

HOUSE OF ASSEMBLY

HANSARD  
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a performance one way or another might have been made in the course of the strike and not when everything was over. As it happened that was a useless performance and that highlighted his silence during the course of the general strike. I might recall Sir, for the House and there might not have been any need to do this had the meeting been held earlier. What, roughly, were the various stages in the development of the strike? The House will remember that an offer was made in Joint Industrial Council and that this offer was subject to an unprecedented deadline, that failing to secure a further offer after considerable negotiations between the executive committee of the Transport and General Workers Union and the General Meeting, having failed to secure a second offer, the Transport and General Workers Union took a decision to ask the Government to negotiate on the basis of £3.00. Then the Transport and General Workers Union having failed to get any movement at all whatsoever from the employers called a meeting in which a strike was declared of industrial workers with the rider that if troops were brought in the strike would be declared general. This is an important stage Sir, because the Transport and General Workers Union, it was obvious could see that there was no movement at all from the official employers and it was giving due warning of what it intended to do and how important the issue was for them. Then, Sir, the Chairman of Joint Industrial Council issued a statement, a statement that was political in content, a statement which insinuated that the reason why it was not possible to do other than make adjustments to the offer to meet anomalies because the Financial situation of the Government of Gibraltar would not allow this. This was to our mind, to this side of the House that had been all along pressing the UK department to carry out just and fair increases in wages it was a particularly ignominious position for the Government of Gibraltar to find itself in and particularly the Chief Minister of Gibraltar to have the chairman of Joint Industrial Council say that the reason fundamental as it appeared in his communique why there was no movement was that the Government of Gibraltar, the Government of Gibraltar that could most stand to gain by a substantial increase in wages as has been shown in the course of this meeting that the Government of Gibraltar was not in a position to go any further. Sir, if we had adopted that position in 1969, November 1969, when we asked Mr Marsh to come along we would have instead of bringing him along and urging the UK departments to accept a review, we would have said that there was a colossal deficit in the City Council that the General Revenue Balance was at £700,000 and that if the Opposition or the workers or anybody else wanted an increase in wages they had better run to the Honourable and Learned Chief Minister then Leader of the Opposition and tell him where the money was to pay such increases. As it happened 18% and a formula was the result of that review against the background of a £700,000 general revenue balance and a deficit of £86,000 in a budget of barely over a million pounds in the City Council. With all those commitments the Government of the day did not take the negative and destructive attitude which has

been displayed by the Hon and Learned Chief Minister on this occasion. It, in fact, raised the money as any Government worthy of its salt would do; paid the City Council deficit, raised the general revenue balance, to a level never before reached and put a wage claim which has yielded so much that the AACR was forced to accept that one could not carry on at the rate that we were going paying biennial review and formula payments. At the same time what a better admission, how better give the lie to the Hon and Learned Member who is absent from this chamber at the particular moment that the last Government had cheated the workers. Its now, now that the Government of the day is unable to keep up the formula payments, is unable to bring about or was unable to bring about a fair increase and offered 40p and stuck at 40 p, for a long time and above all told the workers that it was the fault of the Opposition. What a cheek and what a brass neck! To tell the Opposition that they had not provided monies and after this general review after they had made up a colossal deficit in the City Council and an ignominiously low general revenue balance. Of course, the Hon the Learned Chief Minister has scarcely ever had the courage of his convictions and perhaps the main reason why he incurred in the great City Council deficit was his refusal to face the people, his refusal to go for taxes and his refusal to think then, then, and not now when he was confronted with the workers, his refusal to think then of the importance of the general revenue balance and of reserves. What a travesty, Sir, that now when the workers come to the Labour Party they are told "We have no money". And if it were true, even if it were true would the Hon and Learned Chief Minister not contribute something to the process of taxation which he blamed my Hon and Gallant Friend so much for .. Did he not have the effrontery to come to this House and tell the Hon and Gallant Leader of the Opposition the man who had done more to raise the finances of Gibraltar from the very poor position in which the Hon and Learned Member opposite left them. Is it not effrontery to come to him and say that people shouted "Out with Peliza" because he had the courage over and above doing all the things that I had mentioned leaving at least £190,000 for next year. Is this honest criticism? Was this an honest attitude throughout the strike? Or was this a political gimmick of the first order, to try to get rid of the Opposition and also of the new Executive of the Transport and General Workers Union in one swoop. Sir, the Chairman of the JIC issued a statement then political in content and blamed the Gibraltar Government for it. And the Gibraltar Government did not stand up. The Gibraltar Government did not stand up for the workers and the Gibraltar Government did not stand up for itself. It allowed that statement which could only have been made with the consent of the Government of the day. It allowed that statement to go unchallenged and even if the Government had had to go for taxation measures which the Hon the Financial and Development Secretary was talking about yesterday, even if it had had to do that it was the duty of the Government not to go by default in these important negotiations. And yet it did. The Hon and Learned the Chief Minister held two press conferences and if you were to ask anybody at all in the street as to what was the import, what was the message which the Hon and Learned Chief Minister wanted to convey they would have said "The Hon and Learned Chief Minister is saying that he has no money, he has no money even for 40 pence. If you have 40 pence you are going

to have a deficit. How badly the last Government conducted the affairs of Gibraltar. Blame them for this. Don't blame us." This is what the people were saying in the street all the time. This is the impression that the Hon and Learned Chief Minister wanted to convey, because Sir, he has many commitments, he has many commitments with different sectors of the community which he cannot but honour and the first fruit of the new Government would have been a pretty good increase in the basic wage and this would not have been at all pleasing to his friends at the time of election. Sir, these two press conferences aggravated the situation created by the statement of the Chairman of the Joint Industrial Council. They endorsed the position taken by him. The Hon and Learned Chief Minister took on the responsibility of vouching for the attitude, that the attitude that he was taking to the strike, that there was no money and there would be no movement, was taken on by the Hon and Learned Chief Minister. Sir, after that the strike of the industrials started. The strike of the industrials came to a head with the troops marching into the generating station to take over the running of the generating station. I do not know when last this has happened but the fact is that it did happen and this makes all that we are talking about today less of a laughing matter than ever. The Government fails to reach agreement with the Union on the supply of electricity to hospitals and so on. The Unions made an offer which was not acceptable to the Government and perhaps they will hear the Hon and Learned Chief Minister speak about this to a greater extent that he put it to us during our meeting at the time of the strike. The Union made an offer but the Hon and Learned the Chief Minister was unable to reach agreement with the Union and this was the watershed of the strike. At the time of the 1970 industrial dispute I remember the Hon Mr Montegriffo and the Hon Sir Joshua Hassan saying that you needed to be tactful and to have humanity and to have the right approach in matters and he urged that the Government should do all in its power to establish contact with the Unions. Apparently we were steam-rolling the Unions at the time. The attitude of the Opposition to the offer of the Union at that time would have been to have them talk and discuss about the provision of a limited supply of electricity whilst at the same time doing all in its power to get movement on the most basic issue in the whole of the dispute and that was the first offer which had remained unchanged. Whilst the Hon and Learned Chief Minister did was to demand his own terms on the supply of electricity from the Union whilst giving no assurance whatsoever that there would be a second offer over and above the 40 pence. It is not surprising that the Union felt that this was just a means of weakening the strike whilst at the same time offering absolutely no hope that there would be any movement whatsoever on the basic wage. This is why the negotiations failed. This is obviously why the Union felt that however long it stayed out on strike it would get no joy from the Government and this is why, no doubt the Transport and General Workers Union had to press to the extent that they did. We accuse the Government therefore of not handling this particular part of the situation well. Sir, the strike did not become general on the first day. It did not start as a general strike and there was much that could have been done before the strike became general to avoid the strike becoming general. But at that time there was nothing done. The initiative was not taken at the right time. I have already said that the Transport and General Workers

Union had a mandate from its Assembly that if troops were used then the strike would become general. I do not think that the Hon and Learned Chief Minister for a moment believed that the Transport and General Workers Union would get the response that it did. Already he had tried at the Election to divide the Union because it supported this side of the House. This was no doubt planned as a coup d'etat against the new Executive of the new Union that had supported this side of the House in preference to that side of the House. He built a brick wall and invited the Transport and General Workers Union Executive to dash its head against it. This was obviously the tactic. There would be no movement. And this is why the confrontation arose. For many, many weeks the offer remained at 40 pence and there was nothing done to move on these 40 pence. Sir, the response to the strike as I said was overwhelming. Not only to the strike itself but also the demonstration which followed. I have no doubt that there were others there who voted for one side or the other side or who didn't even vote and joined the demonstration. It was to my mind the biggest demonstration that Gibraltar had ever seen. It was not as if this were just the Transport and General Workers Union Executive, the wild boys, the Tupamaros taking a lead and pushing people along. Both all the general meetings of the Union and the demonstrations particularly were very well attended. Moreover all the unions in Gibraltar in one form or another supported what the Transport and General Workers Union were doing Industrials and Non-Industrials. No unions to my mind blacklegged, no union to my mind was out of sympathy with the strike, so this was not just a question of the Transport and General Workers Committee whipping up the boys to have a fight; this was all the unions, industrials and non industrials. And the aggravation was that the Government said that there was no money. That the Government was playing politics with the strike. This was the aggravation. That was the reason for the great response of industrials and non industrial Unions. Sir, having said that there was no money even for 40 pence the Hon and Learned the Chief Minister appeared on television. We had just been to see him before and he said he would make a non controversial statement. Well, apparently for one who did not know what was coming the statement was, of course, non -controversial. He did not bring out the troops; he did not go directly against the Executive though he did slightly against the strikers and he did slightly in favour of the shop keepers. But he did make the astounding revelation that there were no less than £337,000 more for the year 1971/72 than he had bargained for. I think he referred to some press conference earlier where he had said this figure. I found - nor did any Hon Member from this side of the House - found no record of these £337,000 ever having been mentioned by the Hon and Learned the Chief Minister who might very well blame the press for it, but none the less at this late stage £337,000 more. I accepted at the same time he said there were £290,000 of expenditure that needed to be voted. I accept that. But the factor of £337,000 credit, in other words in our favour is a factor whatever you have to spend. If you have to pay £290,000 and you do not have £337,000 then things are pretty bad. But if you have £337,000 you may have to pay £290,000 but that is not as bad and here lies the misrepresentation Sir. Here lies the misrepresentation. That whereas he had allowed the strike to develop, to become general without mentioning this figure he went on television and slipped the figure in amongst all the others £337,000 more.

MR SPEAKER:

I understand the motion is made in general terms related to the Government. We must not have accusations of misrepresentation against individual members of the House, and I must not allow anything of the sort to slip in, so I presume that what you were referring to is the Government.

HON M XIBERRAS:

Sir, the terms of my motion censure the Government and I would refer to the Hon and Learned Chief Minister no less than I would accept responsibility within the Government by the Chief Minister.

MR SPEAKER:

No, I would not accept any accusations of misrepresentation levelled at any individual member.

HON M XIBERRAS:

I could clarify Sir, that there is not misrepresentation as I understand it in the sense that any particular member felt differently from the rest of the Government, but I am referring to a particular statement made by the Hon and Learned the Chief Minister obviously speaking on behalf of the Government and that is the reason why I am addressing.....

MR SPEAKER:

But it is to be completely and clearly understood that no personal accusation of misrepresentation will be accepted in the House in any manner or form. It is a collective responsibility which is being censured and not a personal censure,

HON M XIBERRAS:

Sir, I entirely accept that ruling. Mr Speaker will correct me if I am wrong. If a member of the Government be it whoever it is on the other side makes a pronouncement on behalf of the Government, I do have your authority to refer to that particular person in referring to that particular part of the event whilst accepting entirely that obviously the Hon and Learned Chief Minister represents the rest of the Government when he speaks as he spoke on that occasion.

MR SPEAKER:

Yes, but I will not allow a statement as was said just now "there lies his misrepresentation". That is what I was objecting to exclusively. Of course, otherwise we must refer to individual members of the Government as and when it is required.

HON M XIBERTAS:

Sir, I intended to say "therein lies the misrepresentation". Sir, the Hon and Learned the Chief Minister then appeared on television and said that the Government had £337,000 more and now the general revenue balance stood at £1,635,000. Sir, he also said be it in the course of an interview or not that he was prepared to dip into the reserves with such magnanimity. He was prepared to dip into the reserves to meet the wage claim. And on television. Sir, then I went on television myself on behalf of the Opposition to underline the fact that there was £337,000 more than the Chief Minister had said there were before that. Sir, after this or at the same time - I believe at midday that day - the Hon the Minister for Labour and Social Security had a meeting with the Unions in the course of which it appears that contact was established and then negotiations started in earnest in a committee of the Joint Industrial Council. To sum up Sir, the Union wanted to negotiate on the basis of £3. The Chief Minister gave them absolutely no hope of doing so, by insisting that even with an offer of 40 pence there was going to be a deficit at the end of the year, the Gibraltar Government was closing the doors to these negotiations and bringing about the general strike, that Gibraltar came very close to having a state of emergency declared, and that from a supposedly empty purse, money was later found to produce an offer which was acceptable to the Union but all at the expense of the worst situation Gibraltar has had to face internally since the "Doves" affair. Even during the course of the strike it was obvious that the financial position of the Government of Gibraltar was being misrepresented. It was clear to everyone in the street, it was clear to the mass of the workers, that what the Government was doing was telling the Union that there was no hope at all of movement, and so the responsibility for the strike, if we do believe in compromise, and if we do believe in really meaningful negotiation, cannot be laid at the door of the Union, because they are the people who actually go on strike, they must be laid also on the employer, or on the Government, if the government does not handle the matter correctly. And what happened in this case, and I will not tire of saying so, was that the Government failed to produce another offer. You can talk about anomalies, the Union was told, but there will be no further offer on 40 p. We cast our minds back, we cast our minds back to 1970, an offer was produced before the strike became general. It was 3% plus the formula agreement but on this occasion the strike had to become general before the Hon and Learned the Chief Minister made up his mind to go on television and say that there was slightly more money and take up a rather less uncompromising attitude that he had done for ages and ages. Sir, we have since learnt because this matter has been discussed at great length in the course of this session under questions, under the Estimates of Supplementary Expenditure and also in the motion that we have just had of appropriation, we have learnt that one day after the Chairman of JIC made the statement which involved the Gibraltar Government and which insinuated that the stumbling block in the whole matter of making another offer was the Gibraltar Government, one day after that statement was made, ministers of the Gibraltar Government

were told that there were £337,000 more. I refuse to believe Sir, that any Hon Member in this House will not admit that that was a highly unsatisfactory state of affairs, and that there was a misrepresentation of the position of the Government for whatever though, or for whatever reason, but the workers of Gibraltar were not aware of the financial situation, whatever that might have been. Sir, the workers of Gibraltar thought that there was no money, according to the Chief Minister. Those of us who have been here for the past four years listening to Financial and Development Secretaries, and we have had three in the last four years in this House from time to time. I refer to Mr Howard Davis, Mr Charles Gomez and Mr Alistair Mackay. Those of us who have been here cannot have failed to have seen that the finances of Gibraltar were in no way deteriorating. Since the first budget presented by the last Government, the economy shifted over to Defence spending; to increases in wages, to the multiplying effects of wages and the economy was going from strength to strength. No one in this House can say that the economy was on the way down, that we were expecting a slump. I admit that the Hon the Financial and Development Secretary has always said that there was need for caution. As his predecessor and his predecessor had said. But there was no note of pessimism in the speeches made in this House by three successive Financial and Development Secretaries, quite the opposite, the general impression was that we should not allow this success to go to our heads and we should have some sort of restraint and we should follow wise policies. But the impression given by the Hon and Learned the Chief Minister to the workers of Gibraltar; was that the same as that given by Financial and Development Secretaries, three of them to this House? They were complete different, Sir, and in the attitude too there was misrepresentation for political motives. Sir, the Hon the Financial and Development Secretary said earlier in this session that the performance of any Government that succeeded in bringing up reserves was commendable. Coming from a Financial and Development Secretary Sir, this side of the House takes it as great praise, because the facts and the figures are indisputable even by the Hon the Minister for Labour and Social Security. There can be no question about the handling of the finances by the last Government and it is childish and dishonest to try to give the impression that this Government left a deficit comparable to the deficit left by the last administration in the City Council, or that the general revenue balance was in as precarious a position as the Hon and Learned Member opposite left it when we took over Government. Sir, the Hon the Financial and Development Secretary said that the economy was buoyant when this House met to approve the budget for this year. The elections were not expected. The statement was made no doubt in good faith and it was accepted by this side of the House in good faith as well. Any commitments entered into by this side of the House were entered into in good faith, because there was no inkling that there was going to be a general election at that time. Therefore Sir, is it not politically dishonest to try to build up a case that there was a deficit?



MR SPEAKER:

We must not use the word "dishonest" please.

HON M XIBERRAS:

Sir, I apologise to the House. Sir, a long time ago before the general strike, Hon Members will recall the Hon and Learned the Chief Minister appearing on television and talking about the deficit, this was before the general strike. He spoke about the deficit and he said "We will see" or words to this effect, "We shall see whether there is no deficit now that we have taken over. Hon Members will recall this, because I remember quite distinctly that our party supporters came to us and said "What has Sir Joshua Hassan said, that there is a deficit". And this was well before the general strike, this was the beginning of building up a case to produce a tit for tat for the City Council deficit which the Hon and Learned member has very close to his heart, and one which he cannot forget because it shows had administration and it shows lack of political courage and it shows an unwillingness to confront the situation squarely, and no doubt we will have a repetition of this attitude in years to come. Sir, I would like to quote a table if I can find it, of what the performance of the last Government was, and I make this point at great length because it was the political intention of the Hon and Learned Member to discredit the administration of the previous Government, this was the point throughout the general strike. The table is 1969/1970 Original Estimates £25,889 was surplus, revised estimates £303,944 have been paid off a mere £386,000 City Council deficit. Actual surplus £735,768. Sir, we accept that there might have been items there which we could not possibly foresee, but will the Hon Members opposite also accept that £735,000 having paid £386,000 and having brought the general revenue balance up to £1,200,000 odd that that is a very creditable performance, one requiring immense taxation and immense political courage and does the Hon and Learned Member opposite not think it a bit cheap to say of my Hon Friend Major Peliza, that people in the street were saying: "Out with Peliza" because he was providing finances for the wage claim. Sir, 1971/72 Original Estimates £65,250 surplus not deficit. Revised Estimates £314,844. Actual surplus £651,000 Third year, Sir, or rather second year, I have quoted. And that year we did not put up taxes all that much. £651,000 that is the actual surplus for 1971/72. Of course there is so much money in that surplus that we are now putting away some in the Improvement and Development Fund, after putting of course £300,000 into the Improvement and Development Fund. 1972/73 we had estimated over and above this Sir, £190,137 surplus. This is the action of a Government which was to go to the polls in a very short time. This is no doubt the Hon and Learned Leader of the Government would say; this is running away from the problem, raising £190,000 just before the elections; this is inviting of course demonstrations and this is an irresponsible approach to the problems of the finances to Gibraltar, no doubt he will do the same when his four years are up. Just before he has the election he will

put a tremendous budget to enable us when we go in to carry on for the following four years without raising a penny in taxation. No doubt this will happen. But yet we hear the Honourable and Learned the Chief Minister complaining. He seems to have inherited chaos. Chaos? Was there chaos in the statement by the Honourable Minister for Public Works in the development programme? Is there chaos in the tourist industry? What else does the Hon Minister for Tourism say except that he is going to have an office down below not an office up stairs. All the rest of it has been heard in this House many times and the figures, the encouraging figures of this year are not due to the straightening out of the chaos by the Honourable Member opposite, they are due to the hard work of the Hon and Learned Member on my right. Sir, could the Government say what major departure in policy, which they found so distasteful and so chaotic they have made? Is there anything at all with which they greatly disagree now? I haven't heard any great disagreement expressed in the first meeting of this House except of course that they will not give money to the workers. And the productivity which we will watch very, very carefully, knowing that the ministers of the day are not particularly enamoured about productivity, a policy that has been put forward in Beeching which has seen good results already and which I am sure with a little application can be brought to fruition. Sir, I question the government's intention in drawing attention to the general revenue balance at this particular time, and I question particularly, the intention of the Honourable and Learned the Chief Minister. It is of course, prudent to have a good general revenue balance. But why didn't he think of prudence when he was in the City Council? Why did he have to save this argument of prudence when he was faced with a wage claim? Why did he have to cast it in people's teeth and say "Even with a pretty full treasury, we must be prudent". Did he need to be more prudent now with £1,200,000 etc, etc, etc- all that I have said a number of time already- than he has to be with £70,000 in the kitty only or with the deficit that was building up over a long period of years contrary to the law? When was it more prudent to be prudent? When was it better for Gibraltar to exercise prudence?

When was it fairer or more just? When was it more equitable to exercise prudence at the time of the City Council deficit at the time of £700,000 in the General Revenue Balance, or at the time when the reserves are high and becoming higher at the time when the government had made some provision at least towards the wage claim? And was it prudence at all, was it prudence which the Hon and Learned the Chief Minister had in mind? Sir, did not the most outstanding members of the Chamber of Commerce support openly the other party at the elections? Didn't Mr Stagnetto beat the drum of chaos here and in the UK? Was there not exactly the same approach to the elections? Who voted for the Hon Members opposite, who voted? Where did the 1500 votes, the solid support of the AACR, come from? Sir there can be no doubt, as is common experience in the streets that the labour party label can hardly be worn now as my Hon and Learned Friend Mr Isola said by the Leader of the Conservative faction in Gibraltar. It is clear that the policies brought to this House by members such that are new, such emphasis as are new, are conservative policies and that they are deeply in debt to the right in Gibraltar, that they are deeply in debt to the Chamber of Commerce and that they

have always been in debt to the Chamber of Commerce but now we have seen it. Sir, why did the Opposition come into this whole thing? The Opposition was provoked into it because I am sure it was part of the master plan that the Hon and Learned Member opposite to try to get an argument that would kill two birds with one stone one might be Churchillian and say "Some bird won't rid of us". Kill two birds with one stone, kill the Transport and General Workers Union Executive, resurrect the old Union, make the workers fail, make the leaders of the workers fail and replace them; and at the same time say "It is not my fault, it is the Opposition's fault". Members on this side of the House are used to this kind of passing the buck argument which ends up by harming either the workers or the Opposition. The Honourable Mr Montegriffo did not say how much he should give the workers in 1970 when he said "You have cheated the workers". Cheated the workers with 18% and the formula payment? I do not know exactly how much 40 pence is and even taking into account the consolidation but the other side of the House can have the credit for 4%, the consolidation type of it was done in the life time of the previous administration. If the Hon Mr Featherstone does not know this. Sir, this was the epitome of the hand of friendship. This was the policy of friendship enunciated by the Hon and Learned the Chief Minister. This was the way in which the whole of Gibraltar could be united, a very simple way. You stand your ground allow everybody to break up into little pieces and then you pick up the pieces you put them into your own basket and you say "The whole of Gibraltar is here - united." That is the way, and the method? The method is that you take money out of one pocket, you put it into the other pocket and you show the unions the pocket where there is no money but you do not show them the pocket where the money is. That was the method. We have no money. Well, we have at least more money than we used to have when the Hon and Learned Chief Minister was in power before and we hope that he is able to keep the pace up, because if he does not he will have to hear from this side of the House. Sir, not only was there all the time sufficient margin to carry out the improvements and to the surplus of the end of the year but the size of the Government budget was increasing phenomenally. The Hon Member complained in this House, "It is all wages, it is all wages". But of course, I would not expect a different argument from the Hon Member. It is wages. It is very much wages that the Hon and Learned the Chief Minister is referring to. This is the reason why the budget is going up this is also supplementary benefits. He asked our Hon and Gallant Friend "Why tax if you have so much money?" Well, Sir, because the process of the distribution of wealth demanded taxation; because supplementary benefits were abysmally low; because wages had sunk with the tightening of belts policy; because the economy of Gibraltar and the interests of Gibraltar demanded more taxation; because the general revenue balance was left in a very low state and also because we would not on this side of the House ever allow the Chairman of JIC to get up and say or give the impression that "Sorry, boys, we would give you more but it is the Gibraltar Government, they won't cough up". What an ignominious position for the Chief Minister of Gibraltar to be in after the three years that have passed. And the circumstances in which we were in. How ignominious too, that the Hon and Learned the Chief Minister should have the figures wrung out of him by the Opposition. That the Opposition should have to issue communiques; that the Opposition should have to go to meetings with him. How ignominious

for the Hon and Learned Chief Minister to have these figures wrung out of him when the whole of the situation depended upon a rightful presentation of the finances of Gibraltar. I am complaining particularly about the attitude. We have made a case about the figure but particularly we are complaining about the attitude shown. Was the Hon and Learned the Chief Minister constructive in his approach? Was it obvious that he wanted to reach a settlement? Was it obvious that he was trying to understand what would be good for the executive to take back to the membership? Was he really trying to get joy out of the UK departments, to really push people along and say "We must do this because it is fair; because this is good for Gibraltar; because if you are willing to pay we should be willing to pay? No, Sir, his attitude was completely negative." We have no money. Look at my pocket, it is empty." - not showing the other of course, and "Go to them. Go to the Opposition. They will tell you where the money is." This is what my Hon Friends on my left have been doing throughout this meeting and I think there can be little doubt that they have made a good job of it. So it is the political stance which I am particularly concerned with. I think a case has been made on the figures and I should leave that to others. Sir, I have mentioned already the magnanimity of the Chief Minister. "I am going to get the money out of the General Revenue Balance", when of course he finally found that he had a General Revenue Balance i.e. after he had discovered that he had £337,000 more than he anticipated and after he had done all his sums of expenditure. He would take the money out of the General Revenue Balance. Was this the sort of argument to put to people on strike? Was this showing a willingness to meet the strikers at least one third of the way? Or was this the greatest climb-down that the Hon and Learned Chief Minister has ever made amongst other notable ones in his career? Sir, was this the way of saying "I am sorry I have not realised there were £337,000 more. I shall take it out of general revenue balance". But the Hon and Learned member knew that this money was over and above what the Government of the day, the present Opposition, was aiming in putting into this General Revenue Balance because the figure that was aimed at was in fact £1,293,810. That was the figure that was reasonable for the Government of the day to aim at. But did he not give the impression that the Government was going to do something terrible to the finances of Gibraltar by taking money out of the reserves of Gibraltar to meet this pay claim, or even to meet the supplementary expenditure. Was this not the impression that he conveyed? Was this not the impression that he tried to convey? Simply I can see no other reason to say the other people do not do so well. Blame them if we do not give them more, and yet in the end money was found; money was found and I have not heard the Financial and Development Secretary sound unduly worried in the course of this meeting. I have not seen him really go for this side of the House and say the present settlement is going to put us in the red to such an extent that it would be unwise even to proceed with it. But this was the impression being conveyed by the Hon and Learned the Chief Minister. The impression that we had to somehow rifle the safe for something that we had to go for the General Revenue Balance to do something which was never done before and particularly which he had never done before himself.

Sir, the Opposition will not allow the Government to put the clock back, was one of our election mottoes and we will not allow the Government to put the clock back. We will press them on social expenditure because we believe (a) that it is right; (b) that we have done quite a lot ourselves and we would not like to see people undo it, and (c) that particularly in wages it is good for the economy of Gibraltar to be in a position to raise wages along with the UK employers. I should say a few words about the House of Assembly meeting. I should say that we wrote two letters to the Honourable and Learned the Chief Minister asking for a House of Assembly Meeting in view of the fact that the Chairman of JIC had cast aspersions on the previous administration by insinuating that there was no money to meet the pay claim. Sir, we came and asked or rather we wrote two letters to the Hon the Chief Minister neither of which received a reply. I think that it is important that this should be said because neither of these letters received a reply actually until something like the 13th of September but verbally at a meeting which took place in the Chief Minister's office at our initiative in the course of which the Hon and Learned the Chief Minister gave us an answer which said that it was a question of judgement. Well, we question that judgement. We question the fairness of it; to try to pass the buck on to the opposition and then not even bother to reply. Sir, it is common knowledge and no doubt the Hon Members will make the point in the course of the debate that in England parliament is almost in constant session; that in any case where there is a crisis there is a meeting of the House at least demanded by the opposition and usually given if the crisis is big enough. There is no excuse to my mind for putting the meeting off. The Hon and Learned Chief Minister told us that he thought it would aggravate the situation but that is precisely what he should have had in mind when he made his statement about the money. He should have had these things in mind, he should not be worried after the event. He should not say "We have no money, you are wasting your breath, go on strike, do whatever you like but we have no money", and then be very wise after the event and say you should not have a House of Assembly Meeting, it might exacerbate things. It is a pity he did not think about this particular argument before. So this side of the House, Sir, and I hope the House generally sees this as an insult to the House. Debates on television, press statements and whatnot, but no face to face confrontation, at the time when accusations were being levelled at the Opposition the House was once more circumvented. It is a regular practice of the Hon and Learned the Chief Minister who prefers to say whatever he has to say in the Gibraltar Evening Post and unattributably rather than say it face to face in this House or vote against. Or perhaps in asides as he did with the question of the rents. He wags his head, smiles broadly; "Yes, yes, yes, I must do something about rents", but did not actually speak because the record might carry what he had said. Sir, as far as I know the economy is healthy although the Financial and Development Secretary said there was a fluctuation of 10% in extra expenditure and extra revenue either way and if these two things came together then we might be in trouble. I believe I am correct in saying this. So far Sir, we have not been in trouble, our economy is not as vulnerable as it was when it was completely dependent on tourism and for years and years and Spanish Government was intensifying the blockade and honourable members were caught on one leg eventually when the closure of the frontier

came. We have a much sounder economy now. One which is less vulnerable; one which is less subject to fluctuation and therefore we are at least entitled to make reasonable calculations for the future. It would of course be unwise to say we are going to get £1,000,000 every year. But this side of the House has not done that whereas the other side of the House has to my mind failed in its credibility with the workers because it has exaggerated this point. It has said 40 pence and there is a deficit. If they had said 50 pence, 60 pence or 70 pence and there is a deficit, but they struck so low and they kept it up for such a long time and they subjected it to a deadline that no worker believed that this was the case. At least there was enough for 45 pence, but the 45 pence offer did not come about and that is why credibility was nil amongst the workers and that is why the workers joined the March. Sir, as far as I can see the economy is buoyant but you need courage of course. One thing which this side of the House will not do however many mistakes I make in calling the Honourable and Learned Leader of the Government the Leader of the Opposition, however many mistakes I make on this score one thing I will not make, I will not take over his responsibility at budget time because that responsibility had been carried by this side of the House for three years, and there we have not done badly out of it. When the next budget comes along do not try to blame any taxes which the Hon and Learned the Chief Minister and the rest of this Government might have to bring to this house; don't blame them on this side of the house because there was a colossal deficit now. I hope that the Hon Member will stand four square behind whatever he has to do and not try to pass off any unpopular taxation that he might have to bring before the House as the responsibility of this side of the House because then Sir, you have stopped using a particular word and I shall not use it again - then Sir, he would not be facing up to his obligations in a proper manner, or to the truth of the situation. Sir, I am sure that members on the other side, particularly the Hon Mr Featherstone, will accuse us of being in complicity with the Transport and General Workers Union. Sir, I know that the Hon Mr Featherstone really gets worked up about this. He already got very worked up about a particular question where his designs for the future were not immediately apparent to the House from his answers, and I am sure on this which is precisely the same trend of thoughts, I am sure that on this he will wax eloquent. But before the Hon Member goes, perhaps the Hon Member could research into his own party files. He should research into the Hansards of the House and he should research if he is still able to do so into the files of the Transport and General Workers Union and he should find out whether there was a more established and intimate connection between a good number of members if not all of that side of the House and the executive of the Transport & General Workers Union in 1970 than there is today between this side of the House and members of the executive or ordinary union members today. Sir, wasn't Mr Ernest Mor a candidate for the AACR? Wasn't the Party affiliated to the AACR; was it not notorious that the political decisions of the Union and this, it is not I who is saying it for the first time, were taken by the political party; was it not a fact that the Minister for Labour at one time sat at the head of the Gibraltar Trades Council; was he not also, I am referring to Mr Albert Risso, was it not a fact that also Mr Risso, played

a very prominent part in the decisions of the executive of the Transport & General Workers Union or recently is it not a fact that the Hon Member who also conveniently is absent from the House at the moment, Mr Abecasis - that is the second time it has happened - Mr Abecasis, was also the Chairman of the Gibraltar Trades Council, wasn't it notorious that the whole of the Trade Union Movement in Gibraltar was pervaded by the influence of the AACR?

MR SPEAKER:

Being as liberal as I can I have allowed you to say everything you wanted to say before I have interrupted, but we are slightly departing from the motion before the House, which is the mishandling of affairs of Gibraltar during a particular time.

HON M XIBERRAS:

Sir, I hope I have shown that there was mishandling already, but the reasons why are just as interesting because these are the factors that came into play at the time of the strike and contributed to the mishandling. And it is for these things too, not getting rid of these ideas.....

MR SPEAKER:

It is for that reason that I have allowed you to say them, but we must draw the line.

HON M XIBERRAS:

Yes Sir. All these if I may round off the point, all these members had a very close connection with the AACR and if I may make just one which concerns the House and that is that this side of the House when it was on that side tried to find an industrial solution to an industrial dispute and wild horses could not make me budge from the position in my time. That side of the House has tried to find a political solution to an industrial dispute and that is what brought about the confrontation. It was almost as if they desired the confrontation; it was almost as if they wanted to put people into such a position that the public would turn against them and that the Union leaders would be discredited. I was going to refer to the Hon Mr Montegriffo who right in the middle of the strike - in case the Hon Mr Featherstone accuses us of making statements which had exacerbated the situation he should perhaps consult his party file and consult his colleague who is not here at present and ask - what action did you take in the House when the last Government was on that situation? Did you make a provocative statement? Well, the Hon Member said in a very brief speech: "You have cheated the workers, the Government has cheated the workers." And the headline was this big in the Gibraltar Evening Post immediately afterwards. Of course, that was not interfering, that was purely political pressure. Sir, this side of the House feels that this vote of censure even if it is the first meeting of the Government, is justified. It is serious,

what we are talking about, and it is quite blatant what the intention of Hon Members opposite, I am talking about Ministers, was. I think if one were to go round Gibraltar and ask for a simple man's explanation of what happened in the General Strike he would say, "Well, first they told us they had no money, then the Chief Minister went on television and he said there was more money and then when there was more money they gave us something which was more than they had offered us originally when they said there was no money." In other words they found money out of nowhere. Now that is the impression that the man in the street has of the strike. And for a Government to even give that impression, is bad. To try to build up a case where little exists is misrepresentation and therefore the responsibility for the general strike must be laid primarily in the view of this side of the House on the Government and particularly, as I said, on the Hon and Learned the Chief Minister and the Minister for Labour and Social Security of whom I have not so far said very much. Is it not bad, Sir, that people should ask where the Chief Minister is during a general strike; is it not bad because according to Hon Members opposite in 1970 they said it was bad, that we were not giving a lead. I was accused of not giving a lead in 1970. "Where is the Chief Minister?" said one TGWU handout. The Hon the Minister for Labour and Social Security's job is as I understand it, to make the employer side move and to make the Union side move in order to bring about a settlement; to bring about a compromise. Well, for a long time the Hon Mr Canepa failed in this, for as long as the 40 p offer remained on the table, when it was withdrawn and for as long as another offer was not made. My criticism of him is that he appeared to allow himself to be led by the Hon the Chief Minister whose responsibility the situation was, but whose function in this general strike was rather different to his own. I do not question for a minute that the Hon Minister was making all efforts to try and get movement but I doubt if I may say this without being patronising whether he had a good enough knowledge of the financial position to be able to question the arguments which his leader was putting forward. And I would say that no Minister for Labour would like to see the sort of situation which developed in Gibraltar at the time. Censure him I must because, Mr Speaker, as you yourself have said the motion is couched against the Government generally because I should say we regard it as a Government responsibility. Sir, I should say just a word about the settlement itself. This side of the House is not particularly keen on the idea of dropping the formula and this side of the House is going to be wide awake to any changes in the Cost of living to see whether the 50 p which are due to come in July of next year are going to be absorbed before we get to that time. If the cost of living starts increasing we will bring the matter to the House. We have worked out more or less how much it is going to take to absorb those fifty pence and we would not like the trend which was set by the previous administration to be turned back or to be changed for the future. We have stated from this side of the House that even though parity of wages with the United Kingdom is not something which we can achieve easily and perhaps we will not achieve, yet it is an honourable aim for the workers of Gibraltar



and for Gibraltar itself and we will watch developments. We are particularly keen that there should be no reversal of the policy of productivity and even though the Hon the Financial and Development Secretary was understandably cagey in his answer to the question earlier in the course of this session we will watch this very carefully because this side of the House is absolutely convinced that there is considerable money in productivity and it is particularly encouraged by the rumour that the other official employers are already moving well on productivity, the question of the basic having been settled. We would have liked to have seen a settlement of the following items almost together, I say almost together, because I realise that the basic had to be settled before productivity was negotiated but almost concurrently we would have liked to have seen the following settlement: (1) consolidation of past COLA into the basic wage, and re-establishment of differential where desirable and when negotiated with the Unions. (2) A substantial increase in the basic wage which already when we met the Transport & General Workers Union before the election, we had agreed with them that we would look upon sympathetically. The Hon and Learned Member should not be surprised there was a very long communique which he did not particularly like. It set out a very good programme which this administration would do well to follow, if it has the courage. The next factor, Sir, was the question of the banding. The question of the banding is also going forward and that is I understand why the money has not been paid yet. Sir, then there would be a productivity deal which would enhance the earnings within the 40 hour week and this also was the phrase used with the TGWU before the election. This policy of productivity and this particular productivity agreement would have enhanced quite substantially, and here I may differ with the Hon the Financial and Development Secretary, the earnings within the 40 hour working week and if the Hon Members opposite remember it is this that was said both in the communique with the Transport by the Government and in this House by my Hon and Gallant Friend the Leader of the Opposition. If all those elements are taken into consideration and if the past record of the Government of the last three years were taken into consideration, I feel there could be no doubt that there was no element of cheating when we set our sights where we did set them at the beginning of this session, the very first meeting. We were particularly concerned that the Hon and Learned the Chief Minister and his Government with their obligations to develop the private sector, which their commitments; with the Chamber of Commerce; with their so-called fight against inflation; with their concern about the size of the budget would reverse the trend of the last three years and would allow scope for the United Kingdom Departments to which my Hon and Gallant Friend the Leader of the Opposition referred very explicitly in his supporting and sustaining paragraph in the first session of this House, we were concerned that the UK Departments would be comforted by the idea that the Government of Gibraltar today had no arguments to offer against a policy of wage restraint by the Official Employers or by the UK employers in Gibraltar. We are particularly concerned, we the Opposition, that the money from Her Majesty's Government should continue to come directly to the mass of the people and things have gone very well and earlier in

the course of this meeting I spoke in relation to the Improvement and Development Fund thanking Her Majesty's Government for the contributions made directly to the people in a socially orientated programme but we shall not be as grateful, I am sure, if the Government of the day starts advising Her Majesty's Government to restrain wages because it is not willing to go to the people to get the necessary funds itself. Because that is not in the interest of the people, the mass of the people and this, Sir, is precisely what happened when the Civil Secretary of the Dockyard made his statement. This was the effect of it. The effect of it was that Gibraltar was backing out. On this occasion the Hon and Learned the Chief Minister tried to palm it off on the Opposition but on the next occasion we might not even get to hear about it. We would advocate from this side of the House a progressive approximation to UK standards which can be worked out in advance at ministerial level and we shall push from this side of the House to see that this is the attitude in relation to any wage negotiations. It is the livelihood of Gibraltar that is at stake, and if Hon Members on those benches are not going to defend this course as strongly as we feel the interest of Gibraltar demand that it should, then they can expect no mercy from this quarter. We shall front them here and we shall front them in communiqués and anywhere else because this is the livelihood of Gibraltar as the figures which have been brought by the Hon Mr Bossano and the Hon and Learned Mr Isola have shown. Therefore, Sir, faced with a complete reversal of the attitude of the last Government, an attitude that has given so much good things to the ordinary working man in Gibraltar we had absolutely no choice but to bring this motion of censure to the House. I think, Sir, it would be wrong of me to say or not to say that obviously we do not expect to win this motion because no doubt the Hon and Learned the Chief Minister will make a point of saying "Ah, but the motion was defeated", and so befog some of the people who still take his word as being absolutely correct. So I should of course make a statement of the obvious and say that this motion is going to be lost. I do not of course venture to walk into the minds of other people and say "Well, it is justifiably lost or not justifiably lost." I am particularly anxious to hear what position the Hon the Development and Financial Secretary and the Hon the Attorney General will adopt in this motion and perhaps the Honourable and learned the Attorney General or the Honourable the Financial and Development Secretary will explain what the position is.

