a speech or a statement, and it will only serve to confuse the issue further. If the House will bear with me, I hope to present a full statement with those details which I have in front of me at the appropriate time.

HON M K FEAHTERSTONE:

The Hon Minister knows the way this side has been thinking with its questions and I am sure he will produce the figures next time.
Accepted, Sir.

STATEMENT BY THE MINISTER FOR TOURISM & MUNICIPAL SERVICES

P A International Management Consultants Ltd, Final Report.

Mr Speaker, Sir, this is where the £16,000 has been spent, which the Hon Member, Mr Serfaty, earlier referred to at Question time and which Report was ~~presumably~~ commissioned by the previous Government.

The final report of P A Management Consultants Ltd was distributed to Members of the Opposition on the 13th July 1971 and under confidential cover to the President, Chamber of Commerce, President of the Main Street Association, Chairman, Gibraltar Travel Association, Chairman, Gibraltar Hotel Association on the 20th July 1971. The Government after giving the matter careful consideration have decided against publication of the report. The principal reason for this is that it does not consider it is in the best interests of Gibraltar to disclose comprehensive statistical information nor the strategies for the future contained in the report other than to those directly concerned with the report. Moreover, it does not feel that a condensed version would be practical. I would like however to give some information to the House and the general public of the recommendations made by the consultants.

The Consultants made 84 recommendations concentrated in 3 parts, some of which action has to be taken by the trade under the following headings.

- a. Improving the Tourist Product - 49 recommendations.
- b. Marketing Gibraltar's Tourist Industry - 29 recommendations.
- c. Implementation and cost of Programme - 6 recommendations.

Of these recommendations, 64 recommendations are being implemented, 14 are under consideration and no agreement has yet been reached on 6. I am sure Sir, that this shows that the Government is sincere in its desire to foment tourism in the interests of Gibraltar generally.

Sir, regarding improving the product it is accepted that Gibraltar must be made a brighter place if only to encourage repeat long stay traffic who, in turn will, when they return home, encourage others to visit the resort. The principal recommendations by P A is for the improvement of Devil's Tower Road (a matter which is engaging the attention of the Planning Committee and the Public Works Department is taking active measures to improve the area), painting of Government Buildings, planting more flowering shrubs in public places and beach cleaning and resiting of the refuse destructor. As the House is aware great strides have been made in beach cleaning and planting and the re-siting of the refuse destructor is a matter which my friend and

colleague the Minister for Public Works is actively dealing with. I am sure all of us will agree, Sir, that an improvement of the product, which includes an improvement in food and service in hotels and in evening entertainment. This is an area in which obviously the Gibraltar Hoteliers can make a positive contribution and I know that the Hoteliers are aware of this.

A comprehensive report on Industrial Training needs in the Hotel and Catering Industry has been submitted to the Industrial Training Board and discussed in detail with the Hotel Association. Its recommendations have found a large measure of acceptance with both these bodies. The Industrial Training order in respect of instructor and on-job trainer courses was approved on the 11th January by the Industrial Training Board. It is hoped to bring it to the House at the earliest possible opportunity. Other recommendations will be processed in a similar manner in due course.

Gibraltar, Sir, according to our information is gradually losing its reputation as a cheap shopping centre in the Mediterranean and this is having an adverse effect on the GTO's marketing efforts. The adverse publicity Gibraltar is receiving in this respect could be offset by the publication of a brochure by the Main Street Association, for example we could have comparative list of prices. The GTO has approached the Main Street Association on this matter on a number of occasions in the past, and we look forward to their doing a little re-thinking on this.

I am sure Sir, that the House will agree that the bus service in Gibraltar has improved and whilst some teething troubles have been and are being ironed out, the indications are, now that we have bus inspectors, that the improvement will continue. We shall always continue to study ways and means of improving the product.

As regards the Marketing of Gibraltar's Industry this gives me an opportunity to state quite categorically, despite recent press articles, that my Department has a Marketing Strategy and this falls on all fours with that recommended by P A. Would anybody in his right senses wish to disclose this to all and sundry particularly our competitors? Whilst naturally the GTO would find it most desirable to secure increases in funds for media advertising and below the line activities there is a limit to what the Government can spend in attracting tourism to Gibraltar. Notwithstanding this the GTO has been able to persuade the principal carriers and operators to contribute towards a media advertising campaign to secure the best and widest

possible exposure in the national press consistent with the limited funds available. Indeed I might add that I have it from specialist operators that the Gibraltar Tourist Office's media advertising and promotional efforts are much more effective than other National Tourist Offices. I think it is fair to say too that Gibraltar is not a resort that sells itself as do other more popular areas. One must also realise that there is a non existent hinterland which can also act as a deterrent. For that reason we must ensure that our product is acceptable and the best for the price. A lot has been said too about up market and down market tourism and I feel it is pertinent for me to point out that P A Exercise does quite clearly reveal that of our long stays visitors, throughout the year, 42% are of a professional, directorial and managerial status. When one considers that only 11% of Britain's population are in this category Gibraltar is doing extremely well in attracting up market traffic and I hope that under the new arrangement this will continue to increase further. I would add that 13% of Gibraltar's long stay visitors are economically inactive mainly either retired or students. In winter and the shoulder months a much higher proportion are of managerial, professional and directorial status 52% and 46% respectively.

It has been said publicly that Gibraltar's holiday prices average nearly twice the price of the average equivalent holiday in Spain. Can we therefore honestly say with our hands on our hearts that we are attracting the cheap end of the market?

Despite our price constraints Gibraltar has an emotional appeal to a number of potential visitors particularly first timers abroad over 35 years of age but it is vital to keep them happy and occupied whilst they are in Gibraltar.