MR SPEAKER:

Under the Constitution Section 44(1) it is for the Speaker to decide whether the motion is one of confidence and if the Spaker decides it is a motion of confidence then the ex-officio members, the Hon the Attorney General and the Hon the Financial and Development Secretary will not have the vote.

HON M XIBERRAS:

Sir, I am grateful for that. Sir, the Hon Mr Canepa need not worry. We will not allow him to be a dictator in this House. Sir, perhaps we are making up now for the three days that were lost in the general strike and here after all we only have a few members of the public compared to the many people who were inconvenienced by the general strike. But perhaps the Hon Member would be patient not bang the table. Sir, I cannot say whether it is justifiable or not insofar as the Hon Members on the other side are concerned but it is quite clear that the substance is sufficiently important and the whole crux of events was sufficiently important for the Opposition to bring this censure motion before the House. This is not a trumped up charge there is a genuine difference between this side of the House and the other side of the House on this matter. I suspect that this difference is going to involve the House in longer debates than the Hon Mr Canepa would like but unfortunately there has been political realignment in Gibraltar and unfortunately this is one of the crucial matters which this side of the House is prepared to talk from here till doomsday if necessary to make sure that the policies of the past are not reversed. Therefore, Sir, I think one must impress upon the House that it is not a gimmick such as the Hon Mr Featherstone's motion on comprehensive education, which he allowed the Opposition I think it was the Hon Minister at the time barely five minutes and swallowed all the time greedily himself. There is plenty of time to debate this motion as long as is required.

HON M K FEATHERSTONE:

We were only allowed 40 minutes.

HON M XIBERRAS:

Sir, he might since he is a champion of brevity have put the whole case which was in his view so glaringly obvious in five and allowed the Minister who had done so badly to have the other 35 but of course he did not do that. He went the other way. Sir, this is no question of knowing that the Government will be brought down by this censure motion though there are a number of people who might wish it, but it is a question of making clear and patent to the House that it is a serious thing; that the Government has acted very, very wrongly, has misrepresented the position with intent; that there was a political motive surrounding the whole performance of the Government, that the Chief Minister failed to call this early House of Assembly, that in failing he was depriving this House of the chance of discussing the matter in a friendly way when it might have made some odds and all this might have been said and perhaps a strike averted but rather that he insisted, he held his ground and then he climbed down and he did not explain to the House; he did not explain to anybody, he did not appear after the strike he appeared before the strike and the explanation made by the Minister for Labour after the strike was not all that convincing nor was it very audible in view of the banging on the table. Sir, there are negotiations still to be finished. We wish the Government all success in these negotiations, they are complex but we do hope that they will not bring up the same arguments once again to say

that there is no money, because if there is no money our suggestion is that the Hon and Learned the Chief Minister should consult the Financial and Development Secretary, the Hon and Learned Chief Minister should do something about correcting this position himself. After all, he is sitting where he is sitting. We, the Opposition, have seen the UK press comment on the good finances of Gibraltar in the past three years, we have seen Spanish bulletins talking about the good financial position of Gibraltar and for the Hon and Learned the Chief Minister to give the impression in Gibraltar that the finances are not good I think does not say much for the Hon and Learned the Chief Minister. Sir, I therefore propose this motion in the following terms: "This House deplores the misrepresentations made in the current biennial review negotiations as to the ability of the Gibraltar Government to meet current wage claims due to insufficiency of funds, deplores the failure of the Chief Minister to call an early meeting of the House to discuss the situation, deplores the general handling of the affairs of Gibraltar by the Government during this time and censures the Government therefor."

The House recessed at 12.52 p.m.

The House resumed at 3.00 p.m.

MR SPEAKER:

I will now propose the question in the terms of the motion proposed by the Hon Mr Maurice Xiberras and in so doing and in fairness to perhaps the new members of the House I will say that this is a debate of the full House. Honourable Members have an opportunity to say their piece so that once you have stood up and contributed to the debate that is the end of the right of audience insofar as the motion before the House is concerned. I will also say that under Order 46 - and this is what I am trying to say - no member shall speak more than once on any proposition except - there are several exceptions that do not apply - but a member who has spoken on 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. I now invite honourable members to contribute to the debate.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker Sir, the motion before the House appears to imply in the context of the biennial review misrepresentations. I realise that the word was this morning in some respect qualified but nevertheless misrepresentations were made about the ability of the Gibraltar Government to meet certain wage claims having regard to the funds available. Now, Sir, whatever Hon Members may wish to say on this constitutionally the responsibility to give financial advice to the Government of the day rests squarely on the Financial and Development Secretary even though Sir, you yourself said this morning Government decisions are collective. I

feel bound therefore, Sir, to make this statement, and because I want to make certain things I want to say quite clear and because there are quite a number of figures I shall quote, I ask indulgence Sir, that if I think it better I read, Of the principles of the financial management of which I shall speak I am sure that I have said this all before that it has become clear during this session that there is a misunderstanding at least if not some confusion on these matters as between us and I would like to say this Sir, that if after I have spoken there is in fact disagreement on the principles of financial policy then I shall be only too delighted that these would be discussed. I have no objection even to their being discussed in public but greater progress might be made if they would be discussed privately and Hon Members of the Opposition would always be most welcome in the Treasury to discuss these matters with me and my staff. Now, there are some fundamental principles and relationships in sound financial policy relating both to the recurrent account and the capital account. I shall speak first about the recurrent budget and come later to the capital side which we deal with in our Improvement and Development Fund. I say that if a territory is to enjoy the benefits of financial stability and avoid the periodic crisis with cuts back in public expenditure and increased taxation from which it is always the people least able to bear it who suffer most, then current revenues must always as a principle be sufficient to cover current expenditure and in all sound planning it must be borne in mind that expenditure is to all intents and purposes certain while revenue is not. Decisions to incur recurrent expenditure if they are soundly and justifiably taken at the time of the estimates, must represent firm commitments of a continuing and lasting nature. Estimates of revenue on the other hand can only be estimates because the actual yield depends and particularly so in Gibraltar and particularly so perhaps as we have seen on many factors outside the Government control. The recurrent budget provides of course as we know for the payment of wages and salaries of all Government employees which amounts to half the whole budget and all educational, medical, social and other services as well as the recurrent costs of maintenance of public utilities, public buildings, roads, etc. In framing the annual budget the Government must decide how much money to provide for all this in the year ahead having regard to the physical capacity to undertake public works and to the tolerable level of taxation and bearing in mind that with the full employment we have, increased public expenditure must lead inevitably to increased costs and prices. Now, Sir, up to a point that process is inevitable in the world of today, but as I said before the inflationary spiral can easily get out of hand. We know, in Gibraltar on both the Government and the Trade Unions side, that as has been found so recently in the UK, our most pressing need is to restrain rising costs and the rise in cost of living. Hon Members opposite have urged that the best means of achieving this may be through productivity and I acknowledge the principle but I leave open the question Sir, whether there is a real solution and a ready solution to the problem in that. Now, looking to the capital account which is a separate matter. This is where we invest and it cannot always be productively, it cannot always be

productive investment or directly so in development and capital works generally such as the building of schools, hospitals housing and so on. Now in our case in Gibraltar in the main, we are concerned with supplementation of the financing of such schemes by HMG but the principle of course is just the same. Now, there are only two sources of funds for this purpose. They are surpluses in the recurrent budget and public borrowing. There is however another claim on recurrent budget surpluses which is the maintenance of an adequate reserve in the General Revenue Balance. An adequate reserve is essential for two reasons. In the first place in any current period the flow of revenue will never exactly match the flow of expenditure month by month and there must be some to draw on. More important the reserves are an insurance against bad times which in this uncertain world may befall any territory. A balance must therefore be held between the use made of recurrent budget services for building up and maintaining the real value of reserves and for capital expenditure but, Sir, in normal circumstances should such surpluses be used to finance ordinary recurrent expenditure because you cannot plan recurrent expenditure on the basis of a single or of occasional surpluses of a fortuitous nature which could not be unforeseen. For the purpose of capital expenditure, Government borrowing from the public is of course appropriate within the bounds of prudence. We have just issued as is known, we have offered, debentures at 8½% but the public's willingness and ability to subscribe to Government loans in Gibraltar is limited. Now, Sir, if I may turn having made these general remarks to the financial position of which we have to take account in the biennial review negotiations. These foregoing remarks were directed to explain that in considering the cost of the wages and salaries settlement, we were bound to have the regard to the recurrent budget and to the recurrent budget of the present and the future years and not of past years which happen to have turned out in surplus. This does not of course mean I shall say it from time to time that we express principles and we have principles but we have to yield to principles some time. What I have just said does not of course for one moment suggest that the fact that we found that we had £330,000 or whatever it is did not improve the position, did not make our position a little happier, a lot happier than it would have been if we had found the reverse. Of course not, but the fact is that for long term for the planning of lasting expenditure which would go on year and year, one has in principle the regard to the recurrent budget. Well then, the 1972/73 recurrent budget showed an estimated surplus as we know of £190,000 now this was after and I repeat after we had boosted the estimated revenue in the estimates from the existing levels of taxation by £410,000 on the previous year's estimate and had also taken account of an additional £278,000 anticipated yield from new revenue measures. And that budget as I said at the time made no provision for unforeseen expenditure commitments or for two foreseen commitments which were the cost of any new COLA award and the July Award will cost us £53,000 and the cost of wages and salaries increases resulting from the biennial review. At the time of the wage negotiations the departments had already requested supplementary provision on current account totalling £275,000 net in excess of the approved estimates for 1972/73. That is the £290,000 figure with which we are familiar less £15,000 that we now know we shall get

repaid to us by HMG in connection with the accommodation of labour. And this was the measure of supplementary finance foreseeable then at the time, not taking account of further excess requirements which by all experience might be expected to come to light later in the year. And not only was the estimated budget surplus of £190,000 thus already over committed by £85,000 without taking account of the cost of any new COLA awards of the biennial review but revenue receipts were now known to be running below the estimate. This figure I quote of £85,000 is to be compared with a figure of £62,000 which was mentioned earlier that overcommitment, the reason for that is that at the earlier date we did not take account of the known drop in revenue because we hoped that that might in course of time be reversed. Now Sir, I am not really a pessimist and I have never had the intention of painting the picture black. I try not to be a wet blanket nor to have the cold damp hand that traditionally has been associated with Treasuries and Financial Secretaries. I still hope that the revenue position will correct itself in the remainder of this year. I feel sure it will and even do better than that and show an excess and the bigger the excess the better, because we shall need and should be able to use it all well. But Sir, to hope is one thing and I do not claim any powers of prediction or of intuition in this matter, but there is one indication and as I said last week the revenue receipts at the mid point of 1972/73 were £172,000 below estimate as against £146,000 above estimate at the midpoint of last year. That, I would think, is something of which a responsible Financial Secretary would be bound to take account. There, Sir, the claim which the Government said it could not afford to meet was for an increase of £3 a week in the basic wage of labourers with progressively larger increases for higher grades. This we reckoned would have cost the Government about £312,000 extra a year on the wage bill for industrials alone. And though there was no sure means of calculation before we had even negotiated with the staff associations - and remember that we were being pressed at that time to disclose estimates, it was not a question of the Government volunteering figures to show what they thought of them, we were being pressed to reveal figures for the non industrial staff we were bound to assume that the consequential addition to the salaries deal would be substantially greater. We estimated as much as £580,000 a year making a total extra cost of £892,000 a year on the basis of the claim at that time which set a pattern progressively larger increases all the way up. Now in the course of the negotiations with the Union that basis was subsequently modified so as more to concentrate the improvement on the lower paid grades. We were not able of course to foresee that development, but even with it on any reckoning the extra cost of any settlement for Government employees as a whole which started from a £3 a week increase at the bottom could not, I submit, have been brought down to less than let us say £700,000 a year and further awards of COLA becoming payable after July were at that time still an additional part of the claim. Against this as I have said the £190,000 original estimate budget surplus had already been exceeded. Mr Speaker, Sir, I cited at the beginning some basic principles of public finance management which are generally accepted to be sound, but of course as I have mentioned in practice concessions have to be made on principles. We have also

used the expression what the Government could afford which with Governments as with individuals is often a matter of judgement influenced by how ever hard necessity drives. But we do try to be realistic, we have no wish to be rigid or doctrinaire in these matters so long as we do not take undue risks which would put in jeopardy the welfare of the community. Despite the financial position which I have described the Government Sir, to my knowledge never suggested that there could be no wages and salaries award this year. On the contrary as I can aver they had every intention indeed every determination to make fair and realistic awards. But in responsibility it was necessary to say at the time of the negotiations that financial prudence, Sir, set a limit. In effect that beyond a certain point the head must rule the heart. Now this may be a matter of judgement, and the consequences on the head of whoever makes the judgement. But to whatever extent fair awards might lead to a deficit in this year's recurrent budget and this could still prove to be substantial. It was decided that this would have to be accepted and the deficit met this year from the reserves in the general revenue balance. So, Sir, in conclusion I would like to say if not all blackitis not all white, there are principles we stick to as far as we can when necessity drives we make them. But I would ask for consideration, careful consideration of the things I have said and I would beg leave also to invite consideration whether on the purely financial plane which is what I am dealing with there is really so very much between us all. Now as I close I would like to say this Sir, that what I say has nothing to do with politics at all and I am pleased to and I would like to acknowledge the pains which I observe the Hon Mr Xiberras took I think this morning to avoid imputing to me any political motivation whatsoever. Thank you very much.

HON J CARUANA:

Mr Speaker, Sir, we are most grateful to the Financial and Development Secretary for his talk on the principle of financial policies something of which I'm sure this side of the House is aware of since we have worked very closely particularly with him, in Government for over 2 years or nearly two years and we know now how the Financial Secretary thinks. From time to time his discourse today has in fact been echoes of past discussions we have had and therefore we accept them as being sound principles, far be it from us to disagree with this true and important principles in financial policies. I don't think Sir, that at this stage of the proceedings anything has been said in this House concerning the finances which has shown that there has been misunderstanding or indeed confusion as to the figures. In fact this side of the House has done everything possible precisely to clear up misunderstandings and the confusion which has existed and which was created in the public mind at the time of the strike. Regrettable as this was, this was a fact. People as my Hon Friend on my left has said were saying "The Government is saying there is no money to pay, do you have the money?" Even close supporters of our party, which represent about 50% of the electorate were in fact, placed on the borderline of doubt, they were becoming even doubtful and I'm saying this to indicate how serious this misunderstanding, this impression went



to the mind of the people. Here we had been as a Government saying to the people we are managing the finances of Gibraltar well; we have left our House in order; we have a surplus, our economy is increasing; our revenue is increasing; people are benefitting from social policies implemented by previous administrations enlarged and improved by our administration. So you see Mr Speaker nothing of what the Financial Secretary has said deviates or in any way goes against the motion in front of this House. The motion still stands as my Hon Friend on my left said the motion deals particularly with attitudes concerning a particular problem which faced the people of Gibraltar. A particular problem which was serious in itself which stopped people from earning their living; which stopped people out in the streets to demonstrate in thier thousands; orderly demonstrations; sometimes loud scenes. Needless to say it was an experience none of us would wish to see again in Gibraltar. However, Mr Speaker, I am very surprised that following the mover of this motion it should have been the Hon Financial and Development Secretary who has delivered he speefh. It has always been the practice in this House, Mr Speaker, that when a motion of censure has been placed in front of one of the Ministers as has been the case in the last three years for far more trivial reasons than this one, the Chief Minister of the time always stood up first to engage the mover of the motion and to defend his colleagues. This certainly not not been the case today and the Chief Minister for the time being chooses to hide behind what I am sure is a very sincere and strong attempt by the Financial Secretary to pour oil on troubled waters. People are tough when they feel safe. The time for toughness was at the time of the problem. In the opinion of the people of Gibraltar the Chief Minister should have faced the people of Gibraltar in this House of Assembly because if they represent one side of the public, we too represent the other side of the public and the time to show courage is in this House Mr Speaker, and nowhere else. The motion censures the Chief Minister and the Government for not having an earlier House of Assembly Meeting than today and to this effect the people of Gibraltar have been deprived of a very strong fundamental democratic right. The right to dialogue the right to air their grievances. The Chief Minister was impressed by this side of the House at our meeting that an early meeting of the House of Assembly - even the other side will argue there was no time to have an early meeting of the House of Assembly because you need seven day's notice. Well, Mr Speaker, I maintain that at that time the mere announcement of a meeting of this House would have helped to calm down tempers, to calm down the atmosphere. The mere announcement of such a meeting would have set people at peace until the day of that meeting of the House came. This regrettably even though there are smiles from the opposite benches, was not paid heed to. They played a policy of silence. They hid behind the democratic refuge of which in many cases many injustices are committed under that disguise of democracy. The time to exercise democracy is in this House, in this House, where people even if some members are rude enough to say "Shut up" people have the supreme right to say with restraint what they feel they should say. Mr Speaker the Opposition seems to forget or rather the Government seems to forget - this is a very natural mistake to make since the Government is not behaving like a Government, it is behaving like

an Opposition with its silence - the Government forgets that the new constitution is imposing all politicians in Gibraltar particularly ministers, an overload of work which requires a lot of parley, which requires a lot of dialogue so that we all know where we are going. This too the Government resents. The Government resents to talk. It is ridiculous when people talk, when people bring out points of attitude in this House. They look at their watches. What we have here today Mr Speaker as we had at the time of the elections is a Government of silence and on top of it we have the Government of clock watchers. They look at their watches. We are penalised by coming here at 10.30 in the morning. Yes, one minister leaves this Chamber immediately this House sits down and goes to work. I think this is most unfair on the House. If we were all to do the same then there would be no House of Assembly, especially under the circumstances when it has been imposed on the House by democratic rights, granted, to come down and sit at 10.30 a.m. instead of in the afternoon. A 10.30 a.m. session in fact, Mr Speaker, takes up the whole day whereas an afternoon session takes part of the day so therefore one can divide one's time equally on two things but more so Mr Speaker, the first consideration one might have as elected members is the people, the right of the people to come here to this House.

MR SPEAKER:

We must not deviate from the point at issue. We are not debating at what time we should hold the House of Assembly meeting. We must keep to the terms of the motion, please.

HON J CARUANA:

At the time of the strike, Mr Speaker, and I bow to your judgement, I would not have minded coming at all to this House even at 10.30 in the morning but we did not get our opportunity. The Government even had the audacity to accuse the Opposition of complicity as has been said by my Hon Friend on my right. But what complicity was there on the other side? What about the television appearance? There was likely to be more trouble ensuing from preventing the Opposition from allowing a spokesman from going on television than on any other item.... I will not give way.

HON CHIEF MINISTER:

Mr Speaker, on a point of order. First of all it is an improper accusation on the Government that they prevented a member of the Opposition to speak on television. Gibraltar Broadcasting Corporation are an independent body and in fact the correspondence which has been published shows that in fact the Government had nothing whatsoever to do with this matter and secondly, Mr Speaker, that it has nothing whatsoever to do with the motion before the House.

MR SPEAKER:

Yes, please proceed with the motion before the House.

HON J CARUANA:

Mr Speaker, on every issue what one must bear in mind is always the true interests of Gibraltar and Gibraltar first. Gibraltar comes first above everything else, but this whilst the Government today agrees in this House they completely forgot at the time of the strike. Gibraltar was placed because of the actions of the Government, because of the inaction of the Government, because of their silence, a strike was announced on the 19th. Twentyfour hours later a general strike was announced and three days later mind you, the Chief Minister goes and speaks on television on the 23rd, and the Minister for Labour meets at midday the unions also on the 23rd, three days after all this trouble. What was the Government doing during these three days? Gibraltar was having very difficult industrial troubles and the Government was conspicuous by its silence and by its insistence even at that time with all due respect to what has been said before, insistence that there was no money to pay more than 40 pence. The responsibility of the Government of the time even before the 19th was to have continued talking and talking and talking and negotiating until everybody went silly from talking. Negotiations and dialogue is the key to peace. This everybody recognises at all times but if Government want peace at that time the Government as has been said before wanted this confrontation. They wanted this confrontation, if they did not want this confrontation if it was not a deliberate policy of the Government to construe a gloomy picture on the finances then the Government must admit that they did not know the true position at the time of the finances of Gibraltar as has been revealed during this session of the House. If it was not deliberate then it was ignorance. And there might be members opposite who generally still do not understand what the finances of Gibraltar are all about. They might still not know what the balances are. I am sure the Minister for Public Works until the other day did not realise that all the money was not going to be spent on the refuse destructor in one year until it was pointed out to him. Until he had to leave this room and his friend on his right went out and brought the information back. Mr Speaker, it is quite genuine sometimes, the estimates are very complicated it is not easy to understand and one can see this. But we started this session with the Government saying that there had been over expenditure of £270,000 over spending and in fact it was proved after close scrutiny that in fact there had been an underspending of £40,000. My Hon Friend on my left expounded on this point and they still did not get the picture and they still haven't got the picture, they are still confused, they did not know what it was all about. So this likely happened at the time of the strike. Mr Speaker, the Government has accused the Opposition of praising itself time and time again on the finances of Gibraltar and they do not like to hear much about the City Council deficit. I will not bother the Government at this stage with the finances of the City Council. I will spare you that much. But the Chief Minister with a smile today - the other day very annoyed - said as if he was talking to schoolchildren mind you not elected members - that he could not first of all concede to a meeting later on. That if there were going to be consultations it had to be limited consultations on the Common Market, if you remember. He also made remarks of

time wasting, he also accused us of filibustering; he also told me to shut up on several occasions and he has the impudence to impose his will against all reasonable arguments and when these arguments did not bear fruit he even said as if to punish this House that he would convene a meeting even at 9 o'clock if we did not stop it. This is the attitude yes, the attitude of a dictatorial and reactionary right wing Government. I am very pleased that the reaction to the reactionary right wing Government has reacted so favourably with the Government, obviously they approve of this title. Mr Speaker, thank you very much.

HON A P MONTEGRIFFO:

Mr Speaker, I will restrain into not talking more than it is necessary because I do not think one needs two hours to make one point if one has got a strong point at all. Now, Sir, I am going to deal first very briefly with the figures and presentation of the finances of the territory as has been exposed by the Hon the Financial and Development Secretary and it does seem to me that it is not this side of the House that does not want to understand or who do not understand how the finances are run but that that side of the House knows how the thing is run because they have been three years in Government and I am not going to say that they are so stupid that in three years they haven't learned. Of course, they have but the thing is that they do not want to understand in order to carry on twisting the whole thing. Now Mr Speaker, the mover of the motion made a very long speech with its usual repetitions. We are accustomed to that and we bear it gladly but the important statement came almost at the end of that particular speech. He made a veiled threat. I think the House will remember that if we did not agree to their policies he could fight us in the House which is alright; he could fight us with communiqués which is a not as good, but he went further and said "And we shall fight you anywhere else", and this is what the motion they are bringing to this House is all about because "anywhere else" Mr Speaker was on those fateful events of August. It was the start of it. We are prepared to take the challenge whenever they like. We are not frightened of threats but we would like to forget it because we do not like confrontations and the confrontation came about Mr Speaker because of collusion of politicians and some trade unionists who thought that was the right moment in order to topple down the Government and they failed miserably and they will carry on failing. Of course, I did say in this House that the then Government had cheated the workers I say now that they are cheating them again because all this motion is about politics, cheap political manoeuvring. Mr Speaker and I would like to recall to those who are members of the House that I never raised the question of the strike of 1970 neither did any members of the Opposition of the time raise it because we believe that if this House is going to settle and be the machinery for settling wages then God help us. That should be left to union and employers otherwise whoever is in opposition is going to say that £3 is not enough it is £6 as in fact I shall try to prove later on in my speech. So that is why I would also like to recall that when I said that

the workers had been cheated it was in the context of the statement that was made by the then Government. They were defending the principle Mr Speaker that those at the bottom had got little and that those at the top had got the most and they were proud of it, and it was only arising out of that after the strike had finished that I myself made the statement that I made at the time and which I still think was the right one to make. Now we come to the question of the accusation of mishandling the strike. What audacity, Mr Speaker. In 1970 it took two months of protracted negotiations and three weeks of one day strike to settle a strike with people who were less militant and who were being advised politically not to incense more people but to try and reach a settlement, and at the end I have no doubt that the Minister for Labour at the time did a lot of talking and I can almost swear that he did because he enjoys that but he did not get very far because for a man of the inexhaustible patience of Mr Mor to have to leave in despair Gibraltar and go to London to try and settle the strike takes some beating and that is what happened and yet we are being told today that the strike which was politically inspired, politically inspired by the same people, by the same men who were moving other people during the elections when they were not part and parcel of the same conspiracy or are we fools in Gibraltar? And they wanted us to call a meeting of the House right in the middle of it all so that they could have a show. No they were deprived of that. We were going to have a responsible Government in order not to allow the thing to escalate as it could have done and if in fact we wanted a confrontation with the union as has been said here this morning & push them into a strike to discredit them, nothing could have been easier for this Government than to carry on the strike for more than 5 days because by the Friday the people were getting a little fed up with the strike, but we did not want a confrontation with the union, and we shall fight in Gibraltar anybody who thinks that we are a Government elected to destroy any union, Transport and General Workers Union or any other union, because we believe that unions are an essential part of the community. But Mr Speaker, this is all just political motivation. I know that when people laugh is when it is hurting them. Now we come to the question of the £200,000 and hiding money. I don't think the Opposition were really making this in all seriousness. I think they were drawing from their sense of humour, if they've got any left. How could we be hiding any money when we have come openly to this House, to ask for £200,000 to be transferred from the current revenue to the reserves. It doesn't bear any analysis at all Mr Speaker. What we were doing is because as the last Government was underestimating we had to bring £200,000 to meet commitments which is a legacy of that Government. Of course, we were given £100,000 as a token figure at estimates time for the destructor but we now know, today we know, that the commitment by the end of March 1973 would be nearer £200,000 and we've got to find that money. "Ah" say the Opposition "You could have raised more loans". But Mr Speaker we are raising a £500,000 loan which is what we are entitled to raise according to law. If on the other hand Mr Speaker.....

HON J CARUANA:

On a point of clarification Mr Speaker, will the Hon Member allow me. The Government has just issued the debentures for £500,000 but it appears in the estimate of April which was placed by our Government, the debenture of £500,000 up till the end of 1973, not taking into account the following year.

HON A P MONTEGRIFFO:

Thank you very much Mr Speaker, that strengthens my case because the argument has been used from that side that what we should have done was not to raise a £500,000 in loan as they say it was what they had been thinking about, but to raise more loans in order to meet this commitment I'm talking about. They themselves have said it and what I say is that the Government who used to give advance information about things that would take place three years hence like the Varyl Begg Estate which they announced in 1969 and one thought that they were prefabricated houses which were going to be imported and put up within a year, well we have just started. If they had wanted to raise more loans than £500,000 they should have told us at the time, but they didn't Sir, neither did they tell the people of Gibraltar prior to leaving how much they were going to give in wages, wages to the workers. What they did tell, publicly, was that they could pay £ for £ of whatever the other official employers were prepared to pay. A very comfortable position, Mr Speaker. As the elections got further and further away or rather the results of the elections, it became £4. What they were going to give and as we went further along it became £5 to £6 and I'm sure if there had been no strike and the biennial review would have taken place in December it would have been £8 by today. Now, I ask and this is something that everybody is asking. Why is it that rather than to allow themselves to be led by the official employers, why is it that they didn't state publicly. "Now look here workers of Gibraltar, this is our commitment because we know and we are clear with our crystal ball gazing that all this money is coming now and all the money we voted etc etc we can give you that", and then they could have taken the other official employers by the nose. But no Mr Speaker, all this has come out after in order to create trouble. It is clear and any sensible person can see that. Does the Hon Leader of the Opposition realise how much £5 alone would have cost? Is he prepared to stand up in this House after listening to the Financial Secretary and say that the Government could have met that commitment? This was all part and parcel of encouraging people. This is as clear as day, Mr Speaker, and we knew it its been going on for 2 years, not now. And if there was all this money coming, why weren't we told and warned about only in April, the budget is not so far away. What we did Mr Speaker was to vote about £300,000 worth of taxation and I think I remember the Financial Secretary then saying that he was happy about that taxation but only because Government, only because Government intended to increase rents so that at times they were not aware of all this money that apparently they knew

was coming through. This last Statement that they knew this money was coming through is again part and parcel of encouraging people to sow confusion and mistrust. Now, Mr Speaker, I am going to conclude. All this is explainable and it is explainable by the mere fact that I understand the Opposition is still suffering from the trauma of defeat. It is understandable. They will get accustomed to it during these 4 years and they are going to stay there for 4 years, so they better get accustomed too. But it is very odd that we should have been accused this morning of defending the interest of the Chamber of Commerce and the shopkeepers etc., etc. There are shopkeepers on both sides so we are in good company. Well, in 1969 I remember being present when Mr Xiberras the mover of the motion, the man who is rending his garments at the way we have handled the whole thing, forgetting how he handled it in 1970, calling the Hon Mr Isola a patri<sup>C</sup>ian. I think it was 4 months later but during that time he said something else. "I will not join Mr Isola in Government, I'd rather go into Opposition". Well, Mr Speaker, that has happened now and that is where they are going to stay.

HON L DEVINCENZI:

Mr Speaker, since you have not called the Honourable Mr Montegriffo to order I assume that one is .....

MR SPEAKER:

I had no reason to do so. If I haven't called Mr Montegriffo to order it is because I haven't seen reason for that.

HON L DEVINCENZI:

No, no, of course not Sir. I was coming to that. I assume I am ~~sure~~ quite correctly that it is perfectly in order to say a lot of nonsense, particularly political nonsense. For Mr Montegriffo, the Hon Mr Montegriffo to have the cheek to accuse Mr Xiberras, the Hon Mr Xiberras of all people is to say the least, shameful. He has in fact said that the Government now believes in unions. I would like to say to that that they believe in the Union if the Union is controlled by them as it has been and this is a well known fact for many, many years. He also talks about other crystal balls, I don't know why it is better to have a crystal ball than just to rely on intuition, but anyhow this is neither here nor there. Mr Speaker. After the very, very clear lengthy perhaps, but very clear exposition by my colleague the Hon Mr Xiberras of the mishandling of the general strike perhaps there is not very, very much that one can add to his very clear exposition, but because I support this motion, this very well-deserved motion, this censure motion wholeheartedly I think I would be failing in my duty if I were not to say just a few words in support. I think Mr Speaker, it is patently clear to everyone especially to the impartial observer, that the Government made a very desperate attempt to destroy not only the Opposition, this is forgivable but what is worse and more important, they made a desperate attempt

to destroy the Unions. In Trying so they have strengthened the Union beyond recognition and for this they will have to account for perhaps before four years. Mr Speaker, again it should be clear to all that their attitude during the general strike was positively negative and destructive. This is a new thing. Apparently I have said something wrong Mr Speaker, perhaps somebody would like to correct that. Mr Speaker we all know - it was mentioned by the Hon Mr Xiberras on a couple of occasions but I think it deserves saying so again - and that is that it was extremely bad and unbecoming of Government especially a Government which is supposed to have experienced men amongst them, to have allowed the Chairman of the Joint Industrial Council to speak for them. The fact that he spoke even if they were to try and say that it was not with the consent of the Government would be hard to believe, and the fact that they had not refused these accusations tend to make us believe this was, in fact, the case. I would like to suggest Mr Speaker, this was again a shameful attitude and I say so emphatically, political cowardice. This political cowardice was exemplified by the fact that during the strike before the strike and after the strike the Minister for Information gave no information, the Minister for Labour did not say a word, and the Hon the Learned the Chief Minister was only seen on a couple of occasions. This at a time when Gibraltar demanded and expected leadership from the man who had been there for many, many years. Mr Speaker, something which strikes the bottom of my heart and I think of all true Gibraltarians is this. It was the question of troops having been called out to man the generating station. I still don't know to this day who was responsible for this action or whether it was the joint responsibility of different individuals, but whoever it was I condemn this action most emphatically especially and very particularly so, the timing. Perhaps they might have had to be called at some stage and of course the Government, whoever it was, judged that it should have been called at the stage where they were called, but I say that to have called troops out to interfere with a genuine strike of what had been so far a very well behaved union and workers, is in my opinion disgusting. I think that Gibraltar will remember for a long time this action and many, many people who have no political bias one way or the other were completely amazed at the very rash action and decision taken by the Government I assume in having asked the troops so quickly. Mr Speaker, it is hard for me to believe that all members of the Opposition were in complete agreement with the inaction taken by the Government during the general strike and it only leads me to believe that to quote the Hon Chief Minister when he said yesterday or rather on Friday that "We speak with one voice". I would like to say to that, that it is perhaps His Master's voice and that is that he, the Hon and Learned the Chief Minister, is the one who speaks on all occasions for the rest of the Government. This was made very clear on a number of occasions during this debate when a number of speakers of members opposite tried to say something and they were told not to by the Hon and Learned the Chief Minister. Mr Speaker I'm afraid that one of the things I have to do is to go and collect my child from school and on that note, thank you very much.



MR SPEAKER:

I will invite any other HON Member who wishes to contribute to the debate to do so.

HON M K FEATHERSTONE:

Sir, sometimes I feel that some of the wording of this motion is very apt indeed. This House deplores the misrepresentations made in the current biennial review. Sir, there have been a lot of misrepresentations and those started Sir, I think it was March this year in the Estimates. The first misrepresentation was the one that we have already heard about in which they put down a token vote of £100,000 when they intend to spend a lot more. This, Sir, I think was the first attempt this year to try and cheat the public, to cheat the House. But Sir, you see they thought they were going to be in power all through 1972. They thought that they were going to be able to do as they wished with finances for this year and so they didn't object to doing this. But then they started to consider there was going to be a wage review in July and what happened Sir. They funked it. They hadn't got the guts to face up to it, because they knew very well from the finances, from the money at their disposal, even allowing for Mr Xiberras clairvoyance, the Hon Mr Xiberras clairvoyance of what he was going to get at the end of 1973 etc, etc, they knew they could not give the large amounts that they had already started promising the unions. And so they took a calculated risk. They thought: "If we stay in and only give what is more or less within our capabilities" - it might have been one £1.75 it might have been £2.00 but it would not have been £3, £4, £5 or £6 - "if we stay in then in the elections in 1973 we'll get thrown out so we better not do it, we'll funk it, what we'll do is we'll try and get back on some other method". And so they called a general election Sir. Now comes the next bit of cheating. They had not got the courage to say "We know there is a wage review, we might be able to give you £2 if you are lucky, if the finances will stand it, you might even get £2.10". No Sir, they started off with a lot of wild rumours "Oh, we are thinking of £5". This was cheating the worker Sir, but not content with that, they brought out a lot of red herrings about the lease to Spain. "If the other side get in you are going to be held down the river next day".

MR SPEAKER:

We have to stick to the text of the motion otherwise we will never finish.

HON M K FEATHERSTONE:

Well Sir, following the elections the next misrepresentation in this biennial review came from the Hon Leader of the Opposition in this House where he had the gall, the audacity to stand up and say "We have left a buoyant economy, we have left a lot of money in the kitty up our sleeves, all over the place and we hope that the Government will honour it, we were thinking of £5 to £6 a week". Notice Mr Speaker how its gone up, it is £6 now. Once again misleading, once again cheating the workers, or perhaps this is what their union masters wanted them to say. Yes Sir I say their union masters. That is why they want to meet at 5.00 o'clock in the evening. One would have thought Sir with the important discussions one must have in this House a person should come here fresh in mind to deal with these important matters, early in the morning not after a whole day's work, or is it perhaps they don't think the House is worthy of that. Or perhaps they are super men. Now, Sir, we have heard quite a lot of statements from economist No.2 the Hon Mr Xiberras, we still have to hear from the economist No.1 the Hon Mr Bossano. I do believe Sir, that somebody said the other day on the BBC that economics was a dismal science, well, Sir, the Hon Mr Xiberras gave us a dismal speech. A dismal speech which did have but I think they were unintentional by the speaker, its moments of humour. One of the things that he has brought out Sir which is most interesting though he didn't bring it fully only a little slant of his inflation policy, the more money that comes in through the Services then the better off Gibraltar is and the more the Gibraltar Government will get from it. He said these very words Sir. "The Government of Gibraltar most stands to gain from any wage increases. What a policy. Now, Sir, most of these wage increases come through pressure of cost of living increases. In the shops the butter costs more, the cheese, the meat, everything else, where then Sir, does the wage increase go, into the Government's pockets or back overseas again to the places from where we import? Most of the money coming in flows in with one hand and flows out with another, it doesn't flow into the Government coffers. This inflation policy is a myth one more myth Sir by which the workers are being cheated. The Hon Financial Secretary stated that quite clearly, he does not expect very much of this wage increase to come into Government coffers, but of course, the Hon Mr Xiberras knows better than the experts. So, Sir, let us forget all this question of the money coming in. Let us think once again something that the Hon Mr Xiberras brought out, that our policies which were all based on tourism according to him, were not very good but now under this recent Government everything is O.K. it is all based on defence. The Defence economy Sir, is the most vulnerable economy we could possibly have. It could vanish overnight like 224 Squadron and 3,000 people of the RAF vanished almost overnight. A change in world affairs Sir. A new scientific breakthrough. All this could make the Gibraltar Dockyard and indeed all Dockyards obsolete. A new propellant might make future defence strategy based on space ships not on water ships and then what of Gibraltar's Dockyard and what of Gibraltar if we have put everything into a defence policy. But in the small world of the Hon Mr Xiberras he can only see the one policy. And of course another one of his wild statements Sir, the distribution of wealth demanded more taxation. Well Sir, God needed to have helped the workers

if the Opposite side over there had got in because in the last budget they distributed wealth all right. They distributed away from the workers the little that they had. Cigarettes, car licences, petrol TV, all indirect taxation, mainly paid for by the workers. But of course this is "Xiberrian" politics. Then Sir, he brought out the JIC statement, "Ah!.. that was the wicked thing". I don't know if he's read the statement carefully but if he does it will simply say what has been borne out today by the Hon Financial Secretary. There was not the money to pay out £3 wage increases even on a flat rate basis, but initially and partly following the policy of Dr Beeching to which I believe the Hon Mr Xiberras subscribed wholeheartedly even allowing for some restoration of differentials. The 40 p offer Sir, I don't think anybody apart from perhaps the Opposition and a few unenlightened people like them really thought this was the full and final offer from the Government side. But then Sir, look at wage negotiations in England. One side offers a 3% increase and the other side demands a 45% increase, both sides know this is just an opening gambit, like a chess game, you start moving a pawn here and a pawn there, but you don't as far as I understand in wage negotiations say "Oh, we don't accept yours, make another offer". The normal procedure as far as I understand is that one side says "We offer you this". The other side says "No, we want that"; and so you go forward but not here, here when the Government had made an offer, what was the answer. "Oh, we are not happy with that, make another." Well Sir, this is the strangest way of negotiation that I have heard of. But then one hears so many strange things, one did hear that Mr John Cousins had not thought that the original offer somewhat modified was such a bad offer after all. Now Sir, another part of this motion talks about the general handling of the affairs of Gibraltar by the Government during this time. Let us look at the general handling of affairs by the Opposition during this time. There are many people, Sir, who have the impression that much of the trouble was engineered behind the scenes by the Opposition who kept the pot on the boil on every opportunity. All the shouting about wanting a meeting of the House; wanting a forum to discuss it, this was just a little more hot air. This was a little more opportunity to try and make the situation worse, to turn what should have been purely union negotiations into a political matter. Indeed Sir, the question of television, I have heard that the committee of the TV were almost blackmailed to let the Opposition have a say.

HON M XIBERRAS:

Mr Speaker on a point of order, may I say Sir, that I distinctly understood that the reference to the television was based in the present debate when the Hon Mr Caruana mentioned it, and the Hon Member opposite has made a statement which alludes even more directly to this particular thing saying that the Board of television was actually blackmailed into allowing a member of the Opposition to take part. I would imagine that is equally irrelevant.

MR SPEAKER:

I would imagine that the Hon Member would have no difficulty in withdrawing such a statement unless he can substantiate it, of course.

HON M K FEATHERSTONE:

Sir, I am quite willing to withdraw it, I am only saying what I have heard.

MR SPEAKER:

You do withdraw the statement in other words.

HON M K FEATHERSTONE:

Yes Sir, I withdraw it with pleasure. The other side may call it irresponsible but they often say what they have heard too. Sir, I don't want to go on too long but I would just give one little other side issue in this that is often brought out, the buoyant economy Sir. I have seen buoyant economies almost vanish overnight. I think Sir, the British economy which was pretty buoyant on June 22 was just about managing to keep afloat by June 24 and I don't think the Gibraltar election had anything to do with that. Buoyant economies Sir, can evaporate very quickly and I think they must be discounted, indeed we have the Hon Financial Secretary who was told us already this year we are roughly £170,000 less than we expected, so the clairvoyance of Mr Xiberras is not working out too well. Sir, the whole of this motion is intended simply to try and not only embarrass the Government but to try and give the Opposition some Kudos, some method by which they can satisfy their union masters. This Sir, they will not do. We will defeat them here Sir, but and I would tell them now point blank, they may come out with all the communiques they wish, they may fight where they wish, they will be defeated everytime. They will be defeated because Gibraltar is sick of the way this Opposition and the people they work with used a genuine wage claim to start to foment the class struggle they have been trying to bring about for the last three years. Sir, this motion must fail.

MR SPEAKER:

I would like to invite any other speakers otherwise I will ask the mover to reply.

HON J BOSSANO:

Mr Speaker, I would like to talk in support of the motion and I would like to attempt to show the House some of the statements, to refer to some of the statements that were made during the week of the strike and which led us to believe that there was a deliberate attempt being made to mislead people about the

true financial position of the Government of Gibraltar and also about the nature of the offer that had been tabled and the stage at which the negotiations were. Some of the statements that were made at the time in fact, have in essence, been repeated by the Hon Minister for Education just now when he spoke, so it suggests that either he still doesn't know the true facts or else he is still intent in misleading people. As to the failure of this counter offer from the Union which seems to puzzle him, he may care to find out if he looks up the negotiations which in the Transport and General Workers Union, my union, a union to which I used to belong when some of the members on the other side of the House were members of it, a union to which I am proud to belong, a union that has got a magnificent team leading it now, people whom I greatly admire and whom I consider at least as Honourable as the members on the other side of the House. My union in its negotiation with the Royal Dockyards in the United Kingdom did not in fact make a counter offer, they asked for an improvement on the offer of £1.70 which was rejected and eventually the case has had to go to arbitration. So there is nothing surprising that the same union, dealing with the same employers in Gibraltar, should adopt the same negotiating stand, nothing unusual about that. In fact before the 14th of August deadline was reached the union did come back with a counter offer. They suggested that an all round £3 increase would be a basis for negotiation. This was picked up by the chairman of the JIC and there were some very inflated figures produced about the estimated cost of meeting this claim. It seems peculiar that people who are so intent on controlling inflation should let it run riot when it suits their purposes. The figure of £312,000 the supposed cost to the Gibraltar Government of meeting the claim is an example of misrepresentation. The union suggested £3 was a figure on which negotiations could be based. This was picked up by the official side and a calculation was worked out which awarded the craftsman £5 because they said if the unions is asking for £3 for the labourer they will probably want £5 for the craftsman. Nobody had mentioned £5. Using this £5 figure and the £3 figure they produced an average of £4 which they multiplied by the number of industrial workers and to which they then added 25% to produce £312,000 as the expected cost of meeting the claim and that same figure Mr Speaker has been repeated today in this House by the Hon Financial and Development Secretary. There is absolutely no justification for the original figure and there is no justification for bringing it out today here. Meeting the claim in full would have meant negotiating on the basis of £3. This use, this selective use of figures is the main issue which brought the Opposition into the conflict. As members of the Opposition we were not directly involved in the wage negotiation. I as a trade unionist fully backed the position taken by my union, as a trade unionist. As a member of this House I was involved in the wage negotiation the moment it was imputed to the previous Government who are now my colleagues that they have left the economy of Gibraltar in an unsound state and that for this reason it was impossible to make a decent wage offer. The chairman of the Joint Industrial Council suggested in his statement of the 16 August - the day before the Financial Secretary knew that there had been an additional surplus of £337,000 a very convenient 24 hour gap -

he suggested that any improvement on the 40p could only come within the general framework of the same offer, there could only be a penny there now for some people by taking it away from others. No improvement on the offer as a whole. These are the facts, this is printed, its there for anybody who cares to read it Mr Speaker, its not hearsay, its not speculation. Mr Canepa, the Hon Mr Canepa, the Minister for Labour and Social Security who dislikes statistics, appeared on television and referred to the wage offer. He denied that 40p had been offered to the labourer, because he said that certain labourers were classified as domestic grades. He did not tell us of course how many of the 500 labourers employed in the Gibraltar Government are classified as domestic grades but in fact in the UK Department the grade classified as domestic grades cover such words as batman, messman, orderly, waiter, mess caterer, assistant cook, and verger. One doesn't know how many of those are also employed in the service of the Government of Gibraltar but it is surely a very small proportion of the 500 and because this handful of men are going to have their working week reduced from 44 to 40 hours so that in effect the offer is worth to them 85p from this set of facts the Hon Minister who dislikes statistics produces the conclusion that the actual offer for a labourer ~~namely any~~ labourer was 85p and he emphasises this by saying that that is a fact, well it was not a fact, it is a distortion of facts, and it is a distortion of facts that this whole censure motion is about. Mr Speaker, on the question of the financial position of Gibraltar at the moment and when my colleagues left Government the main issue before this House and the people of Gibraltar is whether Government is in a position to meet a wage award. The Hon Mr Featherstone has clearly suggested what we had suspected all along, that the manoeuvring by the Government was intended to imply that we went to an election because we could not afford to face the wage claim, he has said so explicitly today and we think that this is what the 40p offer the supposed deficit for this year, were intended to suggest to the public. And presumably just in case the suggestion had not got across he has stated it explicitly today. Well Mr Speaker, I don't think this will wash, because in fact the wage claim was settled at a level which is approximately 4 to 5 times that of the original offer and this year in spite of the reservations of the Financial Secretary e every indication based on the results for last year is that there will again be a surplus. I would like in fact now to consider in greater detail the exposition of the Financial and Development Secretary. In the course of this meeting of the House the Financial and Development Secretary has made available to us the final figures for revenue for last year, £5,679,357. This is in excess of the revised estimates and it is almost £1,000,000 greater than the original estimates. These figures as the Hon Financial and Development Secretary pointed out in his speech at budget time include a sum under Miscellaneous Receipts Head 9 which he referred to as windfall revenue, and he said that because we could not prudently estimate for windfall revenue of the same magnitude we were budgetting for a slightly lower level of revenue for 1972/73. However, the actual revenue figures for last year quite apart from this windfall revenue have brought in in excess of £330,000. So that now in fact although the tax measures imposed in the last

budget were intended to produce revenue of the order of £270,000 we are not expecting revenue to be higher than last year. Now Mr Speaker it is impossible at the same time to accuse this side of the House when it was in Government of introducing tax measures which are crippling and also to tell us that the revenue is not coming in. If the tax measures are effective than the revenue has come, if the revenue does not come then it means that nobody is being affected by the taxes, then it is the responsibility of the Government of the day to do whatever is necessary to raise the revenue. We took the measures in the expectation that this year revenue would improve as a result of those measures by £270,000. This was the view of the person responsible for estimating the expected dues of tax measures, the Hon Financial and Development Secretary. If in fact the Hon Financial and Development Secretary finds that people instead of spending the money the way he thought they were going to spend it are taking avoidance action so that the revenue is not coming in, then it is obviously his responsibility to advise the Hon and Learned Chief Minister of what is happening so that the Hon and Learned Chief Minister in consultation with me can take the necessary measures at the next Budget time, but in fact the surplus left over from last year and the additional unexpected £350,000 had they gone into the general revenue reserve as it was the intention of the Chief Minister to put them on the 1<sup>st</sup> August when he made his statement that the general revenue reserves stood at £1,600,000 would have permitted a cushioning effect for any shortfall on this year's current expenditure. Now that cushioning effect has been removed by virtue of the fact that £200,000 has been spirited away into I & D Funds. Ostensibly, because the I & D Fund has got commitments that it can't meet but we do not know that it cannot meet them because Mr Speaker, the Financial and Development Secretary, the Hon Financial and Development Secretary was unable earlier today to tell us what was the actual position of the Fund. So we don't know whether the fund is short of money or overflowing with money, he doesn't know and we don't know, so it is pure speculation to say that we are going to have to meet commitments out of the fund for which we need to put in £200,000 now if we don't know how much money there is already there. Certainly, on the figures that I have available and undoubtedly they are not so good as those available to the Hon Financial and Development Secretary, but on my figures I estimate that the I & D Fund at the 31st March 1972 was in a very healthy position, even without an additional injection of £200,000. So we have now Mr Speaker that the bulk of the money that was left over from the year 1971/72 has now gone into I & D Fund, against the advice of the Opposition and we now have a general revenue balance which comes to about £1,200,000 and we are estimating expenditure this year at about £5½m, so that in fact the general revenue balance now is considerably below the prudent level of 4 months figure, and this when the Hon Financial and Development Secretary is beginning to have doubts about the size of the estimated surplus for this year because he suddenly tells us that last month in September at the mid point he found that revenue was proceeding on a trend line £170,000 below expectations. If the Hon Financial and Development Secretary knew last month that the trend had changed and he certainly did not know this is in August, because

in August the trend was for an additional £38,000 surplus over and above the estimated amount. There has been quite a sharp fluctuation between August and September. On the basis of figures up to September the Hon Financial and Development Secretary today told us there appears to be a shortfall of £170,000. In August the Hon and Learned Chief Minister told us that on the trends available till then there was an additional surplus of £38,000 so the revenue is obviously fluctuating rather wildly between one month and the next depending perhaps on the political conflicts in which the fluctuations are to be repeated.

MR SPEAKER:

I didn't quite get your last remark.

HON J BOSSANO:

Mr Speaker, I am suggesting that the situation may be effecting the disruption caused by the strike, the general political situation may be effecting and may cause bridling between one month and the next. In view of this Mr Speaker, in view of the unreliability of projecting the results of the year on the basis of one month or the other month because they conflict so sharply with each other the only sensible thing to do is to assume that the most reliable figures we have are the ones where the account has been closed 1971/72 and on the basis of that the position is that we have, even allowing for the windfall revenue under Miscellaneous Receipts of £250,000, we had revenue last year of £5,400,000 and that if the tax measures taken last budget, last April are effective, then we would expect no change from last year. This is what the Hon Financial and Development Secretary had to say at budget time, he said that the estimated revenue for the year 1972/73 was being calculated at a lower level purely because of this windfall revenue. His precise words were "this is not because of any anticipated fall in ordinary revenue". If his assumption at the time was correct and I believe that it is more likely to be correct because it was based on a whole year's revenue rather than on a fluctuation from one month to the next, which I am sure the Hon Financial and Development Secretary will agree is not a sound basis for making long term projections, if the impression he had last April was correct then with no change in revenue we should have an income this year of £5,400,000. And if the tax measures he was associated with last April are effective then we should have an additional £270,000 and that Mr Speaker should be ample funds to enable us to meet the wage settlement, to enable us to meet the supplementary estimate we have had so far and to enable us to meet the commitments we entered into originally. And in addition, Mr Speaker, after being pressed to produce some figures we have the suggestion that the wage settlement in itself may lead to an additional revenue inducing effect for the Gibraltar Government in the region of £45,000, which has not been taken into account in any of these calculations. So on the basis of all the figures that the Hon Financial and Development Secretary has been good enough to bring to this



House the position is sound for this year Mr Speaker we were not anticipating that we would leave enough funds behind Mr Speaker to enable the Hon and Learned Chief Minister and his colleagues to meet every wage claim and every need for expenditure for the next four years. I think they might be grateful that we have done the job for them for this year and be thankful for that. It will be their headache from 1973 on. The only discrepancy between all the figures presented by the Hon Financial and Development Secretary, based on published statistics and later revisions is the fluctuation for the month of September and on this basis alone, Mr Speaker, it is not enough to throw the mass of evidence on the other side out of the window, so the position that needs to be established once and for all is that this year the Government will be able to meet a wage claim which whilst it certainly falls short of the desires of the mass of the members of the Transport and General Workers Union including myself, it is certainly closer to the figure that we in the union were hoping for than to the figure that the Chairman of the JIC was hoping to get away with. The settlement is closer to the £3 suggested by the union than to the 40p which was the official sides offer. For this we are glad, and we are glad that we left the economy in a sufficiently sound position to enable the present Government to meet it. Our only regret is that no attempt was made before Gibraltar was plunged into a strike which was described at the time as having put us on the brink of chaos, our only regret is that no movement was seen on the part of the official employers before that point was reached Mr Speaker, and this we resent very much. And whilst we resent it we would have not come into it had it not appeared to us that there was being an attempt on the side of the official employers and on the side of members of the Government to impute to us the blame for the crisis, to say that the crisis had been brought about not because a strong stand was being taken against the union just to show who was master in Gibraltar, not because of that, but because there was no money. Well we know there was money, and this is what we want the people of Gibraltar to know today, Mr Speaker, and this is the whole purpose of this debate, and this is the reason why we've wanted the meeting of the House before because we didn't want the meeting of the House delayed so long that people would forget what the issues were, and we would have to bring them back to their notice. We wanted the people to become aware of what the real position was so that they could then lay the blame wherever the blame had to be laid but not on our doorstep, because we left money there for a settlement and if the Government of the day did not think fit to settle at a higher level than the one that they had suggested that was their responsibility and their privilege. They have the right now that they are in Government to use the money as they see fit, and what they don't have the right is to use it for purposes which are going to alienate the bulk of public opinion and then say that they are not using any money, that there isn't any money to use. That we will not stand for, Mr Speaker. And the main task of the Opposition in this House has been to draw the figures out of Government benches and we

have had a difficult job to do it. They have been reluctant to release the thing and there has had to be continuous questioning and we are glad Mr Speaker that these figures are here now, they are open to examination; anybody can follow the arguments that I have been putting to the House today and I am sure that members on the Government benches who are not sincerely convinced will be able to analyse the figures and I am sure the Hon Financial and Development Secretary will be able to explain any position, any points of doubt they have about how the figures are arrived at. And if the Hon the Financial and Development Secretary needs any help in explaining to his colleagues how the figures are arrived at then I shall be delighted to give him a hand in doing it. Mr Spekaer, I would just like to conclude my contribution to this debate by saying that basically two points need to be made here today; that the funds were there, that Gibraltar's economy is sound at present, and that from now on the responsibility for the soundness and the direction of the economic life of Gibraltar however dismal the science may be requires a certain amount of knowledge and it is their responsibility to see that the knowledge is used effectively and I on this side of the House would like to see the Hon Members of the Government using it for the benefit of my people, the working people of Gibraltar, the people with whom I am proud to identify myself wholeheartedly, and if they do it I shall be the first one to applaud them for it. But if they don't Mr Speaker then I hope to be able to stand up in this House many times to attack them for not having done so. The other point to be made apart from showing what the true financial position was, was the issue of whether the Government conducted its side of the negotiations and its general handling of the affairs of Gibraltar in the best possible way. If we do not impute any malice to their actions than all we can say is that in our opinion they mishandled it but possibly they were trying to do their best. If this is the case then clearly it is a question of different judgements of what the right course of action is and as the Hon and Learned Chief Minister wastes no time in assuring us after the unfortunate election result it is his judgement that counts and not ours. Our position is merely to make to the Government benches known our views in case they wish to avail themselves of our advice and to ensure that when they embark on a course of action people are fully aware of what that action entails and if members, if the Hon Members in Government do not take the necessary steps to make the people of Gibraltar fully aware of what is involved, then it is our duty as the Opposition to move in and bridge the gap. And, Mr Speaker, we feel very strongly that the way the strike was handled and the statements that were made were not conducive to an early ending of the strike; that the strike could have been avoided had goodwill been shown on the official side and that there was an attempt or an apparent attempt to lay some of the blame on our side, and we will not have that Mr Speaker, we will not be held responsible for things in which we are not directly involved. The incompatibilities between the accusations made by the same individuals show either lack of clear thinking or a desire to mislead people. We have been

accused, Mr Speaker, of being in collusion with the union and we have also been accused of going to an election to avoid meeting the claims of the union. Now if we are working with a union then we would have given the union all the money they wanted regardless of the effect it has on the economy, before, during or after the election. If we are not willing to give in to the Union then we cannot be in collusion with them. The members on the other side must be made quite clear which accusation they prefer and stick to the same one Mr Speaker. I will now end Mr Speaker by saying that today, the first meeting of the House of Assembly, the first working session, the first time Mr Speaker I have the honour to participate in the political life of Gibraltar at this level, the Government of Gibraltar is being called to task, is being asked to explain itself and this is a sad thing. It is sad that any Government should start its life in this way, and I can only hope Mr Speaker that within the rest of the life of this Government, 4 years or 4 months or whatever it be, we do not have as much cause as we have had on this occasion for bringing other censure motions. Thank you.

MR SPEAKER:

We will now recess for approximately a quarter of an hour.

The House recessed at 5 p.m. and resumed at 5.25 p.m.

MR SPEAKER:

We are still on the censure motion, I would remind Honourable Members.

HON I ABECASIS:

Mr Speaker, Sir, one of the last remarks by the Honourable Mr Bossano opposite during his address was that he was very proud to be a worker and I would like to say to this House that I am also proud to be a worker but this pride does not seem to be understood by every member in the House. Earlier on I was accused by the Hon Mr Caruana that in part of the proceedings this morning I was absent from this House because I was in my place of work. Yes, that is quite correct I had to go to my place of work because we have been in this House already for 3 days and unfortunately I had to go there to do some work and I took advantage of a particular debate which was on which I could do very little and make very little contribution about, the technical matters on which I know nothing and therefore I took advantage of that particular moment to go outside and do a bit of work at least to warrant my pay at the end of the month, since one can hardly live on the allowance. And I say that Mr Speaker, because I felt a bit embarrassed when this was said. I never try or rather I always try not to be personal and I do not interfere whether the Hon Mr Xiberras goes to the airport to see his wife off or whether the Hon Mr Lloyd Devincenzi goes to school to pick up his child or whether the

Honourable Mr Caruana himself after he had said that left the House for  $\frac{1}{2}$  hour perhaps to go to his shop, which I think perhaps if he did it was the right thing to do because he also has to look after his business. But I thought it was a bit unfair Mr Speaker to criticise me for doing what I had to do. Having said that since one is a part-time politician not a fulltime one, one has to try to do one's best within the limited time. As the Minister for Housing I have to interview people and I do it from 7 in the evening till sometimes 10 and 10.30 because that is the only time which I have available to the electorate. Mr Bossano also mentioned that he was a trade unionist, so am I Mr Speaker, I have been a trade unionist for many many years, perhaps 20 or 22. And I have been accused not in the House, outside the House, to be a moderate trade unionist and I accept I have been, but at least I am moderate and I am consistent because I am moderate whether my party is in power or whether my party is in Opposition. I have never taken advantage whilst my party has been on the other side to stir trouble. On the contrary, whenever a difficult situation arose I have always tried to mediate to bring people to their senses and to be reasonable. My attitude towards bigger problems involving the union has been one that besides one being a trade unionist one is also a member of the community and one has to look at things in that way. And this is the way also some of the more militant trade unionists have also looked at the problem at some stage or other. At some stage they are very militant. One must not forget the demonstration of a 1,000 women when the decision was taken or suggestions were made to let loose all the dogs, return all the television sets, stop all the cars because we are not prepared to pay the licence increases. Later on we find that there is a meeting, a joint meeting between the Government and the Union, which was held on the 16 April 1972. And there we see that the Union is no longer that militant, they have realised that the problem is one which concerns all the Gibraltarians, not only the industrial workers but all Gibraltarians alike. And it is very interesting to read in one of the paragraphs of the joint communique Mr Speaker, it says on the question of allowances, "the desirability of further increasing supplementary benefits and family allowances when the financial position made this at all possible was fully endorsed". In other words they accept that the resources of Gibraltar cannot afford further increases than is acceptable. Later on they tell us "If you haven't got the money look for it. Britain says support and sustain". But not to everyone, they don't say that to everyone, they say that only to those whom they do not like. If I may quote further from the joint communique when they are talking about the basic wages of the workers then we read: "that the elected members present felt bound to establish their responsibility to take into account the resources generally of Gibraltar and the vital part that the official employers as a whole play in our economy." There again everybody realises that it is the responsibility of the Government to look after the community as a whole and not to a particular sector. Then it goes on to say "It was also recognised" where it says "It was also recognised" it means both by the Government and the Trade Unions"; that the Gibraltar Government is one of the members of the joint Industrial Council and must necessarily consult the official employers on that Council." Now the way

that it has been put to us in this House that this is the only side responsible for the strike. Apparently other employers other official employers do not come into it, are not even blamed, they had nothing to do with it, it was the Gibraltar Government who is fully responsible because the offer was not a very good one and I would say quite honestly and sincerely that the offer was not a very good one. It was not, but the offer after all was made on the 27 June Mr Speaker, on the very same day this Government was being sworn in by His Excellency, so surely the advice to the Government representative in the Joint Industrial Council must have been given by the other side, by the Opposition as well, when they were in Government. We never had the opportunity at all to look at the thing when the offer had already been made. The Opposition now of course it is to be expected not only from them, from any member of the Opposition, want to be very nice to the workers but they conveniently forget what they themselves did. In one of the Marsh Reports I think it was Marsh No. 5 it is stated that someone had represented to Mr Marsh that the process of narrowing the gap between the industrials and non-industrials had gone far enough. At that time I was a member of the Opposition and upon insisting from the Government we find that it was the Hon Mr Xiberras himself who had told Mr Marsh that the gap had been narrowed enough and that was enough, that is why perhaps the increases in those days to the workers was from 10 to 15% and the white collar workers or the top brass, as some of them are known, were offered from 45% to 50% and even 60% increases. Now I said that I was consistent but I am not the only one who is consistent, the Hon the Leader of the Opposition is also very consistent, and he is consistent because I remember him after the election when he became the Chief Minister, perhaps he was surprised to be the Chief Minister he did not expect to be a Chief Minister when his party had only put in six candidates to a Government of 8, He was surprised and he said "Well one thing is what one says during election time and another thing is what one says after being elected". I think he is consistent because of that. When he was in Government he did not offer anything worthwhile considering. When he was out of office then he said we would have offered you £5 to £6. So in that respect, Mr Speaker, the Hon Leader of the Opposition is as consistent as I am on our arguments. What did we get from the Opposition who are now saying that the workers are entitled to this and the other when they were in Government? Only last April we had all sorts of increases; television, cars, telephones, the lot, everything, dog licences including the small and the large, so I just like to finish because I would like to go on to complicated figures, I'm not an expert as my friend opposite Mr Bossano who has such a wonderful brain to quote figures and prove the point, I would be at a loss if I tried so I rather finish up by echoing his remarks when he said "I hope that the Government would not compell us or do things that will compel us to attack them". I will finish with that remark I hope that the Opposition will only attack when we have done something wrong and not just attack for the sake of political expediency. That is all, Mr Speaker.

MR SPEAKER:

I would like to invite any other Honourable Member who wishes to speak to do so. I have been trying to take it alternatively to the extent that I am entitled to do it but which I am not of course except other than under parliamentary practice, but it's a question of whether there is another contributor to the debate before I invite the mover to reply. Unless another speaker does signify his intent to speak I will have to invite the mover to reply.

HON A J CANEPA:

Mr Speaker, I do not propose to say anything about the first part of the motion dealing with the financial situation as I consider that this has been more than adequately dealt with by the Hon Financial and Development Secretary in his most lucid exposition of the actual financial position of the Government. I do, however, look forward most eagerly later on in this debate to an explanation by the Leader of the Opposition as to how, great financial wizard that he is, he proposed to raise the sum in excess of the £ $\frac{5}{2}$  m required to meet the settlement of £5 to £6 which he so generously offered workers in Gibraltar after he had been defeated on June 23. Before I say a word or two about the second part of the motion, however, there are three points that I wish to make. Earlier I think it was this morning Mr Xiberras gave the impression that the further flat increase of 50p next July was the price of the moratorium of one year on COLA.

COLA was thought out as

part of a general settlement involving a package deal with the union and in which a further increase of £1 or so over the original offer plus the 50p next July was the price of buying out a moratorium on COLA for one year. The Hon Mr Bossano said that the increase of £3 for a labourer in the union's claim did not automatically mean an increase of £5 for a craftsman. That Sir, is wrong. £3 for a labourer would definitely entail £5 for a craftsman as a logical consequence of the whole concept of banding. That is why the original offer contained increases from 95p to £1.30 for a craftsman and less for a labourer though not the 40p that he mentioned. This Sir, was the position before the strike and it is this which explains the figure of £312,000 as the price of the settlement with the industrials employed by the Government. It was only during the strike when negotiations were resumed that it became clear that the union actually wanted a flat rate increase of £3 throughout. And that Sir did put a somewhat different complexion on things and helped to bring about an eventual settlement. Mr Bossano has questioned the figure of 85p as the increase which I referred to in my ministerial statement on television as the actual increase for a labourer. Now Sir, even though the proportion of labourers classified as domestic grades which were involved in a claim made by the Union to have the working week reduced from the 44 hours to 40 hours may have been small as far as the Government of Gibraltar was concerned and this is in fact the case because the majority of these are actually employed by the Department of the Environment, ~~But even though~~

~~the proportion was small~~ it does remain a fact that the effect would have been to move all labourers now in service with all official employers from Band 0 to Band 2 in the banding structure, thereby giving them automatically a further 45p, 40p originally, and this 45p now worked into the rebanding making the 85p in all. I accept that those negotiating on behalf of the union may not have been aware that this was the position, it may be that this is the case, but it does remain a fact nevertheless, that all labourers currently in service would automatically have got an increase of 85p when the claim to have the working hours reduced was met. Sir, I wish to refer now to the second part of the motion although I know full well that this falls directly within the province of the Chief Minister and I know that he will know perfectly well how to deal with it, but there are one or two points in this connection which I wish to make myself. Sir, the Opposition in the course of this debate has censured the Government and in particular the Chief Minister for not calling an early meeting of the House of Assembly. This Sir in my view was an extremely clever manoeuvre on the part of the Opposition. It was very clever to press for a meeting of the House whilst the strike was on. Their intention was palpably clear, Ministers would have been tied down in this chamber for a week or more whilst gentlemen across the floor discoursed at large and made political capital out of the strike. They would have inflamed passions and tensions as the Hon Mr Xiberras attempted to do with his statement on television. Ministers for their part would have been quite unable to attend to the needs of their own departments. They would have been moreover unable to be available for those urgent consultations that were necessary if a settlement was to be reached. I myself by being tied down here would have been quite unable to initiate that process of conciliation which was finally to bring about a satisfactory settlement of the dispute. Sir, I am quite aware that the position in the House of Commons is entirely different. When the House is in session there the Government need only have one minister as a spokesman on the Government front bench; other Ministers can continue to attend to their duties whilst supporters on the back benches will ensure a Government majority and therefore there is little danger of a defeat if a snap vote is called. But, Sir, in this House the position is entirely different. Ministers, with a Government majority of only one in a motion of no confidence, are required to be in continuous attendance and cannot therefore leave the House to attend to any matters which might arise in their departments. Again Sir, it is clear that the motive of the Opposition in requesting an early meeting of the House was to embarrass the Government and render it impotent in the face of the general strike. Sir, with regard to the Government's handling of affairs at the time of the strike let it be made absolutely clear that at no stage did the Government receive any official notification, any official notice of an impending strike. Moreover, the Government at no stage closed the door to any further negotiations. I will come back to this question of the notice of the strike in a moment but let me say Sir, that the Hon Mr Xiberras spoke about an attempted coup d'etat on behalf of our party against the executive of the Transport and General Workers Union at the time of the strike. Let me say,

Sir, <sup>that</sup> the reason why we had very little notice of the strike was precisely because the Union and their mentors across the floor were bent on having a strike at the earliest opportunity. This Sir was the coup d'etat which was to be attempted to overthrow a Government that had been constitutionally and democratically elected by a resounding majority only two months previously. Sir, the only Government official to be actually notified of a strike was the City Electrical Engineer on that Sunday when the motion was passed at the Queen's Cinema. And at this stage he only received notification from the union of that part of the motion which actually affected the generating station. At no time were the terms of that motion communicated to the Government or to the other official employers. We only heard about it through hearsay. Now Sir, after the commencement of the strike on Monday 21 August I had hoped that it might have been possible to intervene that afternoon or in the evening but it was soon known that the union planned one of their mass demonstrations for the following day and that a delegation of the union ~~will~~ <sup>was</sup> be calling on His Excellency the Governor. I was therefore loath to intervene before the demonstration lest it be interpreted as an attempt on my part to pre-empt the success of the demonstration. The Government considered that perhaps the Chief Minister and myself should be in attendance when the delegation called on His Excellency on that Tuesday evening, but we decided against that, as the Leaders of the Union might have been taken back by our presence there in what was a very delicate situation. We therefore opted to advise His Excellency that he should extend an offer to the Union that they should meet me in an effort at conciliation. Sir, as I explained on television on the 31st August the offer was neither accepted nor rejected by the Union. In fact one doesn't even know whether it actually registered or not, but nevertheless, I followed it up the next morning with a letter to Mr Netto the Resident Officer extending an invitation for a meeting, and I am glad to say that the offer was readily taken up and arising from there the process of negotiation was resumed bringing about the settlement that was reached at the end of that week. Now, Sir, what intervention did my Hon predecessor make in November 1970? On that occasion it will be recalled as has been mentioned by my colleague the Hon Mr Montegriffo, that industrial workers went on strike on 3 consecutive Wednesdays and it was only when the essential services were affected and after the Resident Officer of the Union had gone to the United Kingdom to get matters moving from that end that the Government made a move to end the dispute. On that occasion Sir, my party were in Opposition and we were very careful not to interfere in an industrial dispute. Perhaps the Hon Mr Xiberras should have been pressed to explain what role if any he then played as Minister of Labour. To ~~excuse~~ <sup>accuse</sup> the present Government and me, in particular, and the Chief Minister, of mishandling the affairs of the Government in this connection when he himself proved to be impotent two years ago only serves to heighten, to prove the extent to which the Opposition were personally involved in the events of that week in August, and the extent to which their judgement had been clouded by the resounding defeat which they sustained at the General Election. Sir, as for the mover of the motion, from having been the darling boy of one and all, widely



tipped to top the poll ahead of Sir Joshua and his own leader, the Hon Mr Xiberras found himself 10th in the poll. He was cast aside by the electorate. I can commiserate with him Sir, he must still be in a state of shock and therefore I do understand the underlying basis of all his frustrations. Sir, with regards to the Government's handling of affairs there is surely one specific aspect of the whole matter where the Government has already proved that it means what it says and can be relied upon to keep its promises. This Government has already kept its pledge to industrial workers by implementing its policy in the settlement recently reached in Joint Industrial Council of enhancing the status of industrials and giving more to those who need it most, the lower paid workers, and this we have achieved in spite of the financial limitations previously explained by the Hon Financial and Development Secretary. Sir, when the GLP/AACR were in opposition in 1970 at the time of the second Marsh award we condemned the fact that the IWBP/ISOLA Government had reversed the policy initiated in 1967 by the AACR whereby it was intended to enhance the status of industrials.

HON P J ISOLA:

Is the opposition going to be furnished with a copy of the speech which the Minister is so ably reading?

HON A J CANEPA:

Sir, I am using the same copious notes, my own copious notes, which the Leader of the Opposition when he was Chief Minister, <sup>was</sup> ~~used~~ to use and I do not have it typed Sir whereas it seems to me from here the Hon Mr Xiberras had his statement typed.

MR SPEAKER:

May I make it completely and utterly plain that whether someone refers to a written document for the purposes of a speech he does so exclusively on leave being granted by the Chair. I have taken it for granted since leave was not asked that what you are referring to are copious notes as has been the practice in this House for many years, at least as long as I have been sitting here.

HON A J CANEPA:

I am very much aware Sir that top of the Opposition's Hit Parade is a composer who goes by the name of Teesdale, and there is a disc which on one side is known as "Financially Imprudent" and on the flip side "Contrary to Law". But Sir, we on the Government benches also have a Hit Parade of our own, and top of that Hit Parade is paragraph 21 of the Second Marsh Report. I think we all know what it says Sir, it refers to certain representations that were made about a policy initiated in 1967 having gone far enough. And how ironic Sir it is, that the very same person who

has moved this motion admitted in the debate in the House in July 1970 that he was the author of those representations. I recall Sir, that in July 1970 my colleague the Hon Mr Montegriffo accused the Hon Mr Eiberras, as he has done today, and his colleagues in Government of having cheated the workers. I understand Sir, that there are no records of the proceedings of that debate. I do think it very appropriate however that I should associate myself with such an accusation. It is shameful Sir that the mover of this motion was as Minister of Labour in the previous Government the person most responsible for having cheated the workers on that occasion. I accuse him of that now and I trust that on this occasion the report of these proceedings will not be destroyed unfortunately as they were on that occasion.

MR SPEAKER:

Order. I have had occasion to make reference to this particular meeting before. The preparation of the Hansards and the tapes through which the Hansards are prepared are exclusively the responsibility of the Speaker's Office. No tapes were ever destroyed there had been some technical hitch which prevented half of the debate which has been referred to from being recorded and this is still under consideration and it is my exclusive responsibility and no one else's and I will not have any insinuation made from either side of the House as to the reasons why the Hansard of that particular meeting has not been produced as yet.

HON A J CANEPA:

I wish to apologise to the Chair Sir. I did not in any way wish to imply that the tapes had been destroyed out of any wrong motive. My understanding is that they were accidentally damaged, perhaps that is what I should have said.