I only trust that our critics would realize this, and instead of wasting their time on attempting to destroy and discredit the efforts we are making should join together, in a constructive spirit and accept that we are responsibly carrying out our marketing strategy and moreover that we in the GTO have faith in the product we are selling and must promote it actively despite competition from other spheres.

The success of our efforts depends partly on the collaboration with the trade and in particular the travel industry. I am glad to say that we are aiming to meet regularly with those directly involved in the industry but I must add that we are looking towards the benefit of the whole community and not of a particular segment. If the

expansion of tourism is to add to the prosperity of the community we must be given the resources and the moral support to carry out our very difficult task.

Sir, I trust that this short condensed statement will satisfy the House and in turn the general public that it is the Government's intention to develop tourism in a realistic manner.

HON SIR JOSHUA HASSAN:

Whilst I leave the question of tourism to my colleague on the left, I would certainly question the rather optimistic statement that the bus services have improved considerably. Those who live on the other ~~part~~ of the town know very well that this is really not so.

HON A W SERFATY:

I have a hunch, Sir, that this statement is the result of questions from the Opposition for the first time on definite recommendations in the Report. As the Hon Minister knows as well or better than I do that we can ask many more questions on recommendations in the Report which have not yet been implemented, but it is always a good thing to hear the Hon Mr William Isola say that the Government has its heart in the development of tourism. I am not going to say that this is lip service. I am sure that some of the gentlemen opposite really believe this.

HON P J ISOLA:

Sir, the Minister has stated that the PA Report had 84 recommendations, and of these 64 were being implemented, 14 were under consideration but 6 had not been agreed. This I think, of course, is a short answer to what the Hon Mr Serfaty said "What did the British Government spend its £16,000 for?" But does the Minister not think it to be a most remarkable coincidence or extremely bad luck for him that the Hon Mr Serfaty should have chosen to question him precisely on three of the six matters that have not been agreed by the Government? (Tapping on the table)

HON A W SERFATY:

But you know I have 9 other recommendations which have not apparently been looked at by the Government.

HON J CARUANA:

Mr Speaker on a point of clarification, and since mention has been made of the Public Works Department with respect to several of the recommendations of the PA report and in particular that which referred to the rebate of the painting of private dwelling houses on which I had to keep quiet at question time to adhere to the Standing Rules; I would like to clarify one or two points

MR SPEAKER:

Are you going to ask the Minister a question?

HON SIR JOSHUA HASSAN:

I think it is most unusual for one Minister to comment on another Minister's statement.

HON J CARUANA:

Mr Speaker, I think that the Hon Mr Serfaty said that there were 9 or so recommendations out of 65 which had not been implemented and I was hoping to take him up

MR SPEAKER:

You are quite free to ask the Minister a question, and mention the ones that you feel have been implemented and whether he would like to confirm it. But it must be in the form of a question and not a statement.

HON J CARUANA:

Mr Speaker I was just trying to be helpful to the House and elucidating a bit on the sections of the speech which concern my department.

MR SPEAKER:

Very well, let us go on with the Order of the Day.

MOTIONS

SUPPLEMENTARY ESTIMATES NO.5 OF 1971/1972

HON FINANCIAL & DEVELOPMENT SECRETARY:

Mr Speaker, Sir, I have the honour to move that this House resolves itself into Committee to consider Supplementary Estimates No.5 of 1971/72 in detail.

This was agreed to and the House resolved itself into Committee.

HOUSE IN COMMITTEE

Item 1. V. Electricity Undertaking was agreed to and passed without amendment.

Item 2. XII. Public Works Non Recurrent.

HON M K FEATHERSTONE:

Sir, does this include the area immediately adjacent to the Cathedral of St. Mary the Crowned, as well as the area opposite?

HON J CARUANA:

Yes Sir. This is precisely one of the effects of the increase because we thought that we might as well make a comprehensive improvement and take into account the part just in front of the Cathedral.

HON SIR JOSHUA HASSAN:

Is the area adjacent to the Cathedral, which was previously fenced off, public highway? I am not opposing it, but I am just drawing attention to the implications of spending public money in private property. There could be a transfer or an arrangement, but this is a matter I would like the Minister to look at.

HON J CARUANA:

I will certainly look into it.

HON SIR JOSHUA HASSAN:

I want to make it clear that I am not opposing it in any way but it is a matter of application of public funds to private property.

HON J CARUANA:

I will certainly look into the matter.

Item 2 was agreed to and passed without amendment.

Item 3. XIX. Port was agreed to and passed without amendment.

RESUMPTION

The House resumed.

HON FINANCIAL & DEVELOPMENT SECRETARY:

Mr Speaker, I now propose that the votes detailed in Supplementary Estimates No.5 of 1971/72 be approved.

Before putting the question Mr Speaker invited discussion on the motion. There being no response Mr Speaker then put the question which was resolved in the affirmative.

The motion was accordingly carried.

BILLS

COMMITTEE STAGE AND THIRD READINGS

HON ATTORNEY GENERAL:

Sir, I beg to move that this House should resolve itself into Committee to consider the one bill on the order paper, clause by clause.

This was agreed to and the House went into Committee.

HOUSE IN COMMITTEE

The Contract and Tort (Amendment) Ordinance 1971.

The Bill passed the Committee without amendment.

RESUMPTION

The House resumed.

HON ATTORNEY GENERAL:

Sir, I have the honour to report that the Contract and Tort (Amendment) Bill has been considered in Committee and agreed to without amendment. I now move that the Bill be read a third time and passed.

The Bill was read a third time and passed.

ADJOURNMENT

HON CHIEF MINISTER:

Sir, I have the honour to move that this House do now adjourn sine die.

Mr Speaker then put the question which was resolved in the affirmative.

The House adjourned sine die.

The adjournment was taken at 8.10 p.m. on the 13th January 1972.