M R SPEAKER:

Order, order. They were not in any manner or form destroyed or damaged. It was a faulty recording machine which resulted in the Hansard not being prepared. The apology, of course, is unconditionally accepted.

HON A J CANEPA:

Sir, at this junct<sup>ure</sup>ion I think it would be appropriate if I were to quote from a statement which eloquently endorses what I have been saying by subscribing to the view that the previous Government did in fact cheat the workers. It is a statement which I have here, made by the Transport and General Workers Union in the course of the current biennial review. It is Sir, the greatest indictment on the policy of wages of the IWBP/ISOLA Administration and an indication of those principles by which the GLP/AACR have always abided. "On the 1970 rates the Trade Union side have also made it quite clear that the 1970 agreement

was not a happy one. It was a reversal in policy on the 1967 agreement. In the 1967 Marsh Report the long overdue process urged by the Transport and General Workers Union towards rewarding fully industrial workers began. This process was a positive policy which the then Government of the day considered to be a positive future commitment, a commitment which recognised the need to reward even further higher skills and the importance of industrial workers to higher basic wages. Marsh was therefore committed in the eyes of the industrial workers to continuing the process in 1970. So it is a fact that the workers were looking forward to the 1970 report for that further step in the progress of their basic wage. It was therefore a denial to industrial workers of basic social rights when in 1970 Marsh said that it had been represented to him that the process had gone far enough. This was in effect a complete denial and retrograde step of everything Marsh had stood for in his 1967 Report. It was certainly not the TGWU who made these representations to Mr Marsh and may I add that it was certainly not the GLP/AACR who made these representations. It was Mr Xiberras, the Hon Mr Xiberras, the champion of the workers, the greatest Minister of Labour you ever did see. And, the statement continues Sir; "The present Government in Opposition at the time condemned the 1970 Marsh Report and stated in the House of Assembly that the workers had been cheated. The TGWU at the time maintained this view. At the last three party conferences of the present Government of Gibraltar, (that is of the AACR) "they pledged themselves to continuing the process whenever and if ever they got back into power." Well Sir, we did get back into power and we have honoured our commitment. ~~After~~ the statement I do not believe I could have done better myself. In the settlement recently negotiated with the union this Government has continued that process referred to by the Union and interrupted in 1970. This Government Sir has not cheated the workers; we have already put into effect our party policy preached in 1967 and preached in the 1970 review, namely the vital need for industrial workers to have their status enhanced and for a fair deal to be given to the lower paid. When we were in office Sir, in 1967 industrials received an increase of 27% in basic wages, whereas most of the non industrials got 12%. In 1970 Sir, under the so called Grand Alliance all industrials and most of the non industrials in the lower income bracket got 18% thereby bringing the previous policy to a grinding halt. However, when the basic wages which industrials were receiving in 1970 Sir, are compared to the new rates which have been negotiated in the current review it will be noted that (1) the wages of a labourer have been increased by 40%, (2) the wages of a craftsman have been increased by 34% whereas the cost of living has in fact gone up by 19% in these two years. This, Sir, represents the biggest ever increases granted in a two year period and is tangible proof of our commitment to enhance the status of industrials. We have moreover, granted bigger increases to the lower paid workers, thus helping those who need it most. What a contrast Sir, to the huge percentage and cash increases granted by the previous Government to those who were precisely better off to the detriment of the lower paid. Let no one say Sir, that we have not met the aspirations of industrial workers in the settlement recently negotiated with the Union. I do not wish Sir, to say anything about the negotiations with non-industrials that are now in motion, for it is absolutely imperative that one should not prejudice their outcome. Sir,

I have already said and I do not tire of repeating it that the Hon Mr Xiberras cheated the workers in 1970, but I should have added that he is now attempting to do the same, this time from the Opposition benches. He is still parading as the champion of the working classes, but Sir, what evidence is there for that? Is it the 18% increase which he gave them in 1970 while others got 40% and 50%? Or is it the £6 increase which he alleged they could have paid out? Why Sir, with their so evident concern for their workers did they not remain in power in June and see this review through? Sir, the mover of the motion to my mind has been trying for far too long now to wear what I can only refer to as the martyr's crown for the workers. It is facts Sir, figures, not statistics, Mr Isola, evidence that prove who meets the aspirations of the workers and not words, gloomy looks, and sackcloth and ashes. Sir, I categorically repudiate the accusations of the Opposition against this Government and I leave them to guess how by the use of my intuition I intend to vote on this motion.

MR SPEAKER:

Order.

HON P J ISOLA:

Mr Speaker, Sir, I am glad to see that at last somebody who is being really censured in this House today has got up at this late stage to defend the actions of the Government. It must be absolutely clear to anybody in the House that the main objects of censure from the Opposition benches are the Chief Minister and the Minister for Labour for their conduct of the affairs of Gibraltar during the strike situation. We are not censuring Mr Speaker, the Financial and Development Secretary but we didn't fail to notice how quickly he was put in to bat, first on the list and how conveniently the two who are being censured waited as long as possible to the last, even at the risk of not speaking at all in this debate. I notice the Chief Minister when you called the Hon Mr Xiberras to speak, how he jumped up and didn't want to be left without saying anything, and then very courteously the Minister for Labour has treated us to a performance Sir on which I was taking notes but which half way through I just had to stop taking notes and marvel at the, I don't know whether this is parliamentary language, at the impudent attitude taken by the Minister for Labour in his address to this House, an address which was obviously carefully prepared, carefully noted, presumably so that he can be quoted at length by the information services. The most amazing statements have been made by the Minister for Labour, they really are amazing Sir, that the Opposition had attempted a coup d'etat; that the union and their mentors, that the Opposition in collusion with the union had suffered a resounding defeat; some extraordinary things Mr Speaker have been said. I am not surprised if that is how the Minister for Labour assesses the situations. I am not surprised that the Criminal Investigation Department or the Police were shadowing all the Ministers of the Government during the strike, and they had somebody next to them all the time. They were expecting to be shot.

MR SPEAKER:

Order.

HON P J ISOLA:

This is obviously the position Mr Speaker, because he is saying this after the strike, two months afterwards - they could not wait any longer Sir, they needed a Supplementary Estimate it might have been 3 months after the strike - he comes and tells us these storeies; he talks of the resounding defeat of the elections, the resounding victory of his party, was that their leader dropped from 7,000 votes to 5,000, that was a resounding victory that not more than 5,000 votes separated all the candidates in the election, this resounding victory. Who is the Minister for Labour trying to kid? It really is quite extraordinary Sir. And then the most extraordinary statement made was this Government has not cheated the workers. All I can answer to that is they had a jolly good try.

MR SPEAKER:

Order.

HON P J ISOLA:

They had the Chairman of the Joint Industrial Council making statements that do not bare close analysis; they had the Chief Minister sobbing, almost sobbing to the press, telling how awful the situation was, but apparently the press missed the most important thing he had to say that the general revenue balance he had only just found out, stood at £1,630,000 and not £1,293,000; £337,000 more of a surplus, and the Financial and Development Secretary had estimated in this House only 3 months later that this figure was a very notable figure, a very important figure, but I assume that the gentleman of the Information Services, the gentlemen from the Gibraltar Broadcasting Corporation, even the gentlemen from his own party of the Gibraltar Evening Post none of them noticed this figure. It received no publicity, of course it didn't, the position being given out was such a grim one they probably thought that when he gave that figure that the revenue balance that should have been of £2,000,000 and was only £1,600,000 in fact there had been a drop, I don't know, but it got absolutely no publicity at all. And you only have to read the Gibraltar Chronicle and hear GBC taped back and you will see that there is a very, very full report, but it wasn't mentioned. Of course it wasn't mentioned and the Minister for Labour tells us this Government has not cheated the workers. How did this Government come to a settlement of the strike dispute Mr Speaker? After 5 days of strike in Gibraltar, of chaos, that is a word they were often using, not in the House, sorry, in the Gibraltar Evening Post, I beg your pardon, that is a different set-up. All these things Sir they were saying, all these things had to happen. The Opposition had to go and see the Chief Minister and say: "For goodness sake do something about it, take initiative." We hadn't seen them, either the Chief Minister or the Minister for Labour of a Labour Government, nobody had heard anything

about them. That's how the settlement came. The settlement came because the Government discovered that the workers of Gibraltar were prepared to stand their ground and when they discovered that they became more realistic themselves. Mr Speaker Sir, the Hon Mr Montegriffo in one of his usual short but very incisive speeches, which he usually delivers I think extremely well, with a flourish and then he 's not seen again in the House, this is true to form, talked to us about the question of the strike in 1970 and told us he even raised the question of the strike in 1970 in the House. Of course he didn't Mr Speaker, the Opposition then did not raise very much in the House, all they did was two or three motions of censure that is all they did, but they raised it somewhere else, by jove they did, they raised in a periodical that comes out every day, they didn't need to raise anything in the House, they had their propaganda machine out in the street, so much so Mr Speaker, so much so that leading up to the General Election they talked of chaos and so forth and the last headline I'll never forget that the day before the general election or the Saturday before because that's when people buy the Post. They have got the pools results. They said in big headlines the biggest I've seen, actually bigger than the Hon Mr Montegriffo's allegation of cheating the workers, this was bigger still, the real issue is the cost of living and they attempted to show how the prices had gone up and how everybody was badly off. How the working classes couldn't make ends meet and this was the issue of the election and the issue of the election was a decent basic wage for the worker. And once they got in Mr Speaker despite this tremendous flourish about the cost of living, what did they do? They offered the worker 1p per hour that's what they did. That was what the Minister for Labour agreed to do, as a member of his Government and he said it was done the day we were being sworn in, a member said that, on the 27 June it was done then they said. Well, they had a jolly long time between the 27 June and August 18 when they clamped down on that position and said "Here we stand". They must have thought it was a reasonable offer and they must have intended to stand by it. Now of course, we have the Hon Minister for Education Mr Featherstone telling us "No one believed that the 40p was the final offer". It was like a chess game. By jove I have never known chess to be so dangerous Mr Speaker.

MR SPEAKER:

Order.

HON P J ISOLA:

Mr Speaker, I would like to deal with this motion. There are three parts to it; one was the misrepresentation of the financial position, the other was the failure of the Government to call a meeting of the House and the other one the conduct of affairs, and I'm going to deal with the conduct of affairs, I am going to deal with it in reverse, if the House will indulge with me because I've already started to deal with it in that order. I would like to remind the House that what we are doing really now is having an inquest on the strike, and none of us are trying

to be wise after the event. But what did the official employers of which the Gibraltar Government forms part, tell the union on the 16th August. I will just go to the last paragraph "In consequence both on merits, both on merits, and on financial grounds the official side regret that they cannot meet the Trade union side's claim of the order of £3 per week. They will however certainly wish to prevent hardship and will consider any adjustment which may be needed for particular grades within the general framework of their offer. Subject to the compelling financial limitations they wish in this way to continue the negotiations in all good faith to reach an agreed settlement". This was the chess game the Hon Mr Featherstone was speaking about. To me reading English is very clear what they said, they said "Look that'd it, boys. However we are prepared to deal with cases of hardship within that framework and subject to the compelling financial limitations". That was the official employers. And I suppose it would have been impossible for the Gibraltar Government to have wriggled out of this one and said "Well, you know those are the people who are negotiating I mean the chap who is representing the Gibraltar Government is probably acting on the instructions of the Financial and Development Secretary or the Deputy Governor or someone, we weren't really involved." When the ballon blows up they become involved so what happens on Friday, the Chief Minister calls a press conference and hands out a written statement which was reported very fully in the Gibraltar Chronicle at the same time as a statement released by the Integration with Britain Party which attached the misrepresentations of the Chairman of the Joint Industrial Council and not the Government because those statements came out more or less at the same time. But what does the Hon and Learned Chief Minister say at the end of his statement. He said "On all these grounds the Government consider the union's claim unrealistic and they cannot meet it. The other official employers are in the same position, none the less the union has been informed that the official employers would certainly wish to prevent any cases of hardship and subject to the compelling financial limitations we wish in this way to continue the negotiations in all good faith to reach an agreed settlement". It was exactly what the official employers had said, phrased in slightly different language but the meaning was the same. The meaning they were conveying to the Union was "This is it, the Government stands by this" And it wasn't a statement given by the Chief Minister to the Union representatives themselves, this is one of the main points on which the Opposition censure the Government severely throughout these proceedings. It was a statement made by the Chief Minister to the general public of Gibraltar appealing over the heads of the union leaders to the general public of Gibraltar. And this is an aspect of the strike or the handling of affairs by the Government which the Opposition deeply censure and which my Hon Friend Mr Xiberras mentioned in opening the question of the attitude of the Gibraltar Government, the attitude of the Chief Minister and the Minister for Labour and possibly of course all his colleagues since they all speak with one voice, the attitude towards the strike, towards the claim of the Transport and General Workers Union. And this is what we are censuring them for. Mr Speaker, put yourself in the position we have been bandying around today or yesterday, of who is a conservative or who isn't, you know we have problems in this House as to who is what. Let us forget personalities, let us suppose there was a conservative government in power, and it is decided to make a wage claim, and it had trouble with the union, I mean following the pattern of the Government in the United Kingdom. What does it do? It first says "Look here, boys, inflation, there is a spiral of wages and prices, we must stop it". So what stops first, the wages, so they make a 40p offer and say "That's it". They don't call in the unions which they need, but they say "That's it". And then what happens, the union are going to call a strike so what does the Government do, they say I mean a conservative Government, they say "Well, let them sweat it out, let them realise what it is to lose pay and so forth, put them through it, let's test them, let's see if they really have the support of the public". And what

does the Government do at the same time, it appeals over their heads to the public, it says "Members of the public, this is a terribly serious situation for your Government. We are trying to fight inflation, one of the things that causes inflation most is increased wages, unreasonable increase in wages. We the Government cannot go further, our finances do not permit it, our economy do not permit it". And then they let the strike go through and let it go through its anxious days, just to see if something goes wrong. When they see that nothing goes wrong, when they see they have no choice but to sit down, talk and settle that is what they do, that is what a Conservative Government it is said, does. But even in England, Mr Speaker, the Conservative Government in England invites union leaders to No.10 Downing Street, to speak to them, to discuss with them. Only recently Mr Heath had Mr Feather and others there. But of course, I am talking of a big country and I am talking of a small country. And now you come to a small place like Gibraltar, Gibraltar a place where a strike obviously, Mr Speaker, effects everybody so intimately and so closely. A strike that is bound to engender class hatred, bitter feelings, and so forth. What does a responsible Labour Government do in those circumstances Mr Speaker, I would suggest that not on the Wednesday but on the Monday it calls in the Union. The Chief Minister invites them in with the Minister for Labour, and in view of the fact that on that Thursday the 17 August it was brought to the notice of the Chief Minister that the position of the economy was much sounder than he at first thought, that there was in fact another £337,000 in surplus in the revenues of the Colony, he gets round the table and talks to them. That is in my view and in the view of the members of this House what a responsible Government should do anywhere and certainly a Government that claims to have at heart the interests of the workers. But that Mr Speaker did not happen, in fact from what I understand the Chief Minister has said and other members of his Government have said so far the only contact there seemed to have been between the Union and the Government was in messages and telephone conversations. Let me refer the House to the television broadcast of the Chief Minister on Wednesday the 23 August, when he said "As for inaction my colleagues and myself have spent the greater part of the last three days at the Secretariat, in Government departments, keeping fully abreast of the situation and trying as far as possible to minimise the inconvenience that is necessarily suffered by the community in times like these, and seen all persons and organisations who have approached us with their problems". I understand that the Chief Minister saw members of the Master Builders Association and members of the Transport Association at their request, it is true, and ministers were in the Secretariat for 3 days, probably true I have no reason to doubt it at all, but Mr Speaker what was all the trouble about. The only people they didn't see were precisely the people who in our view they should have seen. But it wasn't a question of the Chief Minister waiting to see if he was called up by the union, it was a question of the Chief Minister in the general interest of the people of Gibraltar and in the general interest of keeping the peace of the community taking the initiative being big hearted about it and not saying "I won't see these chaps, they are against me". No, I would have thought it's not those chaps who he had to see but the representatives of the workers who were going on strike. Union leaders whether he liked them or he didn't like them and the Minister for Labour of course must take primarily responsibility, because he is responsible for labour. It is no use telling us what the Hon Mr Xiberras would have done or what he did do or what he didn't do when he was in power, what we are interested today Mr Speaker is to know what the Minister for Labour did or should have done, or ought to have done. And a lot of unhappiness might have been prevented if the Government had taken the lead, knowing full well I presume knowing full well that they were going to go up to £1.85 as they did in the end. Why didn't they do these things before? Why didn't they show good will,



Mr Spekaer? Why did they play this chess game? I would suggest Mr Speaker and it is regrettable to have to say this that the Government were hoping with one feal swoop to discredit the Opposition whom in their fantasy they thought had engineered the strike, it would have been much better for us if we were engineering strikes to have waited till the meeting of the House of October had been called and say "Now boys they can't avoid it now, we're there, the meeting has been called". It would have been a much better time for us, using their own arguments. But they did nothing of the sort, Mr Speaker, and the only inference one can draw is that they wanted to get rid of the Opposition and at the same time rid of the Union leaders and discredit them in the eyes of their workers. Make the workers feel that these men who had called them to a strike had done this without any justification whatsoever and show the workers that there was just no money, that Gibraltar was poor. The attitude of the Government, Mr Speaker, throughout these 5 days was the attitude if I may quote the famous character, the attitude of Mr Scrooge of Charles Dickens or one more known I understand to the public in Gibraltar, the attitude of Don Sicutá on Spanish television.

MR SPEAKER:

Order, order please. I will not tolerate this kind of behaviour from the public gallery. We must be here to listen in silence and we must allow the members of the House to carry out their duties and responsibilities towards Gibraltar in the respect and dignified way that the House of Assembly of Gibraltar requires. I would not like to say anything more now at this stage but I will most certainly request the public to demean themselves according to the best traditions that this House of Assembly has always had.

HON P J ISOLA:

Mr Speaker, and then we have when the strike was called and when the Opposition found or discovered the misrepresentations that were being made about the finances of the colony which reflected directly on the Opposition party, because it was so soon after the elections, it reflected directly on their handling of the affairs of Gibraltar, the Opposition quite naturally had to come out with a statement. Both statements made by the Opposition had been to correct misrepresentations which we have said have been made by the Government throughout the strike period, or during the strike period, and the Opposition said. "If we have made a mess of our affairs you tell us, but tell us in the House of Assembly, tell us where we can answer you, tell us where we can discuss with you, you come and give us your figures there." And we asked for a meeting of the House of Assembly and the Chief Minister, Mr Speaker, treated the Opposition with the same disdain and the same disrespect that he treated the union. He just didn't bother about them, he just didn't answer the two letters written by the Hon Mr Xiberras, he just didn't answer them, he just did not deal with them, he just took no notice of us. He denied the Opposition its legitimate right to question the Government in times of crisis. The Hon Mr Montegriffo whose great political acumen I much admire Mr Speaker, said "We were not going to have a meeting of the House Mr Speaker to have a show. Well you don't have a meeting of the House to have a show or you don't prevent the House meeting because it doesn't suit you that the House should meet. You call a meeting of the House in furtherance of the rights of the House under our constitution as elected representatives of the people of Gibraltar to discuss matters that may be before the House and may be of vital interest. There is no question to my mind Mr Speaker that there was almost a state of emergency in Gibraltar at that time. His Excellency the Governor thought it right to move troops in to the generating station, the Municipal Services as you know Mr Speaker,

is a defined domestic matter coming directly under the responsibility of the Minister for Municipal Services. When the Governor put them in he must either have put them in with the consent of the Minister or he needed I would have thought I won't quarrel about it a state of emergency proclamation, and taking emergency powers, but presumably the Government agreed with this move and I am not here now to criticise or not criticise it but the fact is that in the United Kingdom when there is a strike for example as there has been and a state of emergency has had to be called because of the power stations having had to be manned or whatever it is, Parliament has been called. When there was an emergency in Northern Ireland, Parliament was called to discuss it. What were the Government afraid of? Well, I think I know that now from what the Hon Mr Canepa has said, they were afraid of presurising I suppose, they were afraid that they would be hanged, drawn and quartered, I can assure them not from this side of the House, except insofar as their figures were concerned and by that I mean the financial figures. Mr Speaker the Hon the Minister for Labour has gone to great extremes to differentiate the position of the House of Commons and the Gibraltar Legislature when only one Minister has to be present to discuss the matter and the fact that Ministers' attention was required in the Secretariat. None of us doubt this at all Mr Speaker, but the Opposition is not the one that has asked for meetings to start at 10.30 a.m. or 9.00 a.m. in the morning and go on all day. The Opposition when it asked for a meeting assumed the House would meet at 6.00 p.m. and the Opposition would very much understand if the House sat for three hours then if the business wasn't finished to adjourn to another day to enable Ministers to carry out all their pressing commitments during the strike. Not that we saw any of them, but we must accept their word that they were busy in the Secretariat on their business. There would have been no problem about the adjournment. That is just a feeble excuse to try and justify what was unjustifiable. The Opposition as a whole had asked for a meeting of the House to discuss a statement that had been made by the Official Employers of which the Gibraltar Government formed part. The Chief Minister had made a statement supporting the financial statement of the official employers and trying to justify it and the Opposition had a right under the constitution and certainly under its spirit, to have an early meeting of the House to discuss the matter. But instead of this the Opposition requests was ridden roughshod over, I don't know whether it was out of fear, out of contempt or out of disdain, but for whatever reason it was Mr Speaker they were not good or compelling reasons, and therefore we censure the Gibraltar Government for the way in which they have treated the Opposition at the time of the strike. We know the position was bad of course, we know, we all know it. In fact His Excellency the Governor asked us to help in keeping the situation down and we did everything we could, the Opposition Oh yes, we did, my friend the Minister for Education goes "tut, tut" but that is a fact Mr Speaker. I know its convenient for the Government to say this was an attempted coup d'etat, this justifies the Police protection they had, and justifies their not calling a meeting; but all that Mr Speaker, in the view of this side of the House was sheer unadulterated nonsense. Mr Speaker, now I must go, finally I must go to the misrepresentations by the Government of which the Opposition complained. The misrepresentation made in the current biennial review negotiations as to the ability of the Gibraltar Government to meet current wage claims due to insufficiency of funds. Mr Speaker, it should not really be necessary to say much on this because we have been proved right by the fact that the Government instead of giving 40p a week, which they said the finances of the colony could ill afford, instead of doing that they in fact gave £1.85 and no measures for raising additional revenue have been proposed by the Government in this session, and we can only assume that the finances of Gibraltar can afford the increases that have been made or negotiated. But what we complain of Mr Speaker, is that the present Government should have made reflections on the previous administration and on the previous

Government's handling of the financial affairs of Gibraltar. Mr Speaker, I have here the Financial Report of the Financial and Development Secretary of the time, I think it was the present Deputy Governor Mr Howard Davis, the Financial Report for the year 1968, when the House will remember the ferry boat was till tripping across to Gibraltar, and there were about 500 tourists coming a day, and the Hon Mr Serfaty's job was made so much easier he will know what it is now, when he's in. There the Financial and Development Secretary said the actual surplus on the recurrent budget was at £92,641 a surplus of £100,000 in 1968. Those were the sort of figures that satisfied people in those days, we thought of £100,000 as quite a lot of money. Mr Speaker, the extraordinary thing about these representations is that in actual fact there have been in the 2½ years of the administration of this side of the House there have been two enormous surpluses and I use the word enormous because that is what they have been for the year ending 31 March 1972 there was a surplus £651,000 and for the year or the 15 months ending 1970 31st March 1971, there was a surplus of £737,000. These Mr Speaker are enormous surpluses and it is not surprising, it is not surprising that the Financial and Development Secretary when making his budget address in March 1972 informed the House of buoyancy of the economy. Accordingly the statement from the official employers followed up by that of the Chief Minister, that it has been suggested that some kind of reserve to meet pay rises of this order, this is not the case, and talks of the budget and so forth, are misleading to the public. You see in Gibraltar there are statements and there are rumours that back up the statements afterwards. The rumours were that the Government had left no money, that there was no money to meet any claim and these statements were geared to my way of thinking to those rumours. When Gibraltar had had a surplus of £651,000 and the Financial and Development Secretary will forgive me if I do not accept fully his estimates where revenue is concerned, because Mr Speaker although his revised figures for expenditure up to 31 March 1972 were as always unusually accurate his revised figures for revenue at 31 March 1972 were as usual inaccurate. He was wrong in fact by £337,000 and we never blame the Financial and Development Secretary for making these mistakes because these are things that go towards the reserves. Mr Speaker if the position was as doubtful as it is said to have been why has the Government put £½ m into the Improvement and Development Fund? We have been told that this is because of commitments but what we haven't been told Mr Speaker and that is the most important factor of the lot is, what the Improvement and Development Fund in fact stood at on 31 March 1972? Because in the same way as the figures for the general revenue balance for 31 March 1972 were wrong by £337,000 the same could be the case with the Improvement and Development Fund. And we were asked to pass £½ m. We have never done this before in our history, £½ m in one go, this is quite fantastic, and if there is in fact underestimating of revenue or if in fact revenue is not going up to expectations and we are going to have to dig into the reserves as the Chief Minister said on television, on the 23 August when he told the people of Gibraltar that he was prepared to dig into the reserves to meet the wage claim which means at the end of the year, why if

that is the case and if revenue is not as good as it is thought to be, why take away £500,000 from the General Revenue Balance if you may have to dip into the reserves. I cannot look at that as anything else but as an attempt by taking money out of this pocket and putting it in there, showing people and justifying to people that this pocket is empty and that there is no money. We in the Opposition Mr Speaker will not and have shown it by the period of office when we were in the Government we have not milked the cow nor do we intend to milk the cow and this has been proved by the fact that we have shown substantial surpluses every year, and we have shown every year that we have been able to do what we said we would do and have some money over. As my friend the Hon Mr Bossano said the present Government will get the benefit of that from 1972/73 because I have no doubt in my mind at all that the Financial Secretary will be able to smile again at 31 March 73 when he gets his final figures and the wage claims will already have been met. The problem for the Government will come in 1973/74 when they will have to do their own budgeting and they will have to put in their own measures of taxation and they will have to carry out their policy of stopping prices, increasing wages, and not putting up prices. We on this side wish them luck in their endeavours but Mr Speaker, in wishing them luck in those endeavours, we cannot but censure them, and censure them strongly for having put Gibraltar in the situation that Gibraltar found itself at the time of the strike for purely political reasons, Mr Speaker, I ask Hon Members to support the motion.

HON CHIEF MINISTER:

Mr Speaker, before I start I would like first of all to pay tribute to what is virtually the maiden speech of the Hon Mr Bossano, because although he intervened earlier on in our proceedings with regard to the budget and so on this was his major and first contribution and I would like to commend him in what I hope will be a long and happy political career, and at the same time I would like to say that he is the only member of the Opposition who has spoken, who has allowed for the possibility of a misjudgement or a mistake apart from any other suggestion he might have made. I think it pays tribute to his thinking that he was not out for the kill and for that I think it augurs well I hope for the future of Mr Bossano. Now a comment has been made about the fact we were trying to speak last. This is nothing extraordinary, if it is intended to impress people, it is always normal and in fact one of the principles of our British justice of which one is so proud that one has got to say what is said against one to defend yourself and therefore it is not only proper but natural that one should be able to speak as late as possible in order to answer as many of the allegations being made. For example if I had spoken before the last speaker I would not have been able to ridicule one of his remarks. He started saying that he was surprised at the attitude of the Minister for Labour who stated that there was a coup d'etat on the part of the Opposition and the union. That was a dreadful thing for the minister to say, but then he went on to say that what the Government was doing was to try and get rid of the Opposition and of the Union, so he said exactly the same thing,

exactly the same accusation, except of course that it would have been much more difficult to get rid of the Opposition and the Union than that the Union and the Opposition might get rid of the Government. So these references and these flippancies really would not have been answered had I not had the opportunity of speaking after him and I think it is only fair particularly when the mover will eventually be able to reply to all the matters that have been said in this case. A lot of things have been said and I don't want really at this late stage to repeat them all, but I would like to make a few points. In the first place Mr Speaker, at no stage, and I would like to preface these remarks despite everything that has been said, despite all the allegations of malice, misrepresentation, deliberate attempt at disposing of the Executive, which of course never entered our minds, I would hope and I think it is my duty to do so, I would hope to say as little as possible to exacerbate or to revive the animosities that were created during the strike. It is, I think, always the responsibility of the Government to try and avoid this kind of thing, it may be the concept of the responsibility of the Opposition, to foster this, I didn't accept my responsibilities during 2 years and 10 months in the Opposition as being that. I thought that perhaps the attitude had to be a bit more responsible and not just for the sake of gratuitous popularity to say the things that have been said today and that have been said outside since the Opposition dismally failed to be re-elected about cutting its own life by 14 months willingly, no doubt in exchange for 4 years, but that of course also happened to Mr Harold Wilson in June 1970 but people are not prepared to take examples from others, they perhaps know better. So what I say I would hope though I have to mention matters connected with the strike because they have all been mentioned, I would like to say as little as possible that would bring back all the memories and all the unpleasant things that happened there because whatever may be said a settlement was reached which the union themselves considered it a victory and I am very glad that they considered it that way, and I hope that at least we have been able to obtain some element of industrial peace which I am sure is the desire of everybody, almost everybody I would say in Gibraltar. But I must mention one or two basic principles about this matter. The first one is that the door to further negotiation was never closed before the strike. Whether it was interpreted that the offer was to be made within the offers made already or not, the door was never closed to the union for further negotiation. If in their wisdom they decided to give them up and not come back again and go to strike as I said in my television speech, that was their privilege, that is their right, that is their responsibility. So as to whether one should have interfered, if it had been an industrial claim directly concerning the Gibraltar Government employees and the union then of course the whole matter would have been completely different. At least this is my appreciation of it. First of all we are jointly with the other official employers part of the official side of the industrial council. And I think I should say now that at one stage many years back when the

official employers were not playing the game as we thought they should the City Council withdraw as their representative from the official side of the Joint Industrial Council because we felt that the official employers were not playing the game towards the workers of Gibraltar. I cannot say for one moment that that is the attitude now in fact I say that there is very close consultation but sight should not be lost of the fact that they are the bigger of the employers and that their bill in any claim is very important to them as important as it is to us insofar as we are concerned. So that we are not our own direct masters in this matter, we are part of a team and therefore we have to work as a team. And let me say at the outset that the offer of the 27 June was made and that the Government who had been sworn in that day were not even aware that the union and the official side were meeting to receive this offer. In fact I heard about it after I had finished my first press conference on assuming office. Now this is not surprising and it is not a question of shirking responsibilities because after the announcement of the dissolution of the House I was informed that it had been decided and my approval was obtained that in order not to lose the impetus of the wage negotiations that they should continue at official level whilst the House was dissolved and the elections were brought about and this was done, I understand, at the initiative of the outgoing and caretaker Government. So it was not surprising that the negotiations continued throughout from the day that it was announced that the House would be dissolved till the 27 June and that the meetings were going on and that eventually on the 27 June an offer was made. I am not going to say much about that offer except that as I said before it was made by officials without prior consultation with the Government of the day. I could perhaps say that I should assume that the previous Government had been consulted, I am also prepared to assume that the previous Government didn't know anything about it, that I couldn't say I would have to assume it, it has not been said here, though in fact the negotiations were going on whilst the Government were still in office, until the 23 June. Now things being like they were there is this statement of the official side of the JIC to which the Opposition took such exception and there have been of course at the same time a statement of the union side and whereas at that stage it was not in my view proper for the Government as yet to interfere, the press conference which I gave on the 18th arose out of a challenge contained in the union side to say on the one hand that we should pay we should not hide behind the JIC and we should say what our position was, at the same time curiously enough though these things are forgotten, the union called upon the Opposition to come out openly with respect to their view that they were thinking in terms of £5 to £6 in view that the official side in their statement dispute that such ample funds are available. I had a press conference to answer the point that I had been invited by the unions to answer. There has never been not even today, there has never been an explanation on the part of the outgoing Government or of the Opposition today where they were going to find the £5 to £6 which at the lowest would cost more than £½ m. They have said nothing. Now, the statement made at the press conference was in my view, not only have the facts and figures given by the Hon the Financial and Development Secretary been

confirmed except for one or two points which is an eye opener to these kind of things but everything that he has said has been in support or rather has said what the statement here stated of the possible cost of the wage claim and the state of our finances. Now, if you notice in that list that I gave at the time I am told that the increased revenue to that estimated was much more favourable because I made sure that the figures were very much vetted because I know the importance of these matters and I say don't underestimate the good side and don't over stress the bad side; give us the figures that we can defend at any time. And I am told that the increased revenue to that estimated of £38,000 was with the most optimistic way of looking at it and in fact since then the end of the half year has confirmed that this was over optimistic. But there is another point here, Hon Members on Friday certainly all the House voted without much ado £28,500 for the sea damage to Catalan Bay the other day. When I was speaking about that on Friday the 18 August the estimate given for that work was £15,300 so you see £13,000 more now than the capital cost put down in my list. This is not very important except as an indication that all these estimates vary from time to time and unfortunately they always vary upwards if it is expenditure, and this I think we ought to take into account. Whether it was said in the same way or whether it was said in a different way I certainly made it a point at that meeting to leave the door open for further negotiation. Now my friend the Minister for Labour spoke about the question of the notice of a strike and the members opposite spoke about the attitude of the Government towards the union and the way of dealing with this matter. Well you can put whatever meaning you want into words and into the attitudes, but the written word sometimes gives you an idea of the mind of those who are writing. And I have here the one and only letter received from the union about the strike. The one and only letter. And that was addressed to Mr Victor Bensadon, City Electrical Engineer by the Resident Officer, Mr Netto, who said: "We enclose a copy of the resolution unanimously approved at the general meeting held today at the Queen's Cinema." The copy of the resolution was: "The General Meeting welcomes and supports the offer made by workers in the generating station to man and maintain voluntarily and without payment the electricity supply on a 24-hour basis on the hospital and old peoples homes and for the general public on the basis of 12 to 1.30 p.m. and 7 to 8.30 p.m. daily. It further instructs the executive committee to hold a meeting with the relevant authorities during the course of today in order to make suitable arrangements." It goes on: "Our representatives are prepared to discuss with you the practical application of this resolution in order to reach a satisfactory arrangement. We shall maintain our offer for 5 hours from the moment that it is formally handed to you, after that we shall have no option but to implement the wider resolutions decided at the General Meeting with all the serious and practical consequences." Now following on this letter the City Electrical Engineer I think with some of his assistants, met I think Mr Netto and other members, particularly shop stewards of the power station who knew more about these matters in an endeavour to try to come to more reasonable terms within the offer of the strike but with more reasonable terms in order to safeguard the situation as we saw it. And the letter which was

sent by the City Electrical Engineer to the union with of course our authority, states: "Thank you for your letter of the 20th. I have referred your offer to the Government and expressed my own views thereon from the technical side. I have been directed to inform you that the spirit in which your offer is made is appreciated. Its terms however do not meet the very minimum essential requirement which would appear to be the reason behind your concern in this matter. You will appreciate that other than the supply to hospitals, old peoples homes and for cooking which are covered by your offer there are other absolutely essential requirements. Great damage will be done to Gibraltar's food supplies if the supply of electricity for the minimum number of hours per day is not available for refrigeration. The supply of bread is equally essential and if public lighting cannot be assured this would be detrimental to the safety of persons and property. For the refrigeration of essential food supplies and supplies to bakeries there would be a need for at least 6 continuous hours during the early hours of the morning." Now the idea of putting it during the early hours of the morning was in order that people would not think that we were trying to take advantage of the need for electricity for refrigeration and taking advantage during the daytime, that is why in order to make it more acceptable to the union we said, give us 6 hours in the early hours of the morning when everybody is not going to get up and cook for the sake of it particularly as they were going to have two periods for cooking. So we made that special mention in order to show that we weren't trying to get to their offer through the back door. The letter continued: "There would be an additional requirement in order to maintain public lighting. I should be glad to learn therefore whether after taking the above points into consideration you would be prepared to extend your offer in order to meet this minimum requirement. A very early supply would be appreciated". The reply came verbally that it couldn't be met. Perhaps I should just mention a further development that in the morning there was an approach about the question of the electricity and I spoke to Mr Feetham on the telephone I'm speaking from memory, I don't want to say anything which isn't correct, I had to take advice, he said "Well it's been said that if you agree to our offer we can keep people away from the power station and so on, will you reconsider your offer", I said, "All right, I will reconsider it and you reconsider it". I got hold of all the technical people and in order to be able to show some movement and not to show rigidity we came to the conclusion that we just might be able to make do with four hours for refrigeration instead of 6 at the very very minimum also in the early hours of the morning, I told Mr Feetham, he later came back, or left a message to say, that that was not on. How in the light of those facts, pure facts, I'm not blaming anybody, this was a natural development of the strike, but how in the light of those facts the mover can say that we did nothing to safeguard the essential requirements of the refrigerated products is for the House to judge how responsible such a statement is, however much he says no with the head, that is what he said in the course of his opening speech. So we have that situation and the fact that that was the only approach the



the door

decision to strike despite the fact that /: had been left open was taken by the general meeting on the Sunday morning without any ultimatum or anything and to take effect from midnight on Sunday / Monday. A strike in respect of workers in all official employment. How could I at that stage intervene? An intervention on the part of the Government when all other avenues had not been exhausted, would have been an improper interference in the union's right to declare the strike and to carry out their legitimate rights of striking. As Mr Canepa said, in his speech, early on Monday or some time on Monday the demonstration for Tuesday was announced. Here again if I had appeared on television on Monday it would have been improper in my view - it may be a matter of judgement - it would have been an improper interference in the union's right to strike in respect of their members who were not only our employees but employees of the Services. Tuesday was the day of the demonstration, the demonstration fortunately went very orderly as one had hoped and expected. The Governor had told the delegation on our advice that the Minister for Labour was available for conciliation and nothing was done about it and my appearance on television at that time would also in my judgement have been provocative of the rights of the workers to pursue their claims to an increase in wages by an interference on the part of the Chief Minister. But once the process of negotiation was initiated on Wednesday morning and promptly reacted favourably by the union executives, then of course I considered it to be the right time to address the people and speak not only about the strike but about a number of unfortunate matters that it brought with it. And again I do not want to concern myself with those matters now

It may be that people thought I should have interfered earlier. Nothing would have been easier for me then to interfere, perhaps it is one of these things that it is more difficult to do nothing than to do something, and yet whether it was wise or not was a matter of judgement. I would have thought that perhaps I would do again the same if the circumstances were the same, I have heard nothing today that would have made me change my mind had I heard that at that time. Because I thought; there was a wage claim, there were the negotiations started, once I did not think fit to interfere the first two days and I said what I thought was required on the 3rd, let us get on with the negotiations and in fact they were very intense and fortunately they met. Now the great mistake - there are two great mistakes that have been made here and that is the Opposition has used every possible endeavour to repeat as often as possible in the hope that if you repeat something which is not correct so many times people finish up by saying that it is the invented truth, there are two very important factors in this situation - first of all the Government never said that there was no money, never, I challenge anybody, whatever the rumours, whatever the last speaker may say, I challenge anybody in this House to bring any official publication to say that the Government had no money to meet any claim or that the Government had no money to meet anything but the claim of the offer made. Nothing of the kind, is on record anywhere, what the Government said and it says it today againis that there was no money to meet the claim of £3 be it £3 for the lowest worker up to banding up to £5 even be it £3 flat all along the line. But what the Opposition have not done today is say what was a fair and reasonable settlement and what money was there to meet what kind of offer. They have said not one word about that all day. They haven't given a lead that the Government would have said "Oh, if we had been told this perhaps this would have been right. The Opposition have been destructive, they have tried to ridicule everything that has been said on this side but have not produced one concrete idea of how that claim should have been settled, not one. Are they prepared to say they still have time, are they prepared to say that they are prepared to spend £700,000 in giving an increase of £5 or £6. They were asked by the Unions to find out how they have made this wonderful offer of £5 or £6 mentioned by the Leader of the

Opposition first on television and then in this House after he lost the election, not before. Before there was just a joint communique, a joint communique which said that having regard to that they would be prepared to meet what the other official employers were....Is that not - I am not going to use the words "cheating the workers", is that not misrepresenting the whole matter for political advantage? Is that not a way of showing their frustration and annoyance with the people who threw them out at the elections? If they have done all the wonderful things they say here, the people of Gibraltar are the most ungrateful people in the world. There you are, these wonderful people two years and ten months bringing money by the score. There you are, everything is wonderful the first time we have done this, the first time we have done that. And yet two years and ten months after and despite a big and dastardly lie there they were, refuted by the electorate and they came at the last seven of the lot. And the lowest of our candidates had more votes than the Leader of the other side. If that is not a defeat well they can carry on living in the illusion that they are still in Government. Now, Mr Canepa spoke about the Top Twenty favourites of the Opposition. I am sure the people have heard so much about the City Council deficit that they must be sick and tired of it. But the mover said that I had said something somewhere and mentioned something. Well I am going to do it now because the allegation has been made about all this deficit that you had to pay and so on, but let me tell the House and Gibraltar who have been sick and tired of hearing about this question of the City Council deficit, they don't know whether they are coming or going, that part of that £300,000 of the deficit was £267,092 owed by consumers to the City Council on the day of the merger, and of that amount £235,350 have been collected. Take all the notes you like but that is the money you have been making now after paying it off from the old surplus you got at back into the kitty, £235,350 still outstanding at the 30 September £42,342. Now the mover also mentioned that we had a deficit. Of course, the Government left a deficit in the accounts of the City Council except that there was not one day as in the case of the merger to take account, but as on the 30 September there were £270,376 outstanding to the Council, to the Government, of monies owed during the time of 1970/71 and part of 1972. That is the merger for you, that is the money that is owed after all the nonsense and all the lies and all the misrepresentations, there is the money for you. Of course you quote Teesdale, that is your top twenty, but there is the money whatever Teesdale said, and where is your money? Apart from the fact that in that deficit there were £83,968 on the books of the Council worth of stocks which are there, which are being used and which Teesdale didn't take into account. So go back home and put it in your pipe and smoke it. That is part of the windfall that you had in two years. And talk about records, Oh! never before has so much money gone into the Improvement and Development Fund, when a pound was a pound in 1964 which is probably now half a pound. In 1964 £494,000 were put from the General Revenue Balance into the Improvement and Development Fund £494,000 and £58,500 from the Housing Fund which was the same as coming from the General Revenue Balance because the General Revenue Balance was also feeding a separate account which was then called the Housing Fund. So there you are more than £550,000 in 1964 worth more than a million pounds now, put into the Improvement and Development Fund. I said when this Opposition was in Government that they spoke as if the world started on the 30 of July 1969 when they were elected, because nothing had been done before, nothing had been done before but the world came to an end on the 23 June 1972. Despite the illusions and despite speaking to us about all the wonderful things that had been done in their two years and ten months of frustrated government. I was very pleased to see the last speaker now saying what a conservative government would do. Of course, having been associated so long with the conservative party and with the conservatives he knows all the tricks of the trade. I only know the labour side.

MR SPEAKER:

Order.

HON CHIEF MINISTER:

He knows the conservative side, he said "I am conservative, my family are conservative" he said in one of those interviews he had with Mr Peter Plant years ago "I stand for conservatism and so on". Now things have changed. Greatly changed, from a No.2 to a No.11, that has changed also. Now, I don't think that any government, any government can like conflict for the sake of conflict, this is just impossible, it is against any attitude of human nature that the government which comes back with a swing would try to do anything that meant confrontation with the Unions particularly, particularly, when I had started the period of office with an offer of conciliation and an offer of cooperation. No government can whatever it is, it is not our money. So if in fact it is a question of pleasing a few people, it is not our money we can give the money away it does not matter. But a government that has in the past been the initiator of all social policies started in 1950 when this House was started, the members of a party who voted against income tax, held it up one year, who tied up to the introduction of social services despite the fact that the other two conservative members of this House, voted in favour, we voted against that, we held up income tax for one year not because we were afraid of income tax, we have increased it as often as it has been unfortunately necessary, but because we wanted it to be a mark of our fight of the rights of the people. A government that has introduced all the social measures up to 1969 that the Government that come in after was able to improve and build on, of course it is easy to increase the family allowances and the supplementary benefits and all that and we have supported that every time and I hope we will have the other members of the House to support us when we bring this improvement ourselves, but a party that has fought, whatever you think of their members, whether you like them or not, a party that created the first local unions the party that has been, whatever people may say in the vanguard of social improvements in Gibraltar would like, so short after its coming into office a confrontation with the Union. Good God, this is nonsense, nobody could ever believe that that was possible, deliberately, why? Alright, you may say it is an error of judgement. Well, that is your decision, not mine. I am convinced that I did the right thing, but let them say, any member of the opposition, that in the current budget, in the current budget having regard to the figures given by the Hon Financial Secretary the £190,000 that were left there which were eaten up by excess and in any case what would that have brought about? Certainly, not £5 to £6 certainly not £3 certainly not £1.85 but of course we shall have to pay for this year until the next budget having regard to the results we shall have to pay for the increase that was negotiated in the course of the claim and subsequent strike. But to talk about and to try and get cheap publicity about Don Sicuta. Well, Don Sicuta may be an economist but he hasn't gambled all his fortune away like other people have done. So I tell you he is a very careful man, Don Sicuta, I am not surprised, but, particularly when you are dealing with money that is not yours, you have got to be particularly careful. One can be very generous with other people's money, but that is precisely the reason why one should be very careful, one should only be generous with one's own money and we are quite happy and satisfied that throughout these negotiations there may have been animosities, personal animosities generated for reasons which were clear after all the Transport and General Workers Union publicly pledged their support for the WBP they might have thought that we were hostile to them because of that. But equally an article by Jack Jones in The Times the other day said whatever you say about the party the Union must be friendly with the government of the day, because that is the government with which they have to do

business, and that is what unfortunately we have not had and that is what is necessary here, but unfortunately apart from the animosities created at the time of the elections and the misrepresentations made, it has been fostered and improved and increased by the irresponsible action of the Opposition trying to gain political capital and trying to bring a vote of censure. The vote of censure was already cast, the vote of censure was cast on the 23rd of June 1972 when the people of Gibraltar as a whole cast a vote of censure to what is now the Opposition.

HON MAJOR R J PELIZA:

Mr Speaker, I think the Learned and Hon Chief Minister would have cut a much more impressive figure if he had not been so **hystorical**. I am sure that his state of nerves that have made him act in that way has induced him to talk a lot of nonsense, to put it bluntly. To suggest for a moment that we are accusing him of a deficit in the City Council when this as he knows perfectly well was the outcome of a report from quite an eminent authority from the United Kingdom, is I believe not using the true facts, but indeed to mislead the public. It had nothing to do as to whether money had been recovered from what was owed to the City Council or not. It had to do with money borrowed outside the law for recurrent expenditure. This was being used indirectly for recurrent expenditure. This is the reason why, in fact, we had immediately to find money out of our own resources and clear the overdraft which were outstanding with the then City Council. But I have no authority on that, I can only quote what Mr Teesdale said and therefore it is I think unfair that he should accuse us of having created this story when in fact it is all black upon white available for anybody to read in a very clear report. The only thing unfortunately as you know Mr Speaker is that for some reasons which nobody knows and for which you know Mr Speaker I have been pressing for some time too, the actual tape of that report is just not fully available. That is certainly nothing to do with the government of the day as you perfectly know. Now, the matter that we are discussing here today is a very important matter, it is not flippant as the Hon and Learned Chief Minister has tried to say, far from it. I think that in England there was a general strike in 1926 and there haven't been any other since then, and in Gibraltar as far as I know this is the only general strike that we have ever experienced and we pray to God that we shall never see another one, and the Opposition will do everything possible to encourage that this never takes place again. What is surprising is that this should have taken place under a labour government, under a Chief Minister who claims to have all the knowledge about labour and no knowledge about conservatism. This is very strange indeed, but it is also very strange that a Chief Minister who in other aspects is always saying "Yo, Yo" should have given the impression in this occasion "War, War". Why? Why I say, why should the attitude be that of a blank wall. Why not take the initiative with all his knowledge of labour matters, 25 years of experience, leader of the labour party, creator of the Unions in Gibraltar why not come forward? Where was his ability, undoubtedly it has been a failure. A total failure from his point of view and this can only be attributed without any malice whatsoever no imputation of motives to misjudgement and misgovernment and this is what we are criticising his misjudgement and his misgovernment. I am not attributing any other motives to him, it would be wrong for me to do that and I have never ever certainly in public ever attributed to him any other motives not even during elections and even in my television appearance, I have never done that. On the other hand he has. He has called me a liar on many occasions, he has had the impudence of calling me a liar here today again on a matter which has nothing to do on this debate and I can tell you one thing, history will tell that I was not a liar, I have the written evidence and one day perhaps it will be produced. But I am not going to go any more into that. One other point

that I would like to say and I have got to clear it right from the beginning, and that is that I always, when I was Chief Minister assumed responsibility for everything that happened to my Government, and most certainly about the finances because although the Financial and Development Secretary is there to advise and has of course ultimately responsibility to safeguard the economy of Gibraltar, he is unfortunately unable to justify his deed politically. And this is why, I think, in the Constitution it is clearly stated that on matters of confidence the Official Members will not vote Gibraltar does not have at this stage a Minister responsible for finances and therefore under the circumstances we have to put up with a civil servant being responsible for the finances of Gibraltar. Under the circumstances whilst one accepts that at budget time the Financial Secretary has got to make a statement, one also has to accept that that statement has to be done with the concurrence of the remainder of the elected members because if this is not possible then I think either the position of the Financial Secretary becomes untenable or the Government has to resign. What has happened today is that in a matter of confidence on the Government and nothing to do with the Financial Secretary, because he is there to give his advice otherwise there must be a complete break within the ranks, the Financial Secretary has had to come out to give figures. Figures which I am going to dispute. Not that I am suggesting for a moment that the figures he has given have not been totalled up, but what has been totalled up and what eventually those figures will be, is a very different matter altogether. Now for instance when we have a clear case, one day after the meeting with the union, on the position of the finances, the Financial Secretary knew that there was a surplus of over £300,000. How can one believe for one moment that the Chief Minister was happy to allow that situation to continue. I am not suggesting that the Financial Secretary did not know he might have not known, but all I can tell you is that if I had been the Chief Minister I certainly would have wanted to know a day before that meeting what the position of the finances of Gibraltar were. And I would not have got a "No" for an answer, certainly not. In fact, I was asking for that figure as far back as June this year and I could not get it. What surprises me now is that only a couple of days after the six months are over it is possible to know what the finances or the position of the Government is today. How strange that it should have taken months to know it after the end of the year and that we should all be so happy with that figure only six days after. I cannot accept that figure as being correct and I do not accept it as being correct because I think that although this may be the figure that totals up, there may be other items that have not been quite included in it. For instance, if we look at the estimates of 1972/73 we have Municipal Services. The income of the municipal services is £1,500,000 It is a known fact that this money does not come into the purse immediately after the three months are over because the bills are received at the end of the month, and it takes time before they come so I just do not know whether this figure has been included or not included, all I know is that at this stage there appears to be £172,000 less than last year. But if for instance it was being argued in a different way, if I have to argue that as a politician in my favour I would also see other factors that are there which have not been disclosed by the Hon the Financial and Development Secretary. For instance, is it not true that a strike in England deprives a lot of things being shipped to Gibraltar? And isn't that bound to affect the Import Duty because the things are simply not arriving? Is it also true that the local strike had an effect on that figure? And is it also true that the money that has gone into the pay award has yet not come into the market and therefore we have not seen the result? Now, if that exposition had been put clearly like that I would have seen it as an independent view of the situation. But the way it was put it was just supporting a Government and I can well understand it, this was his duty to do but if it was in fact a written statement would it not have been better for the Chief Minister to have read that statement himself, and not to be

subjected to the political pressure that was obviously bound to come from his side of the House? I really feel sorry for the Financial and Development Secretary and I censure the Chief Minister for not having taken the responsibility himself.

The Chief Minister might laugh, but I know the civil servants who worked under me knew perfectly well that I would never have allowed that to happen and I never wanted it to happen and I was always there at the forefront. So I am afraid that I do not accept that explanation, but whether we accept it or not it is a matter of a philosophy, a matter of a financial policy as I explained the other day and I am not going to go into details, I am not responsible for the Government. If the Government feel they cannot do it they should resign but they should not tell the Opposition to tell them what they should do. That is not our job. When we were there we carried out our task most efficiently, the proof is that the finances are there and I can look at them - you may laugh again, Mr Featherstone, I can understand because I am afraid the Minister for Education is not really well up to things for instance he really makes me laugh, I believe in fact the Chief Minister should relieve him of his duties and send him to school again because he does not know that butter and cheese do not come out of Gibraltar that they have to be imported, we haven't got one single cow here in Gibraltar, Mr Minister for Education - and therefore even if inflation because the price of butter or the price of cheese, oh, yes you said it, yes Mr Speaker, the Minister for Education said so, I have got it written down here, that the price of butter through inflation and cheese would go up if the wages in Gibraltar went up. The wages in Gibraltar have nothing to do with butter and cheese. The butter and cheese come from Holland, New Zealand and other places and if the wages go up there and if the price goes up there then the cheese and butter are going to go up and unless we are able to meet those increases here with higher pay, that is when the workers and the people of Gibraltar are going to have no cheese and no butter, therefore I suggest that the Minister for Education could do very well by going back to school. This is what the problem is all about. When we took office as far as we were concerned the most dependable income of Gibraltar was that of Defence spending. And again whatever the Minister for Education may think about this being vulnerable, I would suggest to him that any other industry that we have in Gibraltar would be more vulnerable, how vulnerable has been the tourist industry? The moment they closed the frontier who were left out on a limb. If there was one aircraft in Gibraltar, one aircraft I wonder how long it would take, I hope to God it never happens, but if there were just one I wonder how long it would take us to get the tourists to come back to Gibraltar. So if we are talking about vulnerability I would say that the safest bet for us as far as we are concerned is defence industry. Now today and it has been so for the past 265 years when there was no tourism at all and I hope that if by any chance this was forced upon the British Government one day to sink all the battleships in the middle of the Atlantic, destroy all the aircraft do away with the rockets which we all hope to God this will never happen, then I am sure Spain will be a friendly nation and there would be nothing to worry. But, the fact remains, the fact of life today is that the end unfortunately of armaments is nowhere near, this is an unfortunate thing not only for Gibraltar but for the whole of the world. Equally the freedom that we enjoy requires defending and I can find that the Defence industry in Gibraltar is not only a good income for Gibraltar but is also a great and honourable thing for the people of Gibraltar to contribute towards the defence of the western world and of freedom as we know it. Now, therefore if this is so, it is clear and the pattern has been proved over the past three years that if we can get the United Kingdom employers to give a fair wage to the workers of Gibraltar, we are not asking more than a fair wage, in proportion to what is being paid in other Western territories including the United Kingdom, that is why we go for parity

of wages, I know the other side have been laughing at this and I knew we have been ridiculed in the past but this will continue to be our objective for otherwise we shall be without doctors in Gibraltar I can tell you that and without other professions in Gibraltar because they are just not going to come here. So you may say we were cheating the workers till Kingdom come, but if we had not raised the wages of the doctors at that time to a reasonable level we would have no doctors in Gibraltar and the degree of the responsibility of the Opposition in those days was that soon after that you said we were unable to cope with the medical situation because we had no doctors here in Gibraltar. Well, I say therefore it is the philosophy of the economy of Gibraltar that is at stake, this is what we are disputing here tonight and this is why we are so afraid of the present Government going the wrong way about it. It has been proved over the past three years and I quote again we looked up the Estimate of 1969 and you will see the figures there and if you look at the estimates of 1972/73 the figures are there. We have had no great income from tourism or any other source. The main income has come from the increases in wages of the UK Department which happily the Government has been able to meet, therefore the first step that we took as a Government was to make sure that we had enough money to meet pay increases and furthermore our opinion was and still is, that even if you do not have the money this is a question where you have got to put the money ahead to be able to regain that and more. It is a form of investment and if necessary you have to dip into your reserves, this must be done and I would certainly have done it if I had been in power. That is why I said that I would give pound for pound. When we first had the pay dispute we tried to get as much as possible for our workers. At the second time when we were discussing this, even when we were in the Opposition, we told the Minister responsible directly that as far as we were concerned we were prepared to lead as far as any pay dispute and had they given us an opportunity to lead I can tell you that the overall, remember the word, the overall increase as far as we were concerned and the Minister for Labour knows this very well and other colleagues know my aim was to be between £5 and £6. Well, you may laugh but if we had got it today Gibraltar would be even more prosperous than it is going to be even with the pittance that they have got on this occasion, because it has been proved that there is more money coming in from the United Kingdom that generally is spent in Gibraltar and the funny part about the whole thing is, this is what I am afraid the traders of Gibraltar just do not understand the economy of this place is, that not only the workers gain out of this but the traders themselves as well. So it is in the interest of everybody - this is not a question of class struggle we are all in the same boat here - it is obvious and this has been proved again by the figures that the more money the workers have the more they spend, the more they spend the more money the traders make, the more money the traders make the more income tax there is, the more import duty there is and this brings more money into the economy, more money into the Government, better services. If you reverse that process then that will be the end of Gibraltar, This is what the whole thing is about and this is in my view the great mismanagement that we are censuring here tonight. We have never cheated the workers, never. That I think is a phrase that was used here precisely to exacerbate animosity against the Government in the same way as animosity was exacerbated against the Government by suggesting that we were imposing taxes on the people which were unnecessary. They were necessary so much so that now the Government is complaining that even with the taxation we imposed they haven't got enough money to meet the wages claim that we were getting ready for. So it is obvious that far from this Government cheating the workers we were trying to create a fairer society and a more prosperous society and in fact up to now I think we have succeeded and I do not believe that you require either intuition or figures for that, all you have to do is look around and you will see in every home, in every street, in every shop, in every bar, in every restaurant, there is the prosperity of Gibraltar and no one can dispute that. Now that has been brought about by a sensible policy, giving priority

one to Defence spending; to the Defence industry of Gibraltar and it would be in my view it would be the greatest disastrous act of any Government to abandon that for the fear that this may one day not exist, that would be to anticipate the situation that we do not want to see. Now, having said that much I ~~was~~ necessarily associated myself with the motion of censure that has been directed against the Government. This you might say is being done in cold blood. Well it had to be done because when it should have been done and perhaps the matter could have been aired and from a reasonable discussion in this House it would have been possible to bring the Union together with the Government to do some talking. Perhaps we could have brought this about but unfortunately the Government refused to do what is a natural democratic process. I have no doubt whatsoever that if this had happened in any other democratic country the Chief Minister or Prime Minister of the place would not have waited for a letter from the Leader of the Opposition to convene a meeting of the legislature, he would have done it out of his own initiative of course he would; what is the purpose of a House of Assembly then if not precisely to bring matters of great public importance. Even in the rules that we have here in such circumstances you can bring in a motion without even giving notice. It is clear that in a situation such as that one which put the whole position of Gibraltar in great peril it is obvious that any democratic thinking political leader and head of the Government would have immediately convened an emergency meeting of this House to bring to the notice of everybody including the Union and including the Opposition the importance of the situation. Unfortunately even there the Chief Minister failed to act democratically and correctly. And to suggest for one moment that he did not do so because we were planning a coup d'etat this is really the worse accusation and the most serious accusation that I have ever heard pronounced in this House and I would say also the most irresponsible accusation. There was no question of the Opposition at any time wanting to overthrow the government. Why should we? The Government of Gibraltar is the government for the whole of Gibraltar including that of the loyal opposition and we are a loyal Opposition whatever the Chief Minister may like to say and he knows; only the other day when I stood up here on the question of the sterling area that he had our full support and he has had our full support even before I mentioned it here because I have been doing everything I can for the question of the sterling area in other directions without telling him and nothing would give me greater pleasure than this government should succeed in bringing Gibraltar back into the sterling area. That is real unity, not just speaking about unity and doing the very opposite but even without speaking about it doing something that will unite and bring good into Gibraltar, and that I can assure you that I have been doing and no member of the Opposition is interested in bringing down the government by any means other than by a general election if that is what the Chief Minister decides to do. That is up to him. I personally wonder whether in view of the reversals that have taken place since he took office he should not give careful thought to that. After all the strike was not directed just by the Transport and General Workers Union which since the new Committee took over has increased its membership I believe from about 2000 plus to over 4000 that is a huge and big number for Gibraltar. It means overall a great proportion of the electorate of Gibraltar and equally I think he must bear in mind that this was not done by just the TGWU, it was all the Unions of Gibraltar. Is he suggesting that the other Unions of Gibraltar are subjected by the Opposition to some kind of blackmail so that they went on strike because we influenced them to go? I think it is the greatest insult that any Chief Minister has made to any Union in Gibraltar before because I do not believe that any Union in Gibraltar would ever listen and play a part with any member of the Opposition in destroying and bringing down the Government of Gibraltar. I would certainly not be a party to that nor any member of the Opposition would be a party to that. And so because this was not done at the appropriate time and we cannot possibly condone the misjudgement and misgovernment of this Government because we are married to progress and it appears to us that the Government



is married to "Stagnation" to use the word that my friend on the right used once "Stagnation" not stagnation. Because that is so, we found ourselves as it were compelled to bring this motion to this House and I think we have argued logically, I think we have tried to be as objective as one can be and I think it is demanding too much from an Opposition to ask them from the benches of the Opposition to govern. The job of the government is to govern and of course not to misgovern. I am afraid that on this occasion the Government mismanaged and misgoverned and I wonder, wonder if in the interest of good industrial relations the Chief Minister should not give careful thought to some kind of reshuffling so that he can have someone looking after the workers whom the workers will not associate with the great fiasco. I think it would be in the interests of Gibraltar so that it will be possible - I think I was asked to be constructive. I am now trying to be constructive and the Government does not want to listen.

MR SPEAKER:

Order. I am going to read, and I give one last warning to the public, the conditions under which the public are allowed to come to the House of Assembly. It is set out in Section 5 of the House of Assembly (Powers and Privileges) Ordinance - Section 5(1) reads: "No stranger (meaning members of the public and the public generally) should be entitled, as of right to enter or remain within the precincts of the Assembly Chamber and the Speaker or any officer authorised in that behalf by the Speaker may at any time order any stranger to withdraw therefrom". I would not like to do this but if I feel compelled I will clear the gallery with the exception of the information media.

HON MAJOR R J PELIZA:

Now, I am trying to be constructive, I feel that it is in the interests of Gibraltar to have good industrial relations between employers and employees. After all the very subsistence of Gibraltar depends on that because there must be good relations between the official employers, local and UK, and I know from the experience that I had during the term that I was in office that the person who plays a major part in bringing this cooperation and understanding between workers and employers to a large degree is the Minister for Labour. I am not trying to put the blame on him, he may have tried very hard because obviously he must be loyal to his leader and certainly I would not have a very high opinion of him if he were not to be so. Perhaps he tried his best in his private meetings to attain other things that he has failed to do but whether he did and he failed or whether he didn't try at all, one way or the other, the fact remains that he was responsible, directly responsible, for the great fiasco and it is clear no matter what explanations are given and this happens in any situation, it is the person responsible. If he succeeds he succeeds and he can be praised, if he fails he fails and there is no doubt whatsoever it is a failure. And therefore since we must not really rely on personalities on this occasion and however much one may like the individual there is always the position of Gibraltar as a whole that must be taken into consideration, I am wondering whether the Chief Minister should not give careful thought to carrying out a reshuffle which without saving face and without in any way injuring the pride of the Minister concerned, could in fact bring to the position an individual within the Government who could at least make an attempt to regain the confidence of the Unions. I put that thought in his mind, I am only trying to be constructive, I know that if I were in Government I would certainly do it, but it is up to him. The position is today that there has been a general strike in Gibraltar for the first time in the history of Gibraltar.

It has happened during the term of office of this Government, that this is something that we must all do our best to prevent from happening again; that we censure the government for the mismanagement and misjudgement, but at the same time I would now like to tell the Government that they can always count on the Opposition to do their utmost to bring about good industrial relations in Gibraltar consistent, of course, with a fair deal for the workers.

HON M K FEATHERSTONE:

I waited till the end of the speech without breaking in on the eloquence of the Hon Leader of the Opposition. Sir, I will put it if not in nursery school language in primary school so that he understands exactly what I said.

HON MAJOR R J PELIZA:

Mr Speaker, is this another speech?

MR SPEAKER:

We will listen and then I will decide.

HON M K FEATHERSTONE:

When I spoke of the inflation policy Sir, I referred to the price of butter and cheese. If the price of butter and cheese in Canada for example goes up by 5p the housewife here finds the cost in the shop 5p higher, she suggests to her husband she cannot make do; he asks for a wage increase, he gets this from perhaps the Admiralty, that money does not stay in Gibraltar, it passes through the hands of Gibraltar and finishes up in Canada. That is what I stated about the price of butter and cheese.

HON MAJOR R J PELIZA:

Mr Speaker could I be entitled to answer that because in fact he has started another debate?

MR SPEAKER:

No, he has given an explanation. Standing Order 46(8) says "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 and when so speaking must not introduce any new matter". The way I have understood the situation is that he feels he has been misquoted and he has given an explanation to what he said in the speech.

HON MAJOR R J PELIZA:

Mr Speaker, what I am going to say is that he was not misquoted. It is precisely that if the price of butter goes up somewhere else unless we can get the money here to meet the extra cost the worker will go without butter, this is why I sent him to school again.

HON CHIEF MINISTER:

I now move that this House adjourns until 10.30 tomorrow morning.

MR SPEAKER:

I now propose the question which is that this House does now adjourn till tomorrow morning Tuesday the 10th day of October at 10.30 in the morning.

HON MAJOR R J PELIZA:

Mr Speaker, I must again object to this consistent idea of adjourning till half past ten in the morning. It has been clear again from the number of people attending in the afternoons that they are being deprived of listening to debates as the one we have held here tonight which are of great public importance, I hope the Government agrees that they are of great public importance, otherwise we might as well not have a House of Assembly at all. It is incredible that the Chief Minister who is a labour member should deprive the working classes of Gibraltar from being able to come here to listen to debates that directly affect their lives. Equally we have seen the example today where a minister has admitted that he was unable to attend this morning's meeting because he had to go to work. He said it. Now it is exactly the same position as far as the Opposition is concerned. We have all got a lot of work to do in the morning. What can be wrong by having the meetings in the evening to enable people, after all we are part timers as the Minister for Housing quite rightly said. Why deprive the public first from allowing every member to attend the House, secondly, to be able to listen. I find this incomprehensible and I would like the Chief Minister to reflect very carefully if he insists in going on in the morning, well obviously we cannot stop him, he has got the majority and I suppose that he will use the whip and even the members who has to go to work tomorrow will vote in favour but I am sure that if he had a free vote he would not, but if he does he will be acting not only contrary to the wishes of the Opposition but even I am sure even contrary to the interests of good government of Gibraltar and even to members of his own Government. I don't understand this mulish attitude, mulish stubbornness, I do not understand it.

MR SPEAKER:

I don't think we must use the word mulish in the House of Assembly.

HON MAJOR R J PELIZA:

I will withdraw Mr Speaker, I meant stubbornness but I certainly would not like to associate the Chief Minister with a mule, that is the last thing I would like to do. But I cannot understand this attitude and I hope that if the Chief Minister finds that he has got to go on tomorrow morning because he wants to that he will consult his pillow tonight and see what great damage he is going to democracy in Gibraltar by not allowing people to attend these meetings. They are important elucidating meetings and I think everybody in Gibraltar should have an opportunity to come. I therefore object and I would suggest to the Chief Minister and we would all be in agreement that perhaps he could adjourn to sometime tomorrow afternoon.

HON CHIEF MINISTER:

Mr Speaker, I am sorry but every time we have an adjournment we are going to have this. We have sat today 7 hours and 45 minutes, 7 hours and 45 minutes. If we had started at six o'clock we would have finished at two o'clock in the morning. There would have been time for people to listen as there was today but not as from experience last night after 8 or 9 or 10 particularly if there is a good football match on television. We have to get on with the business.

It seems to us that we are condemned anyhow to be here eight hours a day so it might as well be eight reasonable hours and not expect people to be back after being here till two o'clock in the morning. I am prepared as I said in answer to a question, at a later stage when I see how the business of the House is done to put it over sessions of 2 or 4 days a week, I will have to think about it, but session that last five or six days or three or four days at eight hours a day, to start at six o'clock is to prolong them unduly and I am afraid that I must stick to my motion.

Mr Speaker then put the question and on a division being taken the following members voted in favour;

The Hon Sir Joshua Hassan  
 The Hon A W Serfaty  
 The Hon M K Featherstone  
 The Hon A J Canepa  
 The Hon AP Montegriffo  
 The Hon I Abecasis  
 The Hon Lt Col J L Hoare  
 The Hon H J Zammitt  
 The Hon J K Havers  
 The Hon A Mackay

The following members voted against:

The Hon Major R J Peliza  
 The Hon M Xiberras  
 The Hon P J Isola  
 The Hon W M Isola  
 The Hon J Bossano  
 The Hon J Caruana  
 The Hon L Devincenzi

The motion was accordingly carried.

The House adjourned until Tuesday 10th October at 10.30 a.m.

TUESDAY 10TH OCTOBER 1972

The House resumed at 10.30 a.m.

MR SPEAKER:

We are still on the censure debate and there are still several Hon Members who have got the right of audience.

HON A W SERFATY:

Mr Speaker last night the last speaker, the Hon the Leader of the Opposition, made certain remarks about the future economy of Gibraltar, the dockyard versus tourism which I believe should not go unchallenged. I am not going to speak for a very long time, I know we have a big agenda in front of us, but I must bring to the notice of the House certain factors which I have been able to collect since yesterday evening, and the first one is the PA Report. I would like to read the very top paragraph of the summary of recommendations of the PA Report . "There are two principle sectors of the Gibraltar economy . . "

MR SPEAKER:

I would like to ask whether the P A Report has now been made available. It is a rule of practise that one should not quote from documents which are not available to the Opposition unless this particular part of the PA Report, of course, has been released.

HON A W SERFATY:

Yes Mr Speaker, this part has been made available in the last administration. "There are two principle sectors of the Gibraltar economy, military expenditure and tourism, At present expenditure by the Services and in the dockyard is more important to Gibraltar than expenditure by tourism. However, the level of military expenditure is largely outside the control of the Gibraltar Government, while the income from tourism can be influenced considerably by the Government and the people of Gibraltar. Also, expenditure by British defence departments is unlikely to increase during the five next years." I would also like to refer to an answer in the House of Lords on the 6 June when the Minister of State for the Foreign and Commonwealth Office Baroness Tweedsmuir admitted in the House that the cost of refitting a frigate in the Gibraltar Dockyard would not be any cheaper than in a UK Dockyard. I would go further than that and that is because I have seen certain statistics and graphs which we have been shown and the Hon Leader of the Opposition has also seen that the cost of refitting a frigate in Gibraltar is perhaps higher than in the United Kingdom, nevertheless we are not saying that we should close the dockyard, on the contrary we are tired of saying that let us hope that the dockyard can remain operational for many, many years to come. What we are saying is that looking towards the future we should create an additional sector of the economy and enlarge what we now have of tourism in Gibraltar. This is what we are trying to say that we should have two economies the dockyard on one side and tourism on the other and both would complement a very satisfactory economy for Gibraltar. But of course for this we must do something about it, the last administration did very little, if anything, in trying to increase the size of the tourist infrastructure, Mr Bossano seems to be very surprised but these two hotels which are coming up now were started in the administration previous to the last administration. It is very clear for everybody to see the Holiday Inns and the Parcar Hotel were started before the last administration. I do not care if Mr Caruana says it is nonsense, but it is a fact. Now as to the possibility of increasing with success the tourist side of the economy I have here for example what the minister, the then minister for tourism in the last administration Mr Isola said among other things: "I need not tell members that tourism in the modern world is an important industry and in the white paper of the British Government on hotel development incentives, paragraph 2 on page 3 it says the we want the growth in the number of overseas visitors to this country to continue since their spending here is an important invisible export". Having said all that I will not say very much more except that in 1971 according

to information from the Tourist Office and the Government Statistics Office of the last administration and this I think is putting it at a low figure, the tourist expenditure in Gibraltar was £2,500,000 and one thing that we must bear in mind is that in the tourist industry the multiplier effect of this expenditure is higher than in any other industry because the money turns over again and again. So having said all that I think that the Hon Leader of the Opposition was very rash last night to discard the possibility of the tourist industry here and equally rash in making Gibraltar depend exclusively on a dockyard economy.

HON MAJOR R J PELIZA:

Mr Speaker, on a point of clarification, if I may be allowed, I never discarded the tourist industry at all, in fact he knows perfectly well I did a lot for the two hotels that are going up today.

HON W M ISOLA:

Mr Speaker Sir, I would like to remind the Minister for Tourism that the motion which is standing before the House today is not a motion brought by me censuring the Minister for Tourism on his policies but a much more serious motion which is standing in the name of Mr Xiberras, concerning the strike. I will not involve myself in coming out into a red herring by remarks made by the Minister for Tourism but I would just like to remind the Minister for Tourism that when he talks about the dockyard economy we are not talking merely of the dockyard economy, we are talking about Service expenditure as a whole which includes wives and families etc., etc. Now having said this I do not wish to involve myself on a matter of the PA Report on what Baroness Tweedsmuir said regarding Her Majesty's dockyard which came out many months ago in the Gibraltar Chronicle as a result of a question by Lord Merrivale. But to go back to the motion which is standing in the name of Mr Xiberras a lot has been said by this side and a lot has also been said by the Minister for Labour on his prepared statement. I have never quite frankly heard a more impudent and arrogant statement in the short time that I have been a member of the House of Assembly. Going back to the motion, Mr Speaker there is one thing which has occurred to me during this debate and I remember this newspaper which has been widely quoted in the House which is known to everybody - the Gibraltar Evening Post - when we were in Government, it kept on saying that the working class in Gibraltar should have a fair wage; they should have this; they should have that etc. etc. remarks which I sympathised with. Now, it came to me quite as a surprise, I am not responsible for labour, my job is on this side of the House as shadow minister for Tourism, but quite frankly I could not believe it when some time in June or July the present Government who said so much in the Opposition benches such as that we in the Government had cheated the workers, the Gibraltar Post should come out with all these remarks about the labourers; that they should come out and say to the working class man: "We will give you one penny for one hour". Now that took me completely by surprise and I was completely and utterly shocked that that should come from a Government which is alleged to be a labour party. I wonder what would have happened to any Government in the United Kingdom if they had had the audacity of offering their workers a penny an hour more. So we had a general strike. Mr Speaker, this is the first time that there has ever been a general strike in Gibraltar. So what happens to all these people who through no fault of their own found themselves with their refuse not being collected, with this and that. Let us look at it from the other side for one moment. Now we have here the Minister for Information, surely some one in Government should have told the people in Gibraltar "Now, boys, you should do this about your rubbish, in hot summer you should do that". Nothing of the sort was heard

until about three or four days after the strike had been in motion that someone in the Public Works Department informed the public that they could I think either buy or get certain refuse bags, what time they could collect it, nothing was said about that at all, nothing. It is to me completely incomprehensible that the information service of the Government should not have given a lead to the members of the public as to what they should do. Practically no statements were made on the wireless or on the television. That in itself is an indictment on the Government on the mismanagement of the public side. The trade unions were organised, they knew what they had to do; they carried out their duties peacefully and quietly. I had great respect for the way in which they carried out the strike until extreme provocation and we must remember, Mr Speaker that this was the first time we had had a general strike in Gibraltar, unlike in England where they are quite used to this sort of thing but this was actually a general strike, a very serious matter for Gibraltar and in my humble submission this strike was brought about by the Government. To offer a man, a working class man, after all that they had been saying about the working class people, to come around, Sir, and to repeat myself at one penny for one hour 40p a week is to my mind Sir, an insult to any fair working class person. Having said this, Mr Speaker, and most of the points having been covered by my colleagues on this side of the House and knowing full well that this motion will be defeated as indeed it will be but still it is a good exercise in bringing to the public facts which before were unknown to them. Mr Speaker, I will support the motion.

HON LT COL J L HOARE:

Mr Speaker, it was not my intention to intervene in this debate at all but we have had so many speeches, such a lot of nonsense, such a lot of wisdom. This would almost seem like a circus, we have had our tragic moments, we have had our pathos, we have had clowns. But before I start on this Mr Speaker I would like to bring to your attention that yesterday the Hon Mr Caruana made a statement that I had sent one of my colleagues to get certain figures from across the way. This is not a fact. After I had given my statement and later when we were discussing the Estimates, the point arose, during debate, that although there had only been a token figure of £100,000 for a special item the total cost was £600,000 and the insinuation was that it would all appear in this year's accounts. I therefore felt it was only right to get the figure, the up-to-date figure, from the Quantity Surveyors and the Consulting Engineers concerned and bring it to this House the next morning. Now if I had sent my colleagues over, he was jolly slow to have taken right through the night, and I gave this as my opening remark the next morning. I should like to give before I proceed with the rest of my speech the opportunity to the Hon Mr Caruana to withdraw that statement unreservedly.

HON J CARUANA:

Mr Speaker, if the Hon Member had given way about a minute ago I would have withdrawn that. I got the issue confused, his friend on his right came on another matter, on the matter of roads and car parking with figures, and I was confused. I certainly withdraw. It was the Minister who brought this figure which elucidated the matter. However, Mr Speaker, I would like to clarify one point, since we are on a point of clarification with regard to the refuse destructor. At the time of the estimate in this House it was made very clear that it was £100,000 token vote for the refuse destructor, I also made it very clear at the time of the budget in April, rather in March, that the figure for the destructor was still under negotiation. . . . .

HON LT COL J L HOARE:

Mr Speaker, do I take it that the statement is withdrawn? Thank you very much. As I started off by saying Mr Speaker, we have had a lot of debate on this, some has been good some has been bad, some have been just putrid. ~~and~~ I was particularly struck by the mildness, the understanding of the Hon Mr Bossano and the Hon the Leader of the Opposition. This was in sharp contrast - the meat and the sandwich - if I can put it that way, with the interventions of the Hon and Learned Mr Isola who despite attempts by his colleagues to bring the thing on to a positive objective kept on beating with the big drum, that the offer was of 1p per hour and it left me wondering whether it was an indelicate reference to somebody's weakness with their bladder or what. I am not prepared to give way. Mr Speaker, I thought when this long debate - and we know why it has been brought, it isn't for informing the public, it isn't to have a post mortem, it is just to make political capital - I thought it too much to expect that sometime or other the Hon Leader of the Opposition would not bring up his favourite bone, now surely over putrid, the City Council deficit. Well, the Hon and Learned Mr Peter Isola quoted from the 1968 Financial Report, I am going to quote from the 1969 Financial Report presented by the Financial Secretary but produced by the Accountant General as I think the 1969 Report was, although it was perhaps unconsciously to the Financial Secretary. The Report is produced ... Sorry, I will not give way. I will make this clear, I am sure that he could have been referring to the presentation page and not the report itself. I will start off by quoting from both because the preamble to the 1969 Report contains almost in toto para 7 of the Report, and I will read it complete and I will not misrepresent facts by omission of other relevant facts. In other words I will not indulge in the practice of which we have been accused of by the other side of giving selective figures, yet they jolly well go and do the very same thing immediately. "Paragraph 7. The year's overall deficit was £308,476 while investments held in respect of surplus funds depreciated by £3531. Thus the reserves held at the start £1,048,143 ended the year at £743,198." Now the Opposition, the loyal Opposition, always state that when they came into power, there was £700,000 and that they had also to meet the deficit. This is a misrepresentation, Mr Speaker, because unless there was a great outflow of funds between April and July there would have been still roughly a £1,048,000 when they came into power, so that the City Council deficit was in fact, what in commercial language would be a bank overdraft and not a "deficit" in its true sense of the word which means a shortage and generally implies some defalcation. That the deficit, I will carry on using that word, was in fact paid out of funds which had already existed in the general reserves, left there by the outgoing administration or was it Mr Speaker, was this deficit provided from the IWBP Funds? I made a note: "We had to find the money to pay the deficit." Find the money! Who provided it? Was it the IWBP Fund or was it the dowry brought in that post haste marriage? Or perhaps, Mr Speaker: there really is a gold mine that we didn't know about. I am going to go on now from paragraph 7 to paragraph 34 of that same report and since now they have on the Opposition an Hon Member who has a very vast knowledge of accountancy and economics (for whom I have the greatest respect even though I have not the same enthusiasm for his political views) I still respect his knowledge, and I am particularly struck by his remark of passing on that knowledge, I hope he does so. It would be very salutary. We would then be saved the ridiculous position of somebody saying that they had put £300,000 into the I & F Fund plus a £100,000 for the destructor, plus some more details and then produced a total which was reminiscent of channel 10. I think perhaps it would be a good start for the Hon Member to instruct some of his colleagues that a credit is not a debit, that a payment is not a receipt and that income is not expenditure. Well the lesson hasn't obviously been learnt. If it has it has been very quickly forgotten. To resume paragraph 34, I now take the second paragraph of this which deals with the



incorporation of the City Council accounts: "The following account is written off (note, 'written off') in order to conform with the Government system of accounting". Operative words: "to conform with the Government system of accounting". On the liability side there are creditors, hire purchase and the general revenue account which then stood at £271,394 18s. 5d. On the assets side: Debtors £260,445. Now, when they say they wrote it off, they didn't write it off in the books; they didn't forego that money; they didn't forego that money, they recovered that money from the general public, and that money has in fact flowed in but nobody has stated - when they talk about this £308,000 deficit, nobody, nobody says: "Ah but there was in fact £260,000 to come in which would have reduced that, and there were materials and stores amounting to £88,079 which is also in commercial accounting, (and I am sure the Hon Mr Bossano agrees) are relevant factors and if you omit them, this is misrepresentation by omission. I was coming to this long playing record of the City Council deficit with the backing of the "Teesdale Group". This is a feature, Mr Speaker, but I am hoping that in the course of time Mr Speaker, that the people with the knowledge will pass it along the line so that they don't make such elementary and childish mistakes of confusing debits with credits. Having said that Mr Speaker, I would also ask the Hon Mr Bossano to try and inculcate into his colleagues the items such as Fixed Assets of which not a penny has been included in the account," to conform with the Government system of accounting. Such things as plant, such things as machinery, such things as stocks of fuel, water, thousands ~~among~~ other things. These are all assets but under the "government system of accounting," were not incorporated into the Government accounts. I very often liken this constant complaint about the deficit to the footpad who after meeting a very rich man in the alley, stabs him in the back and then complains bitterly because all his assets are in securities in the bank and not on his person. Perhaps - I do hope - that we should hear the last of this really putrid, putrid bone, that it is given decent burial, and left there. Perhaps, with the long playing record going and the backing chorus Teesdale, Teesdale, Teesdale. Defence spendings; a lot was made yesterday and this morning about Defence spending. Mr Speaker, nobody on this side has ever said that we are against Defence spending. What we have said, and will repeat, and will keep on repeating, that it is not sound economics to put all your eggs in one basket and perhaps ~~then~~ we shall have this theory, a proved theory passed down the line so that it is in fact accepted by the others. We want the Dockyard, we want the Services spending - call it whatever you like - we want money coming in from the UK, of course we do. Only a mug and I can assure you we are not mugs on this side, we may look it, we may appear to be, but we are not mugs. But we still think that there should be a second arrow in our quiver, we should have something else to help and eventually, eventually, I think everybody would be pleased if the greater expansion of the tourist industry, in fact produced more money than Defence spending, defence spending at its present level. Nobody would be more pleased I think, that people on this side, and equally the people on that side, because it would be another infusion into the economy of Gibraltar. I was also very, very impressed by the Hon Leader of the Opposition saying the Unions would not be controlled by any member of the Opposition, yet in the very same breath and time after time he has said that the Unions were controlled by the Government of the GLP/AACR. Well, I am sure that is almost as rapidly changed; perhaps not surprising in this day of instant coffee, instant milk, instant tea, instant socialists, instant anglophiles, perhaps it is not surprising, it is one of those wonders of the world. But I was really, ~~yes~~ anglophiles, instant anglophiles, and I was also very impressed by the spontaneous cheer that went up when somebody mentioned Dickens and Oh, Scrooge, it gave me the impression that everybody in the public gallery had read all of Dickens' books and were fully conversant with them. Mind you, it wasn't half

would not

yes,

as loud as when a reference ~~is~~ <sup>Mrs</sup> made to Mr Sicuta, who I understand (I do not know who it is); well there you are, I don't look at Spanish television, so I wouldn't know) but it gives one the mentality, And finally Mr Speaker I must finish by expressing absolute surprise (I won't finish I must tell one more story) I was most impressed, most touched by the story the Hon Leader of the Opposition told us about the poor old lady who had demonstrated about this and then and then went off in a taxi assuming (and this is so typical of the man, making these assumptions) that the woman, this dear old lady, was in fact demonstrating against the car tax. She may have been demonstrating against increased television licences, or the increase in dog licences or the increases in tobacco. Why had it to be the car tax? It is these sort of assumptions which become facts and then become obsessions that I for one on this side cannot understand. These assumptions, I was going to say he had a penchant (and that for the benefit of some members is spelt penchant) I say this because we don't want another of those long bandying of words like mariner and marina; because I was told most vehemently a couple of days before that the word viement as if it was some sudden new word coined, was viement. I am sorry it isn't, it is a technique which has been practiced in accounting circles from time immemorial very nearly, it is not something newly discovered, it may have been newly discovered recently by an individual who I understand now is becoming a nympholeptic of accountancy whereas before he was that same thing on statistics. I was most surprised that of all people the Hon Leader of the Opposition should be talking about fiascos and failures. Has he already forgotten the 23 June? Thank you.

HON H J ZAMMITT:

Mr Speaker, Sir, as a newcomer to this Hon House may I readily say what I considered in the words of the mover of the motion for having chirruped away the two hours and said nothing at all in support of the motion. Had it not been substantiated later by his colleagues it would have been an utter waste of time and I say that Sir, in all seriousness, because he did say this was a serious matter because some honourable members on my side of the House grinned, smiled at his remarks, I am glad that he considers it serious because if he will recall when the Opposition came to the Chief Minister's Office one of his own members asked for music, so we were taking it much more serious than what they thought. Secondly Sir, secondly, I found the Hon Mr William Isola with whom may I say I agree when he refers to the audacity of offering a penny per hour to the worker. In fact Sir, we all agreed it was audacity but they must not forget that that was left there by them and passed over on the 27 June by the JIC under their instructions, not this side of the House. It may be nonsense now, but it was not nonsense on the 27 June. Now Sir, the motion is one of mishandling and having heard the Hon Mr Xiberras reading a rather lengthy statement which went on for nearly two hours in which he was quoting, he certainly had papers in his hand it may not have been a statement, he was certainly reading from it, he referred to the Chief Minister I think five times as the Leader of the Opposition and he ended by saying that we should have done more to avert the strike. Let me remind the Hon Members opposite that we were aware of the strike during the elections after the elections and all the way along and we could have done nothing to avert it. Possibly he could have done more when he went on television to have asked for a certain amount of restraint and not add more charcoal to an already overheated furnace. What we should have done or what we could have done would equally have been criticised now. Equally criticised, for Sir, Sir Joshua is accused of not having appeared on television on the Monday or Tuesday. If Sir Joshua would have appeared today the allegation would have been one of utter provocation to the workers. Would his word have been taken, and the answer is no, because the Honourable Leader of the Opposition even refutes the figures expressed by the Hon the Financial and Development Secretary. What would they

have said if the Chief Minister would have said them. So Sir, it is purely a case of heads you win, tails we lose. Sorry, the other way round. I do apologise gentlemen, Mr Speaker, however I think it is known exactly what was meant by that. Now, what I have noticed since I have been in this House is the melodramatics that go on. I think it is highly commendable considering that only last night you had to refer and explain the situation regarding the gallery. What would have occurred if we have had the House of Assembly when they wanted it considering now that seven weeks have passed and there is a certain amount, a certain amount of tranquillity, what would have occurred? Would this have been a meeting or would we have had possibly an increased invasion of . . . what we had last night.

MR SPEAKER:

Order, order, I will say this once again. There are certain gentlemen in the gallery who seem to think that they are entitled to interfere in the proceedings of this House. I have got the power, as I said last night, to clear the gallery completely or to ask certain individuals not to be allowed to come into this House I have said it last night once and if I get one more interruption from the gallery in any manner or form, and now for the benefit of members I would also like to say that under Standing Order 46 (11) no members shall be interrupted at all except on a point of order and this question of barracking is completely and utterly against Parliamentary practice and is another matter which I will not tolerate. Will you please continue with the speech.

HON P J ISOLA:

May I ask whether it is in order for a member to make a suggestion that the Speaker might have not been able to maintain order in the House.

MR SPEAKER:

I have not taken the remarks of the Hon Minister to mean that. If I had taken them to mean that I would most certainly have called him to order. He has exclusively referred to the possible consequences to calling a meeting. Whether disturbances would have been allowed or not or whether anyone could have coped with the situation is not the point at issue at this moment.

HON H J ZAMMITT:

Mr Speaker Sir, thank you very much. That is exactly what I meant and I will be very brief and I think I will close now after having heard the Hon Leader of the Opposition last night saying or should I say how much I wish he would have been here during the strike and done what he assured last night that it was the joint responsibility of this House for the betterment of Gibraltar and have possibly pacified the certain amount of anger and bitterness that was so displayed and finally Sir, whatever we say on this side of the House and I understand I am the last Speaker will not in any way change the attitude of the Opposition, it is not intended to do that. No doubt in the eyes of the Opposition we mishandled and we did all the things that they think we ought not to have done. And I would like to end Sir by saying that very famous phrase "honi soit qui mal il y pense". Thank you Sir.

MR SPEAKER:

All Hon Members who have the right, except the Hon the Attorney General, whom I presume does not wish to contribute to the debate, have had the right of audience and I will now call upon the mover the Hon Mr Xiberras to reply.

HON M XIBERRAS:

Mr Speaker, I would have also having heard the Hon Mr Bossano speak like to congratulate him on his performance. Those of us who have known the Hon as he is now, Joe Bossano over a period of years and as a founder member of the Integration with Britain Party those of us who know of his intelligence his industry and his politics cannot but approve, but the great test has come for him in speaking to the House and I think that bearing in mind the very energetic task that has been his in the course of this debate of being the Opposition spokesman on the figures which played a vital part in the presentation of the Opposition's case, I should not but agree that the Chief Minister had to say about him earlier on. I am sure that the Hon Joe Bossano will first of all remain an Hon Member of this House for many years to come and that his contribution to this House and to Gibraltar will be a signal one and one which I am sure he would like me to say will be dedicated first and foremost to the working people of Gibraltar. I would also like to congratulate the Honourable Members opposite who have made their maiden speeches. I would like first of all to congratulate the Hon the Minister for Labour and Social Security of whose intelligence and integrity - I have a high regard. I feel that perhaps the heat of this debate was not particularly well suited as an occasion for his maiden speech but I am sure that he will find in the House the necessary understanding of the strains and pressures under which a minister has to operate. Of the Hon Mr Zammit, Minister for Information, I know also that he is a man who despite our disagreements about his politics will try to put things in a straight forward manner and not beat about the bush. Again he has not been in the sort of situation where he can best make his contribution to the House.. But I am sure that a contribution in one way or another to the affairs of Gibraltar he will make and therefore, Sir, having said this may I try rather more briefly than before and I assure the House that I am no more making use of a split now than I was doing before, may I try to go back over the debate the salient points of it and try to see if we can find out what has been the main stay of opposition's argument and what has been the mainstay of the Government's argument in replying. Sir, I would say that the Opposition has accused the Government of a serious error of judgement and I use the phrase used by the Chief Minister in not producing an offer better than 40 pence before the situation gets out of hand. Much of what the Government has had to say has been directed to showing that either the previous administration was responsible for the 40 pence offer or that it was the Union that because of misunderstanding because of other motives failed to appreciate that the door was open to further negotiations when it is our claim and the Union's I would imagine, in fact in practice and really it was not. Let me say clearly before this House that the elected members on the Government side had nothing at all to do with the 40 pence offer that lay on the table when the new Government took over. Members on this side urged that negotiations, meaningful negotiations should be conducted even despite the elections. Let me also say before the House that this in no way exonerates the failure of the Hon the Minister for Labour and the Hon and Learned the Chief Minister particularly to produce an offer despite of the to-ing and fro-ing between the executive and the general meeting between the executive and JIC, between the Union executive and the Chief Minister, between the Union Executive and the Minister for Labour over a considerable period of time. There has been inaccuracies in the statement of the Chief Minister which I think I should correct and the most serious shifts

in emphasis away from the meaningful truth has been the Chief Minister's statement that the only notification of the strike which the Government received was a letter from the Union to the City Electrical Engineer. I have it from an unimpeachable source that on the 20 August 1972 after the meeting at the Queen's Cinema a meeting to which the whole of Gibraltar was looking and which the whole of Gibraltar was awaiting for the results, members of the Executive personally delivered to the Chairman of the JIC at his residence notification of the decisions of the meeting including the strike action proposed. If the Hon and Learned the Chief Minister was unaware that the Chairman of the JIC had been informed by the Union then it is his fault or he can blame the Chairman of the JIC. I am glad to hear that the Hon and Learned the Chief Minister is going to find out but I repeat that the source is unimpeachable. Not only this the Union also informed apart from the City Electrical Engineer and the Chairman of the JIC the Officer Commanding Dockyard Generating Station. Therefore, Sir, one of the pillars of the Government's argument that somehow things did not get across to the Union despite their efforts crumbles. Can the Government say that the Union did not give enough time or that somebody for example the Opposition was seeking a confrontation. Well, I have a long list of dates here which I am going to go through and Hon Members opposite will excuse me if I refer rather more than usual to these copious notes. 27th of June.....

MR SPEAKER:

I would like to say that Hon Members of the Government have no right to complain. If you wish to refer to notes you can ask me and I will most willingly give you the necessary authority to do so, but the only time you have to ask for authority is when you are going to read a speech. You are completely and utterly entitled to refer to as many notes as you wish to do so.

HON M XIBERRAS:

Sir, I thank you for that advice. On the 27th of June 1972 the initial offer was made of 40 pence. 27th of June 1972. 7th of July 1972 the Union stressed that the offer of 40 pence was not enough. Government representatives confirmed that there was nothing he could add from the Gibraltar Government side. 10th of July 1972 Union informed JIC that their members on the 8th of July rejected the 40 pence offer as being totally unacceptable. Union requested that negotiations should be continued in the United Kingdom as the official had no powers to go beyond that offer. The Trade Union further stressed at this meeting that the negotiations were deadlocked and the Union would have to consider direct action unless there was any movement. The Union was faced with a 40 pence offer and no movement, there was no movement particularly from the Gibraltar Government. At this meeting the official side asked the Trade Union how far apart the two sides were, the Trade Union side without prejudice said that nothing less than £14 one four, £14 would meet the aspirations of their members for the basic labourer's wage. At the same meeting the Union said they were trying to show good faith and rather than have a confrontation wanted to continue negotiations but industrial action would be considered if no further offer was made, this was on the 10 July 1972. 14 July 1972: the official side rejected the Trade Union claim for a further offer and left the 40p offer open. The Trade Union side warned the official employers of the seriousness of the situation and repeated once again how tolerant they were being as a Union and again repeated that £14 would be a basic wage that they would be prepared to take back to their members. The Official side, however, ignored this and choose to leave their offer of 40p open.

The Trade Union Side then stated that they would approach the Gibraltar Government at ministerial level to inform the Government of the serious situation, this was on the 14th of July. On the 15th of July, that is the next day, after the meeting the Union conveyed the importance and the authenticity of the Trade Union's case and its view to the Minister for Labour as the Chief Minister had passed them on to the Minister for Labour. This was the 15th of July. The Minister at this meeting accepted, I understand that he was more aware of the Trade Union's case and he would take the matter back to his colleagues in Government. 20th July 1972; Trade Union side delivered a statement to the employers in JIC in further support of their case for what they called a decent basic wage at the same time conveys the Minister of Labour's point of view to the employers, 9th August 1972; some 20 days later after the official side calls the Trade Union side to a meeting rejecting the Trade Union's statement and maintaining the 40p, the Trade Union side informed the Official Side that they had no alternative but to go back to their members 9th August 1972 that was, I don't know why it took 20 days, all of 20 days to hold a meeting at that particular stage but 20 days it took, 12 August: another meeting, chairman of JIC and three official side members were not present. Trade Union side informed the Official side that their members had on the 7th August reaffirmed the rejection of the 40p offer and that the members wanted an offer in the region of £14 and the Trade Union side made it quite clear to the Official side that they had called this JIC meeting against the mood of the membership and that I think press reports will bear out, and had influenced their members to one more JIC meeting so as not to be accused of political motive if strike action was taken. The Trade Union repeated again that they could not continue to be so restrained and that the Union was committed to strike action if no improved action was forthcoming and again the Union repeated that they did not want a confrontation. 16 August 1972: Official Side rejects once again the Trade Union side claim and hands over a statement implying lack of funds, a statement which was discussed in this House before now, and rejects the Trade Union claim on merits and on financial grounds. 20 August 1972: the meeting at the Queen's Cinema, the letter delivered to the Chairman of JIC of which the Hon Chief Minister apparently knows nothing about and information of impending action given to the City Electrical Engineer and the officer in charge of the Dockyard Generating Station. Now those are the events as I say from an authoritative source. That side of the picture has not been presented by the Government, there have been no explanations in fact there has been quite the opposite, I believe the Hon the Minister for Labour was attempting to make the point that the Unions did not understand what was being put to them. The Honourable and Learned Chief Minister made the point that the Union did not understand, it was not getting across to them, that the door was open to further

negotiations. Now, I don't know whether members of the Union Executive are unable to understand these things, I don't know whether Mr John Cousins was unable to understand what was being said but I believe, I understand, that Mr John Cousins thought that it would be very difficult to move from 40p himself and therefore I fail to see any indication that in the early part of this dispute the Government had any kind of intention of moving on the 40p offer and if they had when the offer came, it was too late to avoid the very difficult situation with which Gibraltar was faced. Sir, I would like to stress therefore that the Union wanted to negotiate on the basis of £3 they were not demanding £3 they said they were prepared to negotiate on the basis of £3, it was the Hon Mr Bossano, my friend on this side, who made the point very, very clearly as I believe I did in presenting the motion. It was not a £3 or nothing, it was let's negotiate on the basis of £3 and between £3 and 40p there is a very wide difference, as my Hon and Learned Friend Mr Peter Isola said the final settlement was closer in fact to the £3 than it was to the 40p, and this is not surprising in view of the fact that even the Hon the Minister for Education agreed that 40p was a ridiculous offer but he made an accusation which I hope the House will accept I have now refuted entirely that it was the previous administration

that was responsible for the offer of 40p. I believe the offer of 40p was probably, and I am conjecturing, put forward in order to keep the negotiations going whilst the change in Government, or at least the elections was taking place, but I repeat that it stood there for a very, very long time and not until there was a general strike did Hon Members opposite who are now laughing did they think they could up it. Sir, the other basic point apart from the mechanics, what happened and the dates, is the attitude of the Government to the strike or to the claim. There can be absolutely no question that the attitude of the Government was one of not giving the union any loophole at all through which to be able to draw out something which might be acceptable to the membership, it was an intransigent attitude from the start. The Honourable and Learned the Chief Minister went to some lengths to try to explain that the door was kept open but that was simply lip service because in the Gibraltar Chronicle report of Saturday August 19th of his Press Conference, he said: "The position is spelt out in more details in the statement of the financial position which I am applying, our estimates mean that there is no sum readily available for meeting increases in wages and salaries. Any such increases which may be made must be at the expense of some adjustment for example savings in other expenditure (something which he was not prepared to admit so readily new) or increased taxation (something which he has not agreed to yet) or both if deficit financing with all its dangers is to be averted." Now, the only offer at the table at that point was 40p and that statement could only refer to the 40p and I could go through the whole of the report and that is the impression that the Union and the workers had that even with the offer of 40p there was going to be a deficit unless something very clever was done by the present Government. The point was also made, perhaps I can find it, in the Hon and Learned Chief Minister's television address, to which I might return immediately: "The budget for 1972/73 provided for a surplus of revenue over expenditure of £190,000 the figures for both revenue and expenditure have been revised at the end of the first three months of the financial year i.e. at the end of June, three days after

taking office. There was a further revision one day after the JIC Chairman made his statement to the Unions apparently. These disclosed increased expenditure of £290,000 and increased revenue of £38,000 the effect of which is to convert the anticipated surplus of £190,000 at the time of the budget into an estimated deficit of £62,000. There is therefore no sum readily available for meeting increases in wages and salaries", I quote, "there is no sum readily available for meeting increases, not further increases or extraordinary increases, but increases in wages and salaries, and that is obviously a prepared and careful statement because it is word for word what the Chronicle reported on August 19th"; any such increases which may be made", it goes on, "must be at the expense of some adjustment, for example savings in other expenditure or increased taxation or both if deficit financing with all its dangers is to be averted, the dangers so on of inflation and so on". Fortunately this was some time later and the House will notice that whereas there is a complete quote by the Chronicle of the prepared statement of the Chief Minister, there is no inclusion there of the £330,000 which in his television address the Hon and Learned the Chief Minister saw fit at that stage to mention. "The dangers, of course, are those of inflation which could be particularly damaging in Gibraltar and wage inflation in the public sector is bound to have repercussions in the private sector, fortunately as I said at my press Conference on Friday (I don't see it in the Report) the general revenue balance at the end of the year 1971/72 is about £330,000 better than anticipated". So presumably after he found out that this sum of money was there then he would be prepared to accept 40p as not creating a deficit. Sir, there can be no argument at all about this, the attitude of the Government and it is attitudes which are important as the Hon and Learned Chief Minister has often said in this House when he preaches, about humanity and judgement and good government and a nice touch about things. Well, attitudes also are important in settling a strike, and there could have been no worse attitude than the actions of the AACR against the TGWU before the election, and I am sure that that did not help to improve matters but on the other hand in other years the other side has often said that

because of their special relationship with the Union they would be able to settle things and no doubt they did and no doubt the Hon and Learned the Chief Minister got a name in other circles for being able to settle these matters when he controlled the Union. But it did not serve the Government to have had such a squabble with the Unions, I should say a serious fight with the Union just before the elections. Now this was not something of which the Honourable and Learned the Chief Minister could accuse the Opposition because everybody knows that this was a movement from within the Union, a grass roots movement which had nothing to do with the Opposition the only thing which the Opposition did was to deliver the goods in Government to the extent that people, a number of people, not enough people perhaps, saw that there was another party in Gibraltar that was capable of doing at least something for the working classes, Sir, the attitude was negative and it was dangerous. Sir, the Hon Mr Montegriffo who delivers his speeches and then leaves the Chamber and I am full of understanding for that because he has spent a long time in this House longer than I have and perhaps I have no right to criticise him for this, but I do have a right to criticise him for what he says. I have no doubt at all in my mind that "they have cheated the workers" had the purpose of inflaming public opinion against the Government. I have no doubt at all that this is the way it was used in the Gibraltar Evening Post. I have no doubt that the Hon Minister for Labour's cri de coeur and I better not go into French because he made a dreadful mistake about the last word coup which I used but his great shout about "and you are cheating them now" and "he is cheating them now". Well, I am not going much cheating now, but I think that these statements are aimed at arousing public opinion against this Party on this side of the House and he need not pretend otherwise he need not pretend otherwise, that it happened to be made in the course of the strike. Well, that is neither here nor there of course that a member of the Opposition should stand up in the House and say they had cheated the workers in the course of the strike that makes no odds at all, that is not inflammatory, that is not inciting that, of course, is nothing. After all, it only receives a couple of inches in the Gibraltar Evening Post the very same day as I recall. I have no doubt that the Hon Mr Featherstone has a good contribution to make to this particular part of the discussion, he being responsible for the Gibraltar Evening Post but Sir, the Hon Minister for Medical and Health Services did not make much of a contribution he insinuated that it was the ex-resident officer of the Transport and General Workers Union who fixed this last strike in 1970. What a pity that we have a dud now this time round and he was unable to fix this one. What a great pity. Perhaps the ex-Resident Officer might be co-opted to the Government to advise on such a thing as strikes as an ex-Hon Friend from this side of the House has been co-opted for other purposes. Sir, the Hon Mr Montegriffo I have a few notes here, said that there were veiled threats in what I had said about the productivity agreement. What I said is quite clear that I am not elected here to allow the Government to throw productivity over the side I will fight them, of course I will. That is what I am here for, and I say I would fight

them outside, but the Honourable and Learned the Chief Minister did a lot of talking outside at the time of the strike and I believe in his office, but he did very little talking inside the House. He did not have a meeting then. So Sir, it is not a threat, it is not a threat, and I think the Government should not be too touchy about what the people on this side of the House have to say, we are not issuing threats we are just telling you that if we disagree with you we are going to make it known in motions such as this and no amount of trying to curtail or people not answering questions, their having meetings in the evenings and no amount of this sort of tactics is going to deter the opposition one bit. The Opposition is going to carry on talking however long you say that the Hon Mr Xiberras spoke. It is going to do its job and it is going to make sure that public opinion gets the points that are being made because this is what we are here for. That the Hon and Learned the Chief Minister is not going to waste the time of his Government, I believe the Hon Minister for Labour and



Social Security is in agreement with, then he should have the meetings in the evenings, in the evenings. Well, it means cutting into extra time of course but you can see from the House that the Hon the Chief Minister has not a point in the least to make when he says that we should resume at 10.30. Hon Members saw the House last night, Hon Members no doubt if they are awake can see the House today, this morning and there are many more people there but, of course, perhaps the method which the Hon the Chief Minister prefers to open debate is another and of course perhaps we shall have to make stronger representations about this in due course because it is a very fundamental issue not the main issue Mr Speaker in this debate, I agree, but it is an issue of the most fundamental importance to the dignity of this House and to the place which this House should enjoy in the community as a whole. I believe and I have said this on television, that television is not where Government should take place, that the newspapers is not where Government should take place, it should take place in the House of Assembly, and I believe that having meetings at 10.30 in the morning is not conducive to making the House of Assembly the focal point of the political and social life of the community. Sir, the Hon Mr Montegriffo therefore need not fear threats. What we are saying is that we will not let you the Government off the hook. We will not allow you to set the clock back. We will not allow you to turn towards one sector of the community in the name of the community as a whole that we would not like the whole of three years of bringing about some important changes in Gibraltar go to waste and we shall not allow you in the sense that we shall dispute every inch of the way with you. Sir, the Hon Mr Featherstone to whom I have alluded already has left me very little to say, economics is a dismal science, statistics he doesn't like, teachers he doesn't like in the House of Assembly either, and frankly there is very little which Mr Featherstone likes that is important enough for me to speak on. He said that we funk'd the pay review, he says that we funk'd the pay review. Well, I might tie this in with something the Honourable the Minister for Labour said. Not only did we not funk the pay review we said we would have a pay review this year some one and a half years ago. In the meantime perhaps the Hon the Minister for Labour should take note, we have increased, I am not talking about overtime, women at work, young persons' earnings having gone up, any of that, but still on the basic in giving the formula, 34% for the labourer some 37% for the tradesmen. Or let us put it in pence then I do not know how much it would work out and I have recourse to my Hon Friend Mr Bossano quite unashamedly we believe in sharing the work in this and his talents in this direction are much greater than mine but how much the 18% amounted to in June 1970 then we had 70 pence then we had 85 pence then we had a 50 pence of the last COLA award and then we had a general review this year and then we have productivity all within the normal lifespan of the last Government. Such was the programme, such was the programme which bears no comparison with even the 27% which the Hon the Minister for Labour quoted and 27% against the context of wage freezes with the Hon the Chief Minister saying "we must tighten our belts". Against many years of wage freeze, against that, 27% is not very much. It is the same philosophy which inspired the AACR communique during the strike, "We cannot pay cost of living formula and have a biennial review. No Government can do that." I hope this philosophy is not taken to the extent that we have a wage freeze in say two years time, a wage freeze, 10 years of plenty and then another 20 years of leanness and then 27% at the end of that long period because that is how the depressed industrial workers were treated with the first Marsh, the very first Marsh Report. And I also hope, still on the point, that the Hon the Minister for Labour is not so discouraged as to say that he has now honoured his commitments to pay the lower paid workers a big increase and to leave it at that. I think it was the point made by the Union all along that they wanted to raise possibly for tactical reasons, they wanted to raise the lower paid

workers and this was the emphasis of the Union, as much, no doubt, as the Minister for Labour, but I hope that the philosophy of the First Marsh Report is not applied to current negotiations and that is that pursuant on the policy of the AACR to give more to the industrial workers than to the non industrials, that the non industrials are going to get less than the industrials have got at this review. I hope in fact that a settlement not less than that of the industrials is concluded, and I also hope that the productivity agreement comes in quickly and that in this way the industrials will receive a considerable bonus. This is no doubt, was no doubt the policy of the Government before, Hon Members on the other side forgot this, and I hope this is the policy of the Government today. We shall watch this one very carefully. As regards representing that the process has gone far enough, I think that in the circumstances the statement was quite justified, particularly bearing in mind that productivity agreement is going to yield a considerable amount, or was, in the life time of the last Government, a considerable amount. There are productivity agreements already in Government departments and the workers there I am sure are very satisfied with those agreements and I urge the Hon the Minister for Labour not to interfere with this particular policy because it is one that is both sensible, equitable and it is going to, no doubt, convince the Union or all Unions that the statements made by the Hon Mr Montegriffo in this House that perhaps we were getting the workers used to salaries or wages we might not be able to afford, that is in Hansard, perhaps that sort of statement and the attitude of the Chief Minister at the time of the strike, perhaps those kinds of blots on record of the Government might slowly be erased. I am sure that the Hon Mr Montegriffo would in his wiser political mood, disown this particular statement that he made. I do not see how he could make it and sit on the same bench as the Hon Minister for Labour or the other way round. But he did say before the House that we were getting workers used to wages which we might not be able to afford, he said it right here. Now, I hope this is not the policy of the Government because as my Hon and Gallant Friend the Leader of the Opposition has said this is not just a question of doing justice to the workers, this is also a question of Gibraltar. And I think my Hon and Gallant Friend put it very very well when he said that both sides of industry, Management and Unions were in the same boat as far as Gibraltar is concerned and for as long as Defence spending continues to be the mainstay, the 60% or 70% something like that, of our economy. I think it is generally considered by certain managements in Gibraltar, that it is much better to quarrel with labour than to see where the next penny is coming from. I think this is an attitude which is prevalent among a particular sector of the trading community, I believe it is rampant in the Chamber of Commerce and I believe Mr Stagnetto epitomises this, but it is quite a wrong philosophy as Hon Members will no doubt on reflection realise. I am not advocating that traders should go on strike in order to raise wages but there is a common interest, there is an affinity of interest and there has been historically in Gibraltar for many, many years between the trading community and the workers who served the forces here in Gibraltar. The economic interest have been very, very similar for a very long time. Is it not the people who settled here or did not the people who settled here many years ago and the House will allow me to indulge in a story after hearing the Hon Col Hoare. Was it not the workers of Gibraltar, Genoese or whatever they might have been who brought their provisions, their food all their daily needs from the local traders who slowly but surely created the nucleus of the trading community. Of course some in the trading community have got a bit too important, they feel that their interest can be maintained otherwise than by the common effort of Gibraltar. There is also, of late, a split in interest, a difference of interest, and that is the interest of those who are going to live primarily from tourism and the interest of those who are going to live - I mean in the broad sense not just the workers - from defence spending and I warn the House that this gap is widening and that the Government in their Opposition days has done much to widen this

gap, and perhaps more than all the class struggle which they attribute to the Opposition. There are a number of traders of one description or another who feel that their interests are not served immediately by increases in the wages of shop assistants, despite the fact that increased income from the Dockyard is going eventually to help their businesses. It depends what you sell, it depends very much what you sell, it depends who you sell to and it depends how far you are willing to go in order to sell. This brings me Sir, to the so called lie mentioned by the Chief Minister. The so called lie the Hon the Chief Minister's always gives a lie when he is in a fix. He says its a lie but its not an argument Sir. An accusation of a

lie is not an argument, and the international implications of what happened during the strike have not been touched upon by this side of the House, but the House will remember that the strike took place not so long before the talks and the House will remember that all along it has been the point of this side that it is essential for Gibraltar's survival to increase Defence spending and to have support and sustenance by way of wages, increased wages, from the UK departments all along, I wonder what would have happened if just before the talks a state of emergency had in fact been declared and let us have no pious expressions of hope, let us have more "By Gods I am right", let us see whether in fact, the Government did act correctly and this is the purpose of debate it is not a waste of time, because however few people are here in the House today, we do have newspapers, we do have television and something of what is said in the House will get across. We have a bit more we have an editor and a number of contributors in the House here, and this point needs to be made because as soon as Hon Members forget or ignore the House then they are open to other sort of attack, now that is something which the House should always remember that is the place where each man, one man speaks at a time almost invariably and if they don't of course the speaker calls us to order, but in the street the sort of statements produced by the Chief Minister during the strike which did not bear examination at all later in the House can be made, and I am not saying that the IWBP has not produced statements which cannot be questioned in the House either, but let us make it a habit, and let us not get all fed up when we discuss these things in the House because this is the place to discuss them and it is not a waste of time and that many people have in fact paid dearly for the price of attending a House of Assembly or even standing up and having a meeting, so lets keep it that way and let us get more people involved in real participation not patronising participation. Sir, the Hon Mr Featherstone made a statement which he withdrew about the Board of Management being blackmailed. I am glad that he withdrew that because no doubt he will have the opportunity to say that later on, I hope that he does not because it is not the intention of the Opposition to approach it in that particular manner, but if he does of course he will receive the full story. Sir, I would like to say something about the intervention of the Financial and Development Secretary which I feel I must. The Hon the Financial and Development Secretary thanked me for keeping him away from politics in the first part of the debate. I believe that his statement was no doubt intended to be apolitical, but, I am sure that set in the context of a motion in which he was not going to vote, it is difficult to distinguish his statement from the rest of the Government, I am sure that there were other expedients open to the Hon the Chief Minister, I am positive that there were, so that the Hon the Financial Secretary could have made his point such as it was and at the same time kept him away from the debate. It is something that the Chief Minister has indulged in before notably during the Teesdale debate. During the Teesdale debate his reliance on what officials had done or not done was notorious. On this occasion I feel that the Chief Minister should not have allowed the Hon the Financial and Development Secretary to get involved in this particular subject, there were ample opportunities which the Hon the Financial and Development Secretary availed himself of to state the case from a financial position and I remember saying in answer to the Hon the Financial and Development Secretary earlier on in the proceedings not on this motion, I remember saying that,

we would try to keep him away from the political debate and that the decision before the House was, I remember it clearly now, it was in relation to the Improvement and Development Fund, the decision to put £200,000 extra into the Improvement and Development Fund was a political decision. Hon Members remember me saying that. And I am sure it still remains a political decision and apart from the financial implications of this dispute, apart from the link between the Financial & Development Secretary, and JIC, I feel that the main point about this motion is a political point and this does not mean that we are making politics in the sense that the other side would take it, what we are saying is there is a question of attitude, of politics, of what you do with your money, of what you say, of how you use your information, of what you are prepared to do, it is the political point which was important, the attitude which was important throughout the strike, so even though I take the point, the general points made by the Hon the Financial and Development Secretary, balancing the budget, expenditure certain, revenue not certain as a general rule, mind you, about the recurrent budget that we decided at budget time, of the fluctuations in this budget, all these points are well known to members of the House and better known to members on that side of the House who have had some experience and to this side of the House, so we are grateful for that contribution but I must say that that contribution, in the absence of any political inspiration which should have been provided by the other side, is not of first relevance to the debate, I don't think it should be of first relevance to the debate. We are discussing the attitude of the government because we cannot say ministers, but that is what we are saying and I made this clear at the outset. Unfortunately the Hon the Financial and Development Secretary did intervene and I must say just one word on this, that is that this side of the House or rather that the Treasury generally has not done badly out of this side of the House, I think that all Treasury men in Secretariat would be prepared to accept that the willingness of the Hon and Gallant Member on my left to go for taxation and to ensure that Gibraltar finances were in an unimpeachable state is such that no single member of the Treasury could blame him on that account, and therefore I very much take to heart what he said about the performance of the government being creditable when it had brought up the reserves, I am sure it was not applied to this government only but to any government, but these words are words which makes us feel honourable, not in the parliamentary sense, that we had discharged the responsibility and discharged it properly, that we have left a House in order. We find it strange Sir, on the other hand nonetheless we find it ironic, that the Chief Minister should use this particular argument of prudence, when the Chief Minister did not think of the argument sometime ago in the City Council days. We find it doubly ironic, we find it ironic because he, above all people, bears the responsibility for that City Council deficit which is real. It was real, and if the Hon the Chief Minister or the Honourable Colonel Hoare is either sick and tired of that record, because it is important or they dispute the findings of Teesdale, this side of the House invites the Government to recall Mr Teesdale to set his own report straight or that another authority should be brought to dispute Mr Teesdale's verdict, but the fact of the matter was that a very green administration that took office in 1969 did have to reduce the general revenue balance something which is anathema to the Hon and Learned the Chief Minister by £300,000 and I invite the Hon Col Hoare to look at page four of the Estimates where it shows that the reserves went down to £700,000. I do not recall the Hon Chief Minister saying we did not have to raise rates and other municipal charges, I recall the Hon the Chief Minister passing the blame on to his officials. But, I do not recall the Hon the Chief Minister saying that the increases in rates carried out by this Government with a certain amount of political courage and particularly by the then Chief Minister were unnecessary. No doubt this did not stop him carrying out another kind of propaganda outside this House but inside this House he barely ever disagreed with what the Government was doing. Now, why did we tax? There is an example of the many faced nature of

certain members or shall I say of the policies of the other side, the many aspects of the policy. If our views tend to be represented in a particular newspaper of its free choice, at least they are consistent with what we say in the House but we do not say one thing in the House, another thing on television, and another thing on the Gibraltar Evening Post. Sir, I would like to take the Hon the Chief Minister up on one particular point, which he made very much in bad taste about a member on my left. I shall let slide the question of my having said at one time that I would never form a government with the Hon Mr Isola, mentioned by, I hope that is not passing the blame to another member, by a member on the other side, by the Hon Minister for Labour. Well, no doubt, the Hon Minister for Labour will give me the source of that information. No doubt the Hon the Minister for Labour will be able to quote such a source. If it was not the Minister for Labour well it may be perhaps someone who is willing to make himself responsible for the statement will give me the source of such information.

HON A J CANEPA:

It certainly wasn't me. It was a member on this side of the House, if he wishes to pinpoint, it certainly wasn't me.

HON M XIBERRAS:

SIR, since no one is willing to give me the source of that then I shall let it pass, I shall pass it over.

HON A P MONTEGRIFFO:

Yes, it was said in public by one of his ex-pupils Mr Levy and also by I believe another one who was there at the time in public, and it was not refuted by the then Minister for Labour.

HON M XIBERRAS:

Can I ask ~~whether~~ the Hon Member can state where, in public, this was said?

MR SPEAKER:

You can make a comment on the fact that such an accusation has been made against you, but let us not go into the circumstances under which it was made.

HON M XIBERRAS:

Sir, may I say that the Hon Member has got his facts absolutely wrong and that such is not the case and would the Hon Member accept this?

MR SPEAKER:

He has no option but to accept it though he hasn't got the right to reply. You are the last speaker and you are entitled to answer any matter which has been raised during the debate.

HON M XIBERRAS:

I would hate to think that the Hon Member opposite has some sort of tape recorder in my House or that he is privy to what things are said in my House to my friends, but he has made this sort of comment and perhaps he might also know what I said before the last elections and that is that the Honourable Mr Isola should come out and say he was an integrationist before Polling Day. That was my public position and no doubt I will also say a number of things about the Hon Mr Montegriffo, in the seclusion of my house but these things do not get across, I assure him that it will not be wrong things or bad things about the Hon Mr Montegriffo nor will I publicise them anywhere. Sir, I was coming to something which the Hon the Chief Minister mentioned. He made a remark which was in very bad taste about the Hon and Learned Friend on my left which I shall not repeat. I think that it was particularly in bad taste and I think that a member who has the right to speak after the Hon Member should make some comment on this. I understand that the Hon the Chief Minister was not averse to having the Hon Mr Peter Isola working on that side so long as he remained in the phrase he has made famous, a back bencher, but Mr Isola preferred to be on this side of the House and this is where he is. I have no doubt that the right is well represented by members on the other side and that therefore if the left has gained a contribution of his remarkable intelligence and his wit and his sense of humour then, one up for the left Sir. There are other things, of course, which could be brought to this House with which even at the political level this side of the House did not disagree and there are things which will not be said in this House by members on this side, but the Hon and Learned Member opposite knows what I am referring to and we would not like to give the impression that we are going to start throwing mud from this side but we would not like to give the equally mistaken impression that we are running away from any kind of statement of the rather tasteless kind which the Hon and Learned Chief Minister made in the course of the debate. Sir, the Hon the Minister for Labour made a number of assertions and I am not going to go into these, I think that the point of substance was in fact the point about the reversal of policy and as I have said already I look forward to how the Government will deal with the claims by non-industrials and I also look forward to see how the Minister fares with productivity. He can be absolutely certain of my own personal support and the support of all members on this side of the House as to the viability and the wisdom of introducing productivity agreements. Everybody can rest assured that this side of the House has no second thoughts. It thought that the Productivity and Training Unit was an excellent thing which enabled such things as productivity agreements to be brought forward and also make Gibraltar a more prosperous place as far as the majority was concerned. So I shall not, I think, comment on anything else which was said by the Hon the Minister for Labour. We turn now Sir, to the speech made by the Hon the Chief Minister which I thought was surprisingly vague in the circumstances. I thought that he spent a long time at the beginning deliberately bringing up things without making any sort of defence of his position. However, the Minister for Labour came back with fire, I can't agree with many of the things he said for obvious reasons, but the Hon the Chief Minister just went from side to side almost as if he were commenting on things, I don't think he quite realised that the vote of censure was directed primarily at himself and that he was just skipping from point to point not quite committing himself and then towards the end we had a little tirade and then he sat down. He started off with the hand of friendship, talking about the Hon Mr Bossano and not willing to exacerbate things, not willing to make things worse. If the Union considered things a victory, well they were welcome to that, I am glad, yes he didn't actually say it was a victory, I don't think his pride would allow him to say

so, the doors were never closed, but nothing as to why there had not been another offer in time. The door might not have been closed but what was there behind the door, a piece of cheese. Other officials had to be considered, he said. Now that is something of course, when this side of the House has had any bone to pick with the official employers I think we would have made it quite straight forwardly, the Hon and Gallant the Leader of the Opposition has said we gave the lead and he said it quite categorically when we were asked to give the lead we gave the lead the last time....yes, in your City Council days, but those days are past, there are some remnants but they are past. Sir, the other official employers were to be considered. Is the House to understand from that that the other official employers were not willing to go as far as the Gibraltar Government? Because if this was the case then the Chairman of JIC had no right at all to say what he did say but significantly when the Hon the Chief Minister wants to emphasise a point about which he is not very sure he does it in the following manner, he makes a categorical statement, never hidden behind JIC. Well, he came very close to hiding behind JIC in his statement earlier in the course of the day. If the government cannot afford it, well, the government cannot afford it but why does he feel unsure now of his ground about the money? Does he have to have insurance and say just in case things go right for the other side, I should say, well, you see we had other responsibilities. Somebody else criticised the statement made with the Transport and General Workers Union by the government of the day as regards our commitments with JIC. Of course we do say that and we abide by that, but the Hon and Gallant Member on my left left no one in this house absolutely no one and Mr Speaker you were not sitting where you are now, as to the determination of this side of the House to look after the interests of the majority of the population of Gibraltar and of putting those interests first. That was a forthright and frank statement I don't know whether this has been taken amiss anywhere but it is forthright and it is true and that is the way to defend oneself against any sort of accusation, not hiding behind other people's backs. Sir, the Hon the Chief Minister made a point about Catalan Bay, I beg your pardon, before we come to that Sir, can we say 40p offer I think the Hon the Chief Minister also said the 40p offer. He didn't know whether there had been consultation with the previous administration or not. Well, I am saying that there was not, and that in my view the 40p offer was aimed at keeping the negotiations going and what I find blameworthy was that it was kept for so long. The Hon the Chief Minister mentioned Catalan Bay, He said something that there was much more money than he had said in fact in his Press conference. I have looked at the table and it reads Sea damage to Catalan Bay Road - £15,300. I don't know what the point was whether it has been increased or what but I see that we voted earlier in the House for exactly that figure. I believe it was £15,000.

MR SPEAKER:

What was said was that even though the amount of £15,000 odd were voted for this particular work, the actual contract which has now been signed came up to about £28,000. But of course this is a matter which the Chief Minister can explain.

HON M XIBERRAS:

But perhaps he does not wish to. We voted £15,198 Sir, and here there is an additional commitment, the Hon Chief Minister was referring to an additional commitment £15,300. That is precisely what we voted today, no doubt the Hon the Chief Minister will explain. Well, Sir, he doesn't have to explain

of course not, the record will show no doubt that he has not explained. Perhaps when we are trying to be constructive in the House the Hon Chief Minister should also be constructive.

HON LT COL J L HOARE:

The tender is for £28,000 which has been accepted. There is no provision in this year's I & D Fund, it was provided last year as a supplementary estimate and this we will have to revote but at the moment we have not voted anything for that £28,000 but it is a commitment because the contract has already been drawn but no provision at all has been made this year. Last year it was £15,000 which has now increased to £28,000 but where this comes in I just don't know. £28,000 is a current contract taking place now which will have to be paid for this year.

HON P J ISOLA:

The Chief Minister referred to the financial position he had stated on 18 August and he said with regard to Catalan Bay Road: "This is £15,000, members know we have not voted £28,000." That is the only point, we have not voted £28,000 we have voted £15,000 so there hasn't been a change.....

HON CHIEF MINISTER:

If I have said we have voted £28,000 I am sorry, I apologise it was a mistake and you can crucify me if you want for it but all I was saying was that we know now that the contract was going to cost us £28,500. I am sorry.

HON M XIBERRAS:

Sir, there is also the question of the labour from abroad which again was less, but we won't go into all those things except that it was obviously the purpose of the Chief Minister at his press conferences to thump up expenditure as much as possible. I think that it was quite clear and this brings me back once again to the question of attitude, not only show what your commitments are but make sure it is understood which side you are on Sir, can I end, can I end by saying.....

MR SPEAKER:

Order.

HON M XIBERRAS:

I think Hon Members don't know the difference between a question and a statement. Sir, the debate has, no doubt, been of some use I hope so, because otherwise I don't know what we do here most of the time, I am no believer in not offering people explanations and perhaps that is the reason why I tend to spell out things. I am glad to see that Hon Members on the other side have all contributed to this debate and I hope that where necessary they will do the same in the future, but one thing is quite certain and that is that there can be little doubt in the public's mind that the Hon the Chief Minister, the Hon the Minister for Labour and by tacit consent and by collective responsibility



the rest of the Government were not making things easy for the Union to find some solution, they were being obstructive and negative and I am sure that that deserves to be heightened in this House of Assembly and I am sure also that the slur, the intended slur, on the performance of the government over the three years has been corrected. I don't think it has ever stood much of a chance. I don't think people ever believed the Hon the Chief Minister when he said there was no money. They believed him less, they believed him less when they found that the money was there to find some sort of solution that was acceptable to the Union and they believed him less when they saw that this statement was made against a flourishing economy left by the previous administration and they wondered how the new Chief Minister could come in and immediately state that there was no money to meet this pay claim. If the Hon the Chief Minister and his government wished to reinforce their position and overdid it then, no doubt, they should be blamed for lack of political judgement. If their intentions were wider, as I believe they were, and it was a political manoeuvre then this is most reprehensible. One thing is certain, that is that after much trouble, after a lot of trouble, a solution was found, a solution which was perfectly at hand without the general strike taking place and without a state of emergency being risked. Therefore Sir, I commend the motion to the House.

HON A J CANEPA:

If I may be allowed on a point of clarification. I was reluctant to interrupt the Hon Mr Xiberras during the speech. There are just two little points that I would beg your leave to make.

MR SPEAKER:

Provided they are part of your contribution to the debate and not matters which the Hon Mr Xiberras has raised.

HON A J CANEPA:

They are matters which will clarify allegations that he made.

MR SPEAKER:

I am afraid not.

Mr Speaker then put the question in the terms of the Hon Mr Xiberras's motion.

MR SPEAKER:

I would like to say that under the proviso to Section 44 (1) of the Constitution it is for me to rule whether this is a vote of censure against the Council of Ministers or an individual Minister. I know that the wording of the motion talks about the Gibraltar Government which I take as a general and loose reference to the Council of Ministers and I am therefore of the opinion that this is a vote of censure and therefore must rule that the Hon the Attorney General and the Hon the Financial and Development Secretary, as ex officio members of this House have not got a right to vote. I will then proceed to ask whether a division is wanted.

HON M XIBERRAS:

Yes Mr Speaker.

On a division being taken the following Hon Members voted in favour:

The Hon Major R J Peliza  
 The Hon M Xiberras  
 The Hon P J Isola  
 The Hon W M Isola  
 The Hon J Bossano  
 The Hon J Caruana  
 The Hon L Devincenzi

The following Hon Members voted against:

The Hon Sir Joshua Hassan  
 The Hon A W Serfaty  
 The Hon A P Montegriffo  
 The Hon M K Featherstone  
 The Hon A J Canepa  
 The Hon Lt Col J L Hoare  
 The Hon I Abecasis  
 The Hon H J Zammitt

The motion was accordingly defeated.

The House recessed at 1.00 p.m.

The House resumed at 3.00 p.m.

HON M XIBERRAS:

Sir, I beg to move that this House resolves in view of the great importance of the Broadcasting Services both for the information and for the enjoyment of the public, and the expenditure involved from public funds, that a Select Committee be appointed in order to consider any difficulties that may have arisen since the Gibraltar Broadcasting Corporation was set up by the Gibraltar Broadcasting Ordinance, and the future role of the Broadcasting services in Gibraltar. Sir, a motion about the Gibraltar Broadcasting Corporation was brought by this side of the House not so very long ago and the debate on it ranged widely and feelings were expressed from both sides of the House and I believe that this subject has received a proper airing in the course of that motion. However, I should like to bring to the notice of the House once more in summary the arguments which were brought on that occasion and, roughly speaking, they consisted of the following: First, that this side of the House considered that there was a need to look at the finances of the Gibraltar Broadcasting Corporation in view of particularly the high level which television licences has reached, and in view of the complaint that had been obvious in the press for a little while as to the standard of the programmes and also in view of the important position which the Gibraltar Broadcasting Corporation holds in the information media, as regards the reporting on political debates. This side of the House was concerned that the Gibraltar Broadcasting Corporation should not only be impartial but also appear to be impartial and this side of the House was not totally convinced

that things were going as they should in the Gibraltar Broadcasting Corporation. Sir, the subject is undoubtedly one of some importance to the political life of Gibraltar and to the social life of Gibraltar and we feel that since there has been no in depth review of the function of the Gibraltar Broadcasting Corporation since the Corporation was set up statutorily, an opportunity now arises for the House as a whole to consider any difficulties that may have been encountered and of course those difficulties that were made patent by this side of the House when the motion on GBC was taken a little while back. We believe Sir, that the finances of GBC are of some importance, we are aware that GBC exists not only because this House contributes quite substantially to its upkeep and running but also because of Thompson Television's interest and financial support of the venture. We feel, however, that these finances cannot properly be examined in the normal course of events by the Government and in depth and if they are to be examined in depth and if the whole role of the Gibraltar Broadcasting Corporation is to be examined in depth, both sides of the House should contribute to the future of the Gibraltar Broadcasting Corporation. We feel this is particularly of importance because of developments which was described in the last motion and also because of the recent judgement in the courts concerning GBC, amongst others, which pointed out, I believe, something which is of relevance to the House and that is that those immediately running the programmes, specially the new programmes of GBC are somehow or for some reason not either well represented in the Gibraltar Broadcasting Corporation Board of Management and can therefore not make their views clearly felt with the weight they deserve or because they are not responsible, in law, for the programmes which they, above everybody else, are responsible for putting out. This side of the House is not going to attempt to propose a solution, but I believe that the House as a whole should be concerned with the recent judgement and should not feel satisfied that the present set up as regards responsibility for the programmes of GBC is an adequate one. The point is rather similar to the one raised earlier on in these proceedings in relation to the Garrison Library Committee and we feel that the best method of doing this would be by a Select Committee of the House. Members opposite have, perhaps not in the House but out of it suggested that the Opposition should be brought into the working of democracy in Gibraltar and we feel that this is best done with impunity to the Opposition and to its role in a democracy and at the same time with some sense of satisfaction for the Opposition by the accepted method of a Select Committee. We do not like the idea of running the risk of being held responsible for actions which we are not manifestly and patently responsible for and it is for this reason that this side of the House has shown an unwillingness to participate in such committees as the Prison Board or the Transport Commission, because these Boards are responsible in the eyes of the public for a good deal of the day to day affairs in these spheres. We feel, however, on a specific subject, one where the responsibility of the Opposition has been accepted beforehand and is clearly understood by the public, then the Opposition is willing to contribute and make a good contribution to the affairs of Government in Gibraltar. We do not feel that Government and Opposition should be merged even in the public eye, but we do feel that a Select Committee is the proper way in which the Opposition can make a well considered contribution to the important affairs of the Government. Sir, I am aware that the Government was not at all keen on the presentation of the last motion by this side of the House. There have been changes both in the composition of the House and also changes which have influenced the issue at stake. I have already referred to one which is the court judgement, the other one which must be relevant to this motion is what happened at the time of the strike and the situation whereby the Board was unable to meet at a crucial period because it could not find a quorum, and more serious than that that no one was apparently able to take a decision to decide whether a member of the Opposition could speak or not. On that occasion, as I understand it, and I shall explain the

full facts if necessary, the Government had applied to the Gibraltar Broadcasting Corporation and I believe it was 3(a) of the directives of the Governor to the Board and the Hon and Learned the Chief Minister had appeared under this directive. But in order for the Opposition to reply, a decision of the Board was required to the effect that the subject matter raised by the Hon and Learned the Chief Minister was such that a reply was in order from the Opposition, in other words that it was controversial enough to allow the Opposition a reply. I believe I have already stated the main facts of what happened on that day on television itself but what I would like the House to consider is the unsatisfactory situation whereby a quick decision cannot be taken in a time of emergency such as this. I would ask the other side of the House to consider setting up a Select Committee in view of the importance of the Broadcasting Services generally. The matter is important enough to be the subject of great controversy in the United Kingdom at present where a debate is about to rage on the fairness of presentation of information to the public. I am not associating myself with one side or the other of the controversy but I do believe that some valid points worthy of consideration have been made over there and I feel that in Gibraltar, the Gibraltar Broadcasting Corporation is almost more important than the BBC is in the context of the United Kingdom. It is the sole means of televised information and therefore whatever is put across, whether it be the standard of the ordinary recreational programme or the news which is put across and the comment which is put across by GBC, is of greater importance in Gibraltar because it is the only one. We feel on this side of the House that a motion presented in these terms should find acceptance with the other side of the House and we feel that the subject is indisputably of enough importance to warrant a Select Committee. It is the second time that this comes before the House; GBC is the only televising body and the only body to use radio in Gibraltar; the subject has been brought before the House; expenditure voted by the House is involved; there is at least one side of the House which is not satisfied with the way things are going; and therefore we feel that a Select Committee on this is warranted. In a Select Committee I feel that constructive suggestions could be made on the financial side to which both sides of the House might be in a position to commit themselves and also we could agree between politicians what is fair representation before entering into a discussion with all the bodies concerned as to whether politicians are right in this case or not. My hopes of having such a Select Committee accepted by the House have prompted this side of the House to put to the House another motion with the composition of the Select Committee. Of course, if there is no Select Committee the other motion will be withdrawn with leave of the House but I do not feel that the arguments on the other side when this motion, in different terms and in different context was presented to the House were such as to preclude agreement from the other side of the House to a Select Committee on this occasion. We have or we had a Select Committee on Aviation; we have according to the Government and to the Hon and Learned the Chief Minister a desire on the other side of the House to make the Opposition participate in the important affairs of the Government of Gibraltar and this is, I am sure, a most suitable occasion. There is a great danger of course in this and that is that if a Select Committee is rejected then I would imagine that if the Government considers any change to be desirable it would have to carry out these changes itself probably in consultation with the responsible authorities and with the Gibraltar Broadcasting Corporation and it would lack the support of this side for any changes and it might very well leave itself open to the accusation that any changes that are carried out are carried out in the interest of one side of the House. Therefore Sir, it is in this spirit that I present this particular motion to the House and await the spokesman for the Government and his reaction.

Mr Speaker then proposed the question in the terms of the motion proposed by the Hon Mr Xiberras.

HON CHIEF MINISTER:

I must commend the mover for his brevity and for putting the case just as well as perhaps he might have done it if he had spoken double the time. He has made all the points and I think I have enough on which to answer. In the first place let me say that the Government attaches considerable importance to television generally and to the services they provide, and we are also particularly conscious of the fact that perhaps with its weakness like anything human, the Corporation and successive members of the corporation and chairmen have carried out a difficult task with considerable courage and with great inconvenience and trouble in the public interest, and we would not like to lend ourselves readily to any action which in any case could be said to start with an idea or an innuendo that they have done things wrong and that they should be put right, because unless we maintain the independence of the corporation there could be attempts at undermining it in one way or another. Now we are not against the matters being looked into but I would like to draw the attention of the House that there is a great difference between this motion and the motion which was brought before. The motion which was brought before by the then back bencher was that whilst noting the audited accounts of the Gibraltar Broadcasting Corporation and the Chairman's report after the 31st March 1971 is nevertheless generally concerned about the broadcasting services and requests the government to consider the position. Now that was not a government motion it was proposed by a member of the Government side of the House but not by a Minister, so therefore it was not then the considered responsibility or rather the Government did not consider itself responsible for taking or initiating action on a matter on which they themselves had been very particularly concerned since in the course of their administration the directives of the Governor-in-Council has been altered and to the extent I am not saying that they have been altered significantly but to the extent that if they had been looked at again and altered in the process of their advice in Gibraltar Council, so it is quite clear, quite clear that at the time the government itself did not have any great concern about this matter and insofar as the finances were concerned as the then Chief Minister was reminded in the House, he had not very long before proposed to the House an increase in the licences fees for the television and I think he said something to the effect that they had looked into the matter and having regard to the need to keep a window into the world or words to that effect, I am only speaking from memory £6 was good enough or well worth spending. I think significantly enough it is due now I understand that the new licence fees are being paid as from the 1st of this month, and it was assumed as in fact it was assumed by a minister of the government at that time that it was for the government to have inquired into the finances and in fact it was the responsibility of the Government had they found anything worthy of concern in the finances or in the audited account or generally to have done so at the time when the proposal to increase the licence fees was brought before this House, but in fact it was not done. Now, we feel very strongly that this is a matter which must be looked at very carefully, and whereas we do not exclude the possibility at such future stage of a Select Committee on aspects of matters generally of policy, we certainly don't agree that it is the right time now and we propose to do exactly what my predecessor said he would do in the course of that debate, in fact we have been doing it up to now but not, if I may say so, much time has been devoted to it, I will be quite frank about it, there have been other things to be concerned with, but he did say in the course of the debate in respect of this matter that he had allowed a free vote, that of course everybody knew and that was the famous meeting at which the mover of the motion

and the minister who had been a member of his group quarrelled and had a little tiff about the matter and in fact they did not see the matter the same way and in fact the minister then abstained from voting and the mover's motion with the support of six ministers failed to have the majority that it required to pass the motion and this is what my predecessor said during the debate. He said Mr Isola made three points one was that there should be a review of the set-up of the Corporation the other one is that there should be a greater public participation in the choice of programme; the third one is the condition of service and pay and allowances. Then he went to talk about pay and allowances and so on and he went on to say: "Well, all these points of course I am sure, all points that are raised here today will have to be collated, then gradually sifted out and with the corporation of the management and eventually I think whatever happens will have to go to the Governor because it is the Governor-in-Council who finally gives directions to GBC under the existing law." He was covering the three points raised by the mover in the course of the debate. Now our attitude to this is not completely negative in fact we welcome this opportunity of saying so in public. Our attitude is that the matter should be investigated initially by Government and if we think that there is a requirement for further investigation to be made then our view is that initially this should be done by somebody completely independent from outside with some knowledge of practice in television services and so on to advise and his report would then be the subject if necessary of a debate and then we would consider what the position would be. We are doing no less and no more than the government of the day undertook to do when the motion was coming from its own side of the House was being investigated or was being discussed perhaps because the then Chief Minister had a good inkling that the motion which came from his side of the House was not likely to command a majority. I say this: purely factually. I am not attempting to make any comments other than the facts as we see them and the fact that we do not, we feel initially in this case in the case of an independent corporation commanding such vast potential if I may say so, it is absolutely essential that the first if necessary, the first attempt at looking into the matter should be done once the government are satisfied that there is something to look into, the first attempt should be done by somebody independent so that the members of the Corporation feel that they are not just being put on trial on matters on which nobody has specified because though the motion for the Select Committee is couched in rather innocent terms the matter raised by the mover do deal with a number of objections and quasi allegations or allegations if he wants to put it that way about various matters connected with the carrying out of the functions of the Gibraltar Broadcasting Corporation by the Corporation itself and what may or may not have been a casual difficulty due like so many things to human errors to weaknesses or absences or whatever it is, cannot under any circumstances be accepted and I think that has been made quite clear as any indication of anything but precisely that inability to get people or what have you. I do not have to say that we have nothing whatever to do with that matter and as far as we are concerned it was if my recollection serves me right, it was the previous administration who altered the directions of the Governor-in-Council in which case the ministerial statements were less susceptible to answers than they were before or rather less susceptible to answer by the Opposition than they were before that, that administration looked at it because I remember being consulted about it and making a point safeguarding the right of the Opposition but it was overruled and the government of the day had its proper say. Insofar as the question of the proceedings to which the mover has referred I shall certainly ask in the course of the preliminary inquiry that we will make in accordance very much on the lines stated by my predecessor I will certainly ask the Attorney General to report on that aspect of the matter and if it is found, because this is really something completely different, if it is found that for any reason the Ordinance is weak in any of its aspects in respect of these matters I have no doubt as the legal adviser of the Government the Attorney General will inform us what, if anything we have to do in which case we would bring it to the House. So I would not

like, and I would like to repeat this in all sincerity, I would not like Hon Members opposite to think that we are completely negative to their attitude at all, we are conscious of the importance, we are going to do precisely what my predecessor said he would do after the last debate and we will report to this House as soon as we decide what we have to do and I need hardly say that that investigation will in no way, in no way interfere with the absolutely independent working of the Corporation and with the independence of the members that run it for them to give such directions in the meantime within the directions of the Govern~~ment~~-in-Council as they may think proper. So reluctant though I am not to be able to meet the members opposite on this occasion, I would like to assure them that this approach is one of a constructive nature and I hope it is appreciated as such and that we may be able perhaps at a later stage to debate the matter again in the light of the result of those investigations.

HON MAJOR R J PELIZA:

Mr Speaker, I would like to point out that there is no inconsistency whatsoever in the motion that was presented by my Hon Friend Mr Isola and the motion that is now being presented by my Hon Friend Mr Xiberras nor is it inconsistent that I support it now in the same manner as I supported it then so therefore as far as we are concerned we have adopted the same attitude in the Opposition as we had when we were in Government, and I think any impression that the Hon and Learned Chief Minister may have given deliberately or unconsciously that we are acting inconsistently is incorrect so that when he says that he is following in the footsteps of his predecessor he is in fact not doing so in that I was compelled to adopt the lesser of the two evils because they would not vote for the right solution and if one of my then supporters who even at this stage I think was already rather inclined on the party for which it is said he is now working hard for, if at that time that particular minister in conscious or just following the other party line, voted against the motion that has really nothing to do with whether or not the party.....

HON CHIEF MINISTER:

He abstained.

HON MAJOR R J PELIZA:

Well, by abstaining actually, he defeated the motion since on that particular occasion the officials were not only not permitted to speak but they were not even allowed to vote but be that as it may the position as I say now is that there is no inconsistency whatsoever and may I remind the House as well that if that motion failed to get through it is because of the members of this House who was in direct employment with the corporation which I thought might have abstained, voted against the motion, this in fact came to me as a great surprise, but I felt it was unnecessary to censure his attitude at that time. Since the Hon and Learned Chief Minister has referred to that meeting I am now obliged to bring out the facts of what transpired at that meeting. Therefore there being no inconsistency as far as we are concerned, we are pursuing exactly the same line as we were pursuing then and I believe this House and this Government can be much more constructive and certainly the Chief Minister may not give the impression that he is giving lip service to this business of getting contributions from all parts because when there is an occasion like this when contributions can be really effected and by which having a committee of this nature any differences that may exist can be cleared up gently, objectively, without really carrying a party line as it should be, it is a pity

indeed that he should not follow what he preaches. I would therefore ask the Chief Minister to give further reflection to this, perhaps other members of his government are still in time to stand up and if he has got time to change his mind to do so. I say so because references have been made to the finances of the corporation to which of course again this House is very interested and so is the public. Only a little earlier the Minister for Information who I am sorry to see is just about to leave stated that I had increased the licence and that because of this there had been complaints from a lady, the story I told about the lady and the TV licence and the petrol and the car. Well the fact is that there was a huge deficit in the account, that is another deficit we inherited by the way, in the account of the TV. Well, it is a very serious deficit something that was outstanding for a long time and which no previous Government apparently dare touch. Well without usual courage we grasped the nettle and the decision had to be taken whether we were going to subsidise even further GBC TV out of taxation or whether in fact the licence had to go up. Failing to do that we would have defaulted a contract that we had with Thomson Television, therefore in order to honour that contract we were compelled to put up the licence and I am therefore rather astounded that a newcomer to this House who unfortunately has had to go and I wouldn't like to say this in his absence but I am afraid it has got to be made clear, should have been critical, who is responsible for this particular department of information, even if he has really no direct say in GBC because as we know it is one of those matters which is not a defined domestic matter, but even so he is certainly responsible for the financial aspect, since no increase in the licence can be made other than with the consent of this House and to that extent therefore the Hon Minister for Information is responsible and I was surprised to see him talking so irresponsibly about the payment of licences. How does the Honourable Minister expect to pay for our broadcasting station? How? Is it right to say that it was the people who were absolutely right in demonstrating and saying "Down with Peliza", because they put up the TV licence to pay for a debt that had to be cleared? And is it responsible for the Government who has taken over to come out and say so in this House and support the horde outside? I am surprised to see that from a Minister who has just taken over and I am really surprised to see there was nothing forthcoming at this debate again when the Hon and Learned Chief Minister referred to the finances he should have at least cleared the point, because after all the Opposition of that day voted in favour of the TV licence, they did not object to it and I am really astounded that now that they are in a responsible position of having to pay the bill that they should criticise the licence going up. I think therefore that since this is a matter that needs investigating, particularly because it appears that the public is not quite satisfied that they are getting value for money and I am not suggesting for a moment that they are not, let me make it quite clear, I am not a party to that motion at all, but the public do believe that and I think we all are sufficiently in the public life to know that this is what people say, that we are paying too much for our TV licence. They do not understand the complications, the difficulties of running a small station in a small place of which I think generally we as a community should be very proud to have a little TV station of our own and on every occasion when I am abroad one of the things that I always say and I feel very proud is about that. Equally, I feel very proud to have a Board of people, of public spirited men who subject themselves to criticism from all quarters including my own. It is a very difficult position to be in and I have the highest respect for their public spirit, so let me make it quite clear and stress it very strongly that whatever may be said from this side of the House is not intended in any way to belittle the function of the board of management or of any particular member. That there might be disagreement with people as to the way they do it, that is neither here nor there. They have a very difficult task to perform and what we are trying to do in fact is to enable them to perform this task with less difficulty, but I feel that if the Hon and Learned Chief Minister were to agree to airing this matter once and for all in this House it would make the position of the Board a much more comfortable



one. I am sure that every member of this House when you might say the chips are down, we get together and we find a solution. Gibraltar has got the ability to do that, it has done it on many occasions in the past, and however many differences we may have, genuine differences, politically and this is what democracy is all about. We are not rubber stamps, thank God for that, in this House, but when there are real points on which we get together I think we are big enough to find a solution and do so with dignity and objectively and I think that the Hon and Learned Chief Minister may be doing a disservice to Gibraltar and particularly to the Board of Management if he were not to consent to this Select Committee to get together and sort the whole thing out. The Hon Chief Minister says that he does not want to be negative. Well, all I can say is, that if he does not want to he is certainly doing so. What he is doing today by refusing to have a Select Committee which I assure him has been done in all good faith, is a very negative step. He is of course perhaps following the mandate of a House that no longer exists because after all the old House of Assembly was dissolved and this is a new one. If the people that he wants to honour are in fact in disagreement with what was passed then, he should have no qualms whatsoever in reviewing the whole situation in the light that the Opposition as in fact as in the time of the Government is willing and anxious to see the whole matter sorted out once and for all. I think it would be good from every aspect. There is a lot of animosity existing in Gibraltar not just within the party members but the followers of the Party; rightly or wrongly they believe that it is not as independent as it should be, that there are things happening within the Corporation again I say rightly or wrongly founded or unfounded which they believe and some people honestly believe they are not putting it on, they are very sincere about this they honestly believe that there is some sort of hanky panky going on. Is it not better for the sake of everybody in Gibraltar to have the matter aired; is it not better therefore that if people sincerely believe that something is wrong that it should be cleared up & if they see that nothing is wrong if that is the case or in fact if something is wrong that it is put right so that this does not continue for ever more. I would have said that that is the constructive approach to the problem. I am afraid that the attitude of the Chief Minister so far and I hope he can find changes, certainly he would go up in my estimation if he came to this debate with an open mind and if he were prepared to listen to the contribution of every member of this House before making up his mind because after all that is what debating is all about, to listen what the other side has to say. But to come to this House and say "No" even before he has listened to the argument I cannot believe that this is as constructive as he says it is. I would like, therefore and I say again I would think a hell of a lot more of him, I think if he were now to listen carefully to the contribution from the members of this House in favour and against. He is the judge in this instance obviously I imagine that every member of this Government will vote the way he says they should. Therefore in the end he is the judge of this situation, and the responsibility squarely falls on his shoulders. I think that in a matter of so great public interest in which it is not just the social aspect that is involved and this is very important and not just the financial aspect that is involved and again this is also important but even more important in a small place like Gibraltar the power of television is overwhelming and it can go one way or the other. Public opinion can be made to change so easily through that medium and therefore since this is a matter that really touches as you might say, the soul of the individual, that he were to give it very careful consideration; very, very careful consideration and adopt a constructive attitude which he says he wants to follow. I would say therefore, that in giving consideration to this he should take into account that every person who pays the licence and in this case even more since obviously it is highly subsidised from direct taxation that every individual who pays a penny in tax has a say in this matter. Having regard to all that isn't it I think a gesture of a great man of democratic

principles to allow this matter to come out into the open rather than give the impression again rightly or wrongly that something is being hidden somewhere for some reason. Well, there is none, there is nothing to hide I am sure, and if there is anything to hide that would be very wrong indeed, we shall protest if that would ever come to light, but this is not the point, whether there is or whether there is not, the important thing is to allow everybody to have a look at it. The Hon the Chief Minister said that I should have known everything about the finances or at least the Government should have known everything about the finances of the Corporation when we brought the question of the licence to this House. Well, I think I made it quite clear then that we really did not, we did not have time to go into all the details of this. We had to rush into it we had to pay our debt, the time was getting near; Thomson Television was getting angry and if we had carried on like that, really they would have broken the contract, on the fact remains that we had to do it and believe it or not and they know this, hours before I came to this House, I was doing as much homework as I could to find out the position and even today I just do not know exactly what it is. So for my own satisfaction - this is one of the reasons why I voted in favour by the way - to my own satisfaction if anything else and to the satisfaction of everybody since this is public money, since this is really a public body and since this is so important for the whole of Gibraltar I think it is just natural to agree to bring it forward to a Select Committee of the House where the whole matter can be looked into with a high degree of impartiality. We must not allow party politics to interfere with the Corporation and the way that the Chief Minister is saying "Hear, hear" he gives us the impression that in fact there is some interference politically with the Corporation. Well, he thinks **that** we are or that we did, otherwise he would not have said "hear, hear" with so much sarcasm. So, therefore, if he admits himself that there might have been or that there is political interference with the Corporation, why not clear it up in a Select Committee? Let us clear it up and if it has happened in the past or if it is happening now, let it not happen in the future. That is the sensible approach to the problem and I can only say that since he had been preaching this doctrine of getting together let us get together on issues on which the Opposition certainly is ready to get together because we do not see any real political reason for this being kept away from the public eye and tackled through a Select Committee.

I therefore support the motion and I do hope that by the end of the debate it will be possible to agree to having a Select Committee appointed on the lines stated in the motion.

MR SPEAKER:

Does any other Hon Member wish to contribute to the debate?

HON P J ISOLA:

Mr Speaker, Sir, I was glad to hear the Hon and Learned Chief Minister comment on the moderate terms of the motion. It has been deliberately couched in moderate terms in order to see whether there can be a non political if one can call it that way, or a common approach to the broadcasting services on both sides of the House. And on this side of the House we feel that this is obviously best achieved in the confines of the Committee Room of a Select Committee. We found this worked very well in the Select Committee on Conscription where members could talk quietly dispassionately, put their problems forward, ask questions about it, and come to conclusions. It is nonsensical, it is pueril to think that there is no concern about the Broadcasting Services. There is, there can be no question about it, and rather

than have questions in the House, rather than have acrimonious debates in the House, rather than have a repetition of the Broadcasting Board resigning as it did, and then withdrawing their letter of resignation, rather than have all these unfortunate incidents that can do no good at all to the Broadcasting Corporation, nor, Sir, to the Government of the day, nor Sir, to the Governor of Gibraltar, it is the thought on this side of the House that we should set up a Select Committee in very broad terms in view of the great importance of the Broadcasting Services both for the information and for the enjoyment of the public and the expenditure involved from public funds that a Select Committee should be appointed. That is all the motion says Sir, it is no use the Hon and Learned Chief Minister trying to read into it more than is there, it is no use the Hon and Learned Chief Minister going back to the motion that was proposed by me in the last House of Assembly. There I said what I meant and there I said quite clearly what we felt on it. And I remember the Opposition of the day saying in that debate if there hadn't been such a number of personal insinuations, we would have supported the motion. I remember those words. It seems to be a different story today when in fact sentiments that were expressed at that time are left out, the position still continues to be the same. Mr Speaker, Sir, the Chief Minister of the day said he was prepared to look into it. That is all the motion asked the Government of the day to do, to look into it, so for the Chief Minister to come today and say I am prepared to do what you asked us to do then which he did not want the Government to do then, of the things that had been said, doesn't take us any further. What the Opposition is suggesting now, in view of the events that have occurred since the election; in view of the public acrimony there has been on the question of the Broadcasting Services and all the various difficulties there have been what this side of the House is suggesting if I may say so also in all sincerity is that a Select Committee of the House should be appointed to consider the Broadcasting services. Let me suggest some of the problems that have arisen because you will notice, Mr Speaker, that the motion asks the Select Committee to consider the difficulties that have arisen since the Gibraltar Broadcasting Corporation was set up by the Gibraltar Broadcasting Ordinance, actually it is the Gibraltar Broadcasting Corporation Ordinance.

MR SPEAKER:

May I warn the speaker that he must not try either to do the work of the Select Committee to pass judgement on what the Select Committee must do. That is for the Select Committee to do.

HON P J ISOLA:

I am suggesting the reasons why it is that after this Ordinance has been in effect I think some eight or nine years, why it is necessary to look at it again. Section 8 of the Ordinance says "it shall be the duty of the Corporation to maintain a sound and television service etc." Subsection (3) Mr Speaker says "subject to any directions of the Governor in Council, the Board shall be responsible for the policy to be adopted by the Corporation in the provision of the said services". There it is "Subject to the directions of the Governor in Council". It is not really correct to say that the corporation is in fact independent because it is subject to the directions of the Governor in Council of the day. It could be this side of the House, it could be that side of the House, but to say that the corporation is independent is not correct, it is just not a correct statement to fact. Then, Mr Speaker, section 8 (5) says "on the commencement of this Ordinance, the corporation shall assume and incur the rights and liabilities that the Financial Secretary on behalf of the Government under an agreement entered into between the Financial Secretary and Managing Agents prior to the commencement of this Ordinance". It refers to an agreement

the Ordinance refers to an agreement that has been made. That agreement I understand was in fact renewed or altered or a new one was entered into without reference to this House although the Ordinance which was passed by this House referred to an agreement was entered into I think in 1968 and I was not in agreement with it, if I remember rightly at the time, but that is neither here nor there. Another agreement was brought in, an agreement about which this House knows nothing and out of which public funds are being paid and contributed from this House. We had an item yesterday or the day before where we had voted £600 to the Gibraltar Broadcasting Corporation with regard to some equipment. The House has got no information about the agreement under which this money was given. The House has got no information as to why it was necessary to raise television licences except to meet obligations of the Government under this agreement; the House does not know what this agreement is. I think it is a matter that should be looked into by the Select Committee because this agreement would presumably be renewed in a number of years time. Then Mr Speaker, there is another one, another section which I think requires looking into. Section 12: "The Corporation shall include in its programme free of charge any item which the Permanent Secretary considers it expedient in the public interest to be disseminated and notifies the corporation to that effect, personally or through the Public Relations Officer" so that the corporation under the Ordinance must have in its programme free of charge any matter that the Permanent Secretary, now the Deputy Governor, considers expedient in the public interest. And Section 13: "The Governor in Council may by notice in writing delivered at the principal Office of the Corporation, prohibit the corporation from disseminating any matter or matter of any class or character specified in the notice". Mr Speaker, I have mentioned these three sections of the Ordinance to do away with the illusion that the Corporation is not subject to Government direction and to a very extent to Government control because it has these powers vested in the Permanent Secretary now the Deputy Governor to put into the programme anything they think right free of charge. This is what the Ordinance says. Now, the reason I mentioned this, Mr Speaker, is because if we wish to make the Gibraltar Broadcasting Corporation truly independent, if that is really the wish of both sides of the House, subject of course to certain rules and regulations, it is our view on this side of the House that the proper body that should decide how public funds are to be spent in the future, the proper body that should ensure the independence of the Corporation is precisely the House of Assembly from whom the Ordinance is derived and it is precisely the House of Assembly that should look into these matters. And that is why it is precisely in this way that the Honourable and Learned Chief Minister can pay more than lip service to what he said after the election about bringing every section of the community to help in the process of Government. Because of the Constitution this side of the House, because we are the Opposition and because we are here to oppose both destructively and constructively, it is only in the ambit of a Select Committee or in a Committee of this House that the Opposition can really constitutionally help the process of Government. Not by serving in a Government Committee which at the whim of the Government in power its decisions can be cast to one side, rejected when it suits the Government in power, agreed to when it suits them as well to show the public "Well the Opposition were in this". Not in that sort of arbitrary fashion but in a Select Committee of the House. Mr Speaker, it is necessary to pursue this matter I would suggest to Hon Members opposite in a Select Committee because this is not just a question of the Government, the elected members of the Government side, or the elected members on the opposition side. This is a question of the third force in Gibraltar, the third force, that represented with every respect to them, and I have greatest respect for them, by the Official side of the Government, the process vested in the Governor and the Deputy Governor more directly because of the terms of the Ordinance. After the last debate in the House of Assembly if I may refer to it for one minute Mr Speaker, I wrote to the Deputy Governor asking for certain information as I would have thought as member of this House I was perfectly

entitled to do, and I would like to refer to this letter to illustrate the problems that are facing this House with regard to the Gibraltar Broadcasting Corporation. I said on the 10th of May "I refer to the motion on broadcasting services that was recently lost in the House of Assembly. Certain questions were posed by me which were not answered.

I would be grateful if I could have answers to the following:

(1) Who are the shareholders and directors of the following companies mentioned in the accounts of the Gibraltar Broadcasting Corporation and I mentioned four companies, Gibraltar Broadcasting Limited, Gibraltar Television Rentals Limited, Thomson Television International Limited and the Television International Enterprises Limited.

(2) Certain factual information was given by Major Gache, Minister for Commercial and Economic Development. I do not think I need worry the House very much on this but I better read it. In the course of debate in relation to hours of viewing advertisements of BEA and BUA on GBC screens etc. Did this information emanate from your office, the Financial and Development Secretary, or the Attorney General's Office or elsewhere? In other words do you consider his information to be factually correct?

(3) May I please be supplied with a copy of the agreement entered into between the Gibraltar Government, Gibraltar Broadcasting Corporation and the Thomson Group in 1968 referred to in the letter of Mr Dumas recently in the Gibraltar Chronicle and I asked: "Finally may I ask whether your legal department considers that the Thomson Group are complying with their legal obligations as to the daily viewing hours given to the general public. I should say straight away that in my view they are not if the facts stated by Mr Dumas in his recent letter to Gibraltar Chronicle are correct. I do hope I can have all this information before the next House of Assembly meeting. I would wish to avoid asking any direct question on these matters at the next meeting."

This was written on the 10th May, Mr Speaker the purpose of these questions were to try and get further information to which I would have thought members of the House are legitimately entitled to. Especially the question of the agreement which is vital as far as voting of funds by this House is concerned and I asked quite politely, asked for these questions to be answered before the next meeting of the House of Assembly. Well, as you are aware, Mr Speaker, the House was dissolved on the 19th May and we had an election and as we are always reminded on June 23rd depending on which side of the House you are on, a victory was won by one side. Mr Speaker, no reply was given to the letter but I became a member of the House of Assembly again as a result of the election so on the 20th of May as I had had no reply about this letter I wrote a reminder to the.... the 20th September, I beg your pardon, I wrote a reminder to the Deputy Governor asking for a reply to my letter and on the 28th of September 1972 just as I had drafted a question asking that the agreement should be made available to members, the 28th of September being the last day for asking questions, I got a letter from the Deputy Governor that morning which of course allowed me to do away with the question. The letter if I may read it said: "Thank you for your letter of the 20th September, I am sorry I did not reply to your letter of the 10th May. This however, was overtaken by the events leading to the dissolution of the House of Assembly on the 22nd May and has subsequently I regret being overlooked. I am now re-examining the request contained in sub-paragraphs 1 and 3 that is related to the shareholding and directorships of the companies mentioned in the accounts of the Gibraltar Broadcasting Corporation and

I will write to you in this connection as soon as possible.

I will then also deal with the final paragraph of your letter which referred to whether in the opinion of the Governor or the Deputy Governor the Thomson Group were not in breach of contract in not fulfilling their obligations to give 4½ hours a day". Then on the question of Major Gache, the letter continued: "With regard to the question in sub paragraph 2 of your letter, it is as you are aware a matter of practice that any member of the House making a statement makes himself responsible for the accuracy of the facts therein. I regret therefore that I am not in a position to give you an answer on this particular point and you may wish to address your question to Major Gache". The Deputy Governor having been a member of the House himself obviously remembers his rules. I am not Mr Speaker for the purposes of the debate concerned as to whether Major Gache was giving a correct statement of facts or not, I think that they were relevant in that debate but not relevant for the purposes of this debate. But the point I am trying to make Mr Speaker is that there is a third force on this matter and that is the Deputy Governor under the terms of the Gibraltar Broadcasting Corporation. But then Mr Speaker I have to refer to another incident that took place, not in a spirit of reviving memories, but to show the difficulties that obviously exist and that was in relation Mr Speaker, to the appearance of my Hon Friend the Hon Mr Xiberras on television, or on radio on the night that he appeared, I think this was on the 24th of August where a request was made to the Gibraltar Corporation and for a number of reasons apparently they were unable to deal with it by nine o'clock, for about a period of eight hours they were unable to deal with it, a statement was put out by the Opposition which again the Broadcasting Corporation felt themselves unable to put on the wireless or having accepted it said they then could not accept it. The interesting thing about this Mr Speaker was that although a state of emergency did not exist or if it did it had not been declared to exist, the Opposition were very bitter with the Broadcasting Corporation for (a) not having been able to get a quorum for 6½ hours to decide what we considered to be a reasonable request, may be there were very good reasons for it, but I think if the Hon Members on the other side of the House had been on this side of the House at the time, they too would have been very annoyed that a request of theirs could not be dealt with in a period of 6½ or 7 hours. The interesting fact that emerged from this Mr Speaker was that no sooner had my Hon Friend Mr Xiberras been refused at 9 o'clock or 9.05 or quarter to nine, it does not really matter, either the statement or going on television, that we said "Right, we are going to ask for a meeting with the Governor tonight who it was obvious to all had in fact taken over the internal security position which it is his responsibility under the constitution, and we rang the Deputy Governor up. Now, the interesting thing, Mr Speaker and this comes to the question of the necessity for the House to look into the ordinance, because today it is the Government side tomorrow may be this side of the House, was that the Deputy Governor knew all about the request of the Opposition and was fully conversant right up to the minute of asking, and the next interesting thing that happened was that it was the Deputy Governor who rang up the Opposition 15 minutes later and told the Opposition that the Board was meeting and we would be allowed to go on and that is why when the Board representative rang up at my office and it was I who answered the phone, we told the gentleman concerned that we already knew we were going on and that is what provoked the resignation of the Board according to the Gibraltar Evening Post which may be wrong but that is what caused the resignation and that is what caused the Deputy Governor then to write this long letter to them saying how much confidence he had in them and how grateful he was to the Board and so forth. Now, the Opposition could have made a motion of censure on the Board and if it felt so strongly and all that but this has not been our approach but what has certainly emerged is that whatever the directions, whatever the Ordinance may say, these were not general directions of the Governor in Council being carried out, this was very close consultation between the Deputy Governor and the Board and if I may look at it that way very close interference with the functions of the Board. I am sure the Board must have been under very

great pressure in those times, we all were and the Opposition of course accepts that the Board had these problems although as I have said before we cannot but express surprise that it took so long at such an important time in our history to raise a quorum for the Board. But that is not the matter that is subject to a controversy here. Here the question Mr Speaker is this. Is the Gibraltar Broadcasting Corporation going to be an independent body? Does the House want it to be surely an independent body? If the House wants it to be a truly independent body then I feel that the best place where this can be assured is by a Select Committee of the House where the Opposition and the Government can freely give each other our views and our fears and not be subject to the public or the Government or the Opposition and say "Well, he said that because he is a friend of so and so, he said that because that is nice for the public." No, let us leave the public out of it for a while, let us leave the information services out of it for a while, and let us meet in the confines of the ante room of this chamber as a Select Committee and let us go into the problems of broadcasting, let us go into the problems that the Opposition has, to go into the problems that the Government have, let us go into the problems that have arisen as the result of the agreement entered into by the Government, let us go into the question as to whether the Broadcasting Corporation or the Thomson Group is in fact losing or not losing on it and let us take up the problem that was posed only yesterday by the Leader of the Labour Party in the United Kingdom, Mr Harold Wilson, when he spoke against the statement that had been made by the Chairman of the Labour Party Mr Wedgwood Benn about the freedom of the press. Let us remember what Mr Wilson says. He said: "We stand completely for the freedom of the press, of any shape or form but, (Mr Featherstone obviously hasn't heard this one) but he said "The freedom of the press is inhibited by the companies that own the newspapers and by the policies of editors, particular policies of editors and newspaper owners who inhibit the freedom of the press because they put down what they want", as the Hon Mr Featherstone has said this so often. Now Mr Speaker, the question here, the question that we on this side of the House want to have discussed is the working of the Gibraltar Broadcasting Corporation Ordinance. We want both sides of the House to have a look at this agreement with the Thomson Group which Hon Members are aware own the Times, own the Sunday Times and is a very, very big company indeed. We are a small place, little Gibraltar, but I think we should look into the whole question, we are not going to do anything against the contract or anything against the agreement but I think Hon Members of the House of Assembly have a right to be acquainted with the details of this agreement, have the right to know what it is all about. And have a right to sit in the confines of that chamber, ask questions in the confines of the ante room and seek answers to these questions and seek answers to the problems that a Broadcasting Corporation presents everywhere and anywhere in the world. But one thing we must be clear about and that is that the Select Committee must look for the answer to the problem of having a truly independent corporation and I tell the House whatever way we may be told this is how it is worked and this is how it is done, I can tell the House that in moments of importance it appears that the corporation has not been as independent as honourable members on that side of the House like to think it is. It has not acted as independently as perhaps the Corporation would have liked to have acted and this fault lies, Mr Speaker, in an Ordinance that was passed by our predecessors in the Legislative Council because the Ordinance itself says quite clearly that the Corporation's independence is subject to the directions of the Governor in Council and the Ordinance says quite clearly that the Governor in Council can prohibit the publication of matter and the Ordinance says quite clearly that the Deputy Governor can force the corporation to put free of charge items of news that they consider it necessary and therefore Mr Speaker when the House of Assembly, when

this side of the House is putting forward this motion it is seeking to protect not just the privileges of this House what it is seeking to protect is the independence of the Corporation which that side of the House is always so anxious to champion and therefore we could invite in the constructive spirit that we have put forward this motion, we would invite the Honourable and Learned Chief Minister to reconsider his stand on this matter and to allow the question to go to a Select Committee of the House because this is a matter that vitally affects both sides of the House and no solution that is produced by one side of the House is likely to be acceptable to the other side of the House because it is likely to be looked at with some suspicion so I invite the Hon and Learned Chief Minister to reconsider this attitude on this motion and to agree to passing it in the spirit in which it has been given or tendered by the Opposition side and the spirit of constructiveness or the spirit of amity if I may say so in which it is put forward I think is reflected by the fact that my name is omitted from the Select Committee. I thank you Mr Speaker.

HON ATTORNEY GENERAL:

Mr Speaker, Sir, I do not propose to take part in this debate but I would like to assure the Hon Mr Isola that consideration is being given to the tabling of the agreement before this Honourable House. As Mr Isola will be aware there are three parties to the agreement and Government considers that it would be a courtesy to inform the other two parties to the agreement that the request has been made for the agreement to be tabled and that Government is favourably inclined to consider such request.

HON J CARUANA:

Mr Speaker, it is quite obvious that members of the Government as has been the case and their practice in this House are refraining from speaking on a matter of vital public importance. I am grateful to the Hon and Learned Attorney General for what he has just said and I am sure on behalf of this side of the House we welcome the announcement that after consultation the agreement will be tabled in this House. It is a pity that the Chief Minister could not have announced that at an earlier stage in the proceedings. The Hon Mr Zammit who finds himself absent at the moment on his way to a CPA Conference ended his speech earlier on today by quoting a phrase which translated into English means "he who thinks evil does evil". In this case on this motion the interpretation that the Government is giving to this motion is precisely because they are thinking evil and they are doing evil by abstaining or voting against this motion worded in such a way that it should enable the Government to vote in favour of such a motion. In fact, the Chief Minister in the course of his exposition mind you, in all honesty, there was very little substance as to why he could not vote for the motion, but he did say that in all honesty, in all honesty he could not bend readily to any action or idea that would give cause that things have gone wrong with the Board. He also said that he would not be a party to giving the impression that the independence of the corporation might be put into doubt. He also said that he was not against the matter being looked into and then proceeded to say that before this House looked into it the Government would carry out a preliminary investigation into the GBC, a unilateral investigation, well if that is not what the Chief Minister said, that is the impression that he certainly gave this House and then he went on to say and I quote "and if it is found that this Ordinance is found to be weak on any of those matters then the Hon the Attorney General will be consulted on parts of the Ordinance and then an independent person would, with knowledge " and I quote "an independent person with knowledge of corporations would be asked to look independently at this". Mr Speaker, this might look to be perfectly harmless and sensible but it is far from being harmless and sensible. Since then



the Chief Minister after having said all that says that he is reluctant to meet the terms of the motion, and the essence of what the Chief Minister has said with regard to this motion is in fact that the Government is setting up or will through its own limited machinery, unilaterally investigate the question of the GBC. I would like to say in this House that this is totally unacceptable for the purposes of meeting the fears and doubts which exist in this House and outside this House. Once again this attitude of the Government is closing another door to that, as has been said by my colleague on my left the Hon Mr Isola, closing the door to this idea of unity. Once again the Chief Minister by the terms in which the Government is working, that no member appears to be going to speak on this is imposing the will of the Government. Mr Speaker, if we carry on like this we might as well not have a House of Assembly because what we have if we carry on like this what we will have is an autocratic system of Government, where one point of view is all that matters and the rest goes by the wayside. This, Mr Speaker, is a denial to democratic principles, to the idea of dialogue, of talking, of reasonableness, This is very similar in a way to the action the Government took, or the inaction of the Government at the time of the strike. It will prolong the agony, it will prolong and stretch out the criticisms of GBC, and it will carry on until we get a Select Committee because in Gibraltar as in everywhere else there are two points of view always and until those two points of view are reconciled, there will always be two criticisms, one in favour and one against and this criticisms are best satisfied by a Select Committee of this House and this House today is about to be denied this Select Committee which would take off this criticism off the back of the Gibraltar Broadcasting Corporation. I will not go into the pros and cons, this has been done ably by my friends on this side of the House but it is quite obvious that the Government and the Opposition do not think alike so therefore Mr Speaker this Hon House should consider very seriously that a Select Committee is the means by which the two points of view to which I have referred will be met in this House and nowhere else. We are sure, Mr Speaker, that the Board of GBC has nothing to hide as has been said before and the Board would welcome a sober and a constitutionally elected committee of this House to talk with them and iron out those difficulties which do exist. It is around a table that the Board of Management of the GBC and its employees together with both sides of the House will be able to explain, to arrive at a concensus of ideas as to what the problems are and how they should be solved. It is playing the part of the ostrich, it is burying our heads in the sand to pretend differently. Until this select committee is set up the pressure on GBC will cease because it is not humanly possible for it to cease, because there is no dialogue and especially when the democratic rights of this House are being denied. Surely, Mr Speaker, nothing is perfect in this world, everything is subject to improvement, even the Government is subject to improvement, and the Opposition and the corporation of the GBC and the way they function is always subject to improvement, they will be the first one to admit it and I am sure that the Board of Management and this time it comes from this side of House where honesty means something, where principles means something, it is on this side of the House that I am sure we believe that the Board of Management of the GBC would welcome an early and a non-partisan discussion and report on the matters of the GBC. But certainly not by an independent person because however independent he is, like our friend Mr TEesdale, he is still being challenge today. However independent he is he will always be subject to criticism. The Board of Management of the GBC is not Mr Speaker, a Government committee, and it is not subject to party politics, that we all accept, but Mr Speaker, the Board of Management of GBC by virtue of the fact that it is not a Government committee would welcome more than ever today the setting up of a Select Committee. Mr Speaker, I support this motion.

HON CHIEF MINISTER:

Mr Speaker, may I ask for leave under rule 46 (8) I would make a point of clarification. Apparently the last speaker has not understood what I said and in fact what I said was that I would do exactly what my predecessor said he would do and I quoted his words and made them my own. I said "I am sure all the points that are raised here today will have to be collated, then gradually sifted out and with the cooperation of the Management and eventually I think whatever happens will have to go to the Governor because it is the Governor in Council who finally gives the direction to G<sup>B</sup>C under the existing law". That words I make my own and that is what I said, I did not say that we would carry out our partial investigation or anything of the kind.

HON J CARUANA:

Mr Speaker, the Leader of the Opposition, my friend the Hon and Gallant Major Peliza has in fact answered that very point very eloquently so I see no reason why that point should be clarified at all.

HON CHIEF MINISTER:

Mr Speaker, I think that the point of rule 46 (8) has been missed by Mr Caruana, he quoted me as having said something that I did not say and I am just putting the record straight by saying that that is what I said and nothing else.

HON J CARUANA:

I fail to see.....

MR SPEAKER:

The Hon the Chief Minister felt that there was a matter to be clarified on his speech and he has done so. Can I invite another contributor to the debate?

HON M K FEATHERSTONE:

Sir, I do not intend to say very much about this. I would just like to answer one or two points which have struck me. The Hon Leader of the Opposition keeps challenging this side that they must answer all the time, that they must not come in here having already decided, though Sir, I do think the British Parliament if they were to work on the principle that the Government of the day must listen to each and every member of the Opposition and must have each and everyone of their own members speaking on any motion, would never get very much work done at all. I think Sir, that is quite right for the good business, the good working of this Council, it is not unreasonable that either side should plan before hand their policy and that only one or two should be on it. Sir, we have heard from the Hon Mr Isola the question of the independence of the television. Of course, it must be independent, Sir, as far as is possible but I cannot understand how any body which in the ultimate depends on the public purse to maintain itself can be 100% independent, not even the system under which the British Broadcasting Corporation has that measure of independence so they can do as they wish in every aspect, free of the public purse, etc. But we do not wish to split hairs on this question of independence, Sir, what we do wish is to agree with the Opposition that if there are any difficulties these should be looked into. But we do not Sir, wish to subscribe to what appears to be the policy of the Opposition, now that they are in

Opposition, to try and govern either by questions or by select committees, or something like that. And it is no good, Sir, having an argument presented to us that because we have a select committee where people can say what they wish privately, etc. free from what appears to be the desire of the Opposition at times to have a performing circus, it is going to mean a consensus of opinion is going to be obtained Sir, because and I crave your leave to read, the standing orders on select committees do state that; "Any member or members dissenting from the opinion of the majority of a select committee, may put in a written statement of the reasons for such dissent." In other words Sir, even with a select committee you can still have two views, you will get a majority possibly the Government side, and a minority report from the Opposition, so we are still back to square one. What better opportunity, Sir, in something like this which is a very complicated and a very delicate matter in which we must not only show the public that the enquiry has been completely independent, we must let them see that it has been; what better method than to have a person completely untainted in any way by local politics to look into the matter. A person with experience, Sir, a person who would know far more than, with the greatest of respect, any member of this House about how a broadcasting system which depends in the ultimate on public money, should be run. It was very interesting Sir, to note that the Hon Leader of the Opposition told us that when he was Chief Minister just before the Estimates, he tried very hard, he did his homework, and he could not find out how the finances of the TV actually went and yet Sir, this side has already got the assurance from the Hon Attorney General that the agreement which Thomson Television which worries the Hon Mr Isola so much, is going to be tabled or going to get very favourable consideration for tabling. Surely, Sir, in the two years and ten months that the late Chief Minister, now Leader of the Opposition, was in power, he could have found this out quite simply, but now Sir, he comes to us so worried about television etc., so upset that he must have under all circumstances, a select committee to look into this. I am sure Sir, this side would completely support a select committee going into the findings if such were necessary of an independent enquirer, a person of wide knowledge and experience who might be brought out and why Sir, the Opposition cannot withdraw their suggestion of a select committee and accept that there should be an independent enquirer when they were the people who at every opportunity brought out experts on each and every possible thing, I cannot fully understand Sir. I feel, Sir, very strongly that whether we have a select committee or not, or if we do have a select committee whatever findings come out of it, will still be bipartisan, there will not be a consensus, one side will always feel somewhat aggrieved, I feel, Sir, that the answer to this must be with a completely neutral, well-versed person who can give us an independent, really independent report.

HON L DEVINCENZI:

Mr Speaker, I am not particularly conversant with the intricacies, in fact I haven't even seen the directions of GBC so although I very seldom follow the Hon Mr Featherstone in anything I will follow him now in the sense that I will also say just a few words on this. In fact rather than say a few words or make a speech, perhaps I might ask two or three questions which perhaps the Government side and particularly the Chief Minister, might care to think about. No.1 is has the Government and particularly the Chief Minister since the motion was moved, bothered to ask the Board of GBC whether they themselves would welcome the opportunity of a select committee? No. 2 is: if they have done so the answer has been in the affirmative, whether the Government side might consider that the findings of this select committee might bring about changes which could in some way or another go against the present Government in the structure of the G<sup>B</sup>C?

And thirdly, if the answer has been no to the request for a select committee, would that imply or throw some shadow of doubt as to whether everything is right with GBC today. Now, I did hear the Chief Minister, in fact, I did not hear him I was told he had said, that he would welcome perhaps having an independent authority to look into GBC, or rather first of all he would have to sift and go through what has been said today then perhaps we would go into the question of asking an independent authority, which would be impartial to go into it then perhaps decide on whether to have a select committee or not. Now, if this is the attitude and if this is his stand, will the Chief Minister perhaps give an assurance because of the different criticisms that have been levelled, at different levels on GBC, rightly or wrongly, I am not prepared to pass judgement, that this independent authority should be asked to do so at an early date so that if there is in fact something wrong that it should be put right. GBC because of its independence is nevertheless a very, very powerful media, in fact, I would say the most powerful media, people are bored with most newspapers here except one and I would say that they prefer television news. So it is very, very important that this is presented without the slightest bias. There have been accusations inside and outside the House that this is not the case on every occasion, perhaps this is unavoidable, the fact remains that there have been criticisms and I think the sooner that this is put right the better for Government, Opposition, GBC itself, the Board in particular who I am sure works under terrific pressure and in fact, Gibraltar generally. Thank you very much.

HON W M ISOLA:

Mr Speaker, Sir, there are two things which have come to my mind since I have been listening mostly to members of this side of the House giving reasons why there should be a select committee to deal with the question of the Gibraltar Broadcasting Corporation. May I cast Mr Speaker, our minds back to the days when we had in Gibraltar the compulsory service in the Gibraltar Regiment. The public started advocating that there should be no compulsory service. This was brought up by way of a motion to appoint a select Committee of the House to decide whether compulsory service should continue in Gibraltar or not. The result as we all know of the select committee was that compulsory service was not necessary. What was the effect on the Gibraltar Regiment? Once upon a time the Gibraltar Regiment consisted of young chaps who were taken up to do training for four months, the majority of them against their wishes. As a result of the select committee on the Gibraltar Regiment, compulsory service was abolished, we now have a Gibraltar Regiment which has been given its colours and its freedom of the City, and I understand there is a waiting list to join the Gibraltar Regiment. Now, when I see this motion, apart from the several things that have been brought to the notice of this House, there are two things which come to my mind straight away. Is it in the interest of the public to have a select committee? Now we know, I know, we all know that there is a certain amount of dissatisfaction amongst certain members of the public about the running of the GBC. Is it in the interest of the Board to have a Select Committee on the broadcasting service. To my mind, it would appear that they would be delighted to have once and for all a select committee of the broadcasting services, because then once and for all the public would be convinced that everything was right if a select committee of both sides of the House had taken all the aspects of the Gibraltar Broadcasting Corporation. To my mind, Mr Speaker, it might give it a new phase and a new life and a new boost, something similar to what happened to the Gibraltar Regiment. Now there

is also a very important subject in this motion of which I have heard very little said today in this House and that is the future role of the broadcasting services in Gibraltar. I have listened with interest to my brother talking on the various sections of the Gibraltar Broadcasting Ordinance which obviously needs a little up-dating but the important thing in all these things is, and I have heard no real reasons, no valid arguments from the other side of the House as to why we should not have a select committee on the Gibraltar Broadcasting Corporation. If I heard that it would not be in the interest of the public, not in the interest of security, I would be convinced but I have yet to hear one valid good reason why we should not have a select committee on the Gibraltar Broadcasting Corporation. I am sure, Mr Speaker, that the Government have nothing to hide, at least I would like to think that they have nothing to hide by having a select committee, then why don't they have a select committee and get on with it? What reasons have been brought to this House? What valid reasons have been brought to this House not to have a select committee? Mr Speaker, I commend the motion to the House.

MR SPEAKER:

I will now ask whether there are any other honourable members who wish to speak on the motion. I then invite the mover, the Hon Mr Mauride Xiberras, to reply to the motion.

HON M XIBERRAS:

Sir, I shall try to earn more praise from the Hon the Chief Minister for being brief. I wish he could have earned our praise by accepting a select committee. Sir, may I deal first of all with what the Hon and Learned the Attorney General had to say. We feel that even though it would be a good thing to take the agreement on GBC here, none the less, unless there is any progress on an investigation and in the absence of a select committee, this will only lead to greater debate and therefore this is not going to solve anything, this is not a palliative which this side of the House is prepared to accept as being enough. Secondly, Sir, may I say as mover of the motion that again, there is no animosity on this side of the House against the Board of GBC, I said on one occasion that I would not pander to the Board, I will not do so again. I think they are there to take criticism and I am sure that they have got criticism from both sides of the House, and therefore it is not their impartiality which is in question here. I have particularly the highest regard for the Chairman, Mr Dumas. Thirdly, Sir, that I am very surprised, or should I say very disappointed, but not surprised, that this select committee has been turned down despite the fact that the Honourable and Learned the Chief Minister called the Select Committee on Compulsory Military Service an exercise in democracy and was very pleased about the results, nonetheless on this occasion on a subject which has all the ingredients of the compulsory service select committee, he has turned it down. Next, that I am disappointed but not particularly surprised that after the other side of the House has been consistently, whilst in Opposition, suggesting that members of the Opposition should be given much more to do whilst in Opposition in the affairs of Government now they turn down this request from this side of the House for a select committee I would recall certain things that the Hon Mr Abecasis has said on television, certain things that the Hon Mr Montegriffo has said from time to time, that he wishes, he would like to see participation but none the less when this issue comes about, there is a complete change of mind. Next, Sir, I wish to recall in the House what the Hon and Learned Chief Minister said outside this House about the independents having a place in Gibraltar politics once again. What a pity that members outside the House should be given a place by the

present Chief Minister whilst members who have been duly elected to this House are not given a place in respect of this select committee and therefore Sir, I feel that this participation in Government and this hand of friendship has been given the lie in this particular meeting. I am very sorry about this because a select committee, as I said in presenting this motion, offers all the security which an opposition would like, it offers concrete terms of reference, it offers public commitment to a particular working with the Government to try to find an answer to a particular problem whereas the propositions that have come over from the other side of the Government have been terribly ambiguous terribly dangerous for an opposition jealous of its impartiality and now that we come with a select committee to this House we find that we are rebuffed. Sir, I am sure that this policy will not extend to the next motion before the House because last time when this motion was brought by my Hon and Learned Friend, the one on air communications, last time Hon Members were in opposition, therefore they were prepared to agree. But this time, when this side of the House brings forward a perfectly sensible idea for a select committee we find that Hon Members on the other side are not in agreement. I do not know whether to call this hypocritical; I do not know what to call it, certainly it is not consistent. Sir, I am sure the Hon and Learned the Chief Minister said that he would consider at least appointing an independent person then later on in clarifying a point raised by the Hon Mr Caruana, my friend on this side, he appeared to pull out of that statement. Then the Hon Mr Featherstone said something which appeared to coincide with what members on this side of the House had interpreted. Could the Hon the Chief Minister clarify this point?

HON CHIEF MINISTER:

Yes, I ask leave from Mr Speaker to make clear that I was not going to carry out the investigation, that I was going to do exactly what my predecessor said he was going to do to lead on to the appointment of an investigator. I did not say and this is where I corrected the Hon Mr Caruana, I did not say that I was going to investigate, that is the last thing I want to do, what I thought was necessary to do is what the Hon Major Peliza said he would do in the course of that debate, collate all the matters and bring the matter before Gibraltar Council to lead to that.

HON M XIBERRAS:

Sir, then it is established that the Hon and Learned the Chief Minister will appoint an independent investigator into this?

HON CHIEF MINISTER:

Sir, I will not appoint an investigator, I will recommend that an investigator be appointed in Gibraltar Council because as his friend on the left has said this is not a defined domestic matter but I have no doubt that our advice will be taken.

HON M XIBERRAS:

Sir, that I think, exemplifies the Hon and Learned Mr Peter Isola's point, that there is another party to consider to this agreement and I feel Hon Members opposite should take every opportunity of enhancing the prestige and authority of this House by accepting a select committee. Sir, I think that the ingredients as I have said of three ingredients were present in the compulsory

service issue and it worked very satisfactorily. I am not pessimistic at all, as the Hon Mr Featherstone appeared to be, that we should arrive at a consensus. And this leads me to the next point, perfectly well put by my Honourable and Gallant Friend the Leader of the Opposition and by the Hon Mr Caruana my friend on this side, and that is that in this particular issue where there is public division, this is undeniable, nothing short of both sides of this House agreeing or even agreeing to disagree would lay this particular issue to rest. Now this is the work of a select committee and therefore I would ask Hon Members opposite not to vote against the principle which has been expounded by this side of the House and at least abstain on this issue. The Hon Member laughs. No doubt he is entitled to his laugh, but so, this side of the House laughs when the Hon Member opposite offered members on this side of the House posts on various government committees. Ah, but it is not tit for tat at all, it is not a tit for tat in the least. One is a regular procedure in a democratic set-up of Government and Opposition, the other is an attempt to swallow up the Opposition, Sir, I am sure that we could arrive at some sort of consensus on this particular issue and something which would be considered acceptable by all. I do not think we have had any more trouble in this House over compulsory military service, why should we have it over the Gibraltar Broadcasting Services if a Select Committee were to meet and recommend? Well, the Hon Member does not seem to be all that consistent, does he? Sir, on the question of the finances it is equally important that we should have a select committee. I am sure that Hon Members opposite are going to be faced with the same dilemma of having to raise television licences within a very short time, it is in the nature of things. Perhaps they will have to go higher than licences in the United Kingdom. I do hope that they don't come to this House for a select committee when it becomes imperative to raise licences, because the time to have a select committee is precisely now when that unpleasant job has already been done by this side of the House. I think, Sir, that no more needs to be said on this motion except to say that the mood of this debate has as the House will appreciate been completely distinct from the mood in the previous debate and it shows that the opposition is prepared to be reasonable and talk and use the democratic procedures of this House fully. We are not scared of being swallowed up in this House by the Government, we are however suspicious of certain pronouncements by the Government as regards the hand of friendship and so on and the offers to Government committees, we are deeply suspicious of this. But we expect if these offers are genuine in the first place, we expect the government to accept such proposals as the one before the House at present in good faith. If the Government does not take up this proposal, then I cannot see how they can expect us to believe that they were acting in good faith when they offered us jobs in the Transport Commission or in the Prison Board, I really cannot see this. Again coming with arguments that have not been proved unreasonable where there has been no attempt to prove these arguments unreasonable and knowing that the Government is determined to vote against this motion almost on principle but perhaps another set of principles, I commend the motion to the House.

Mr Speaker then put the question in the terms of the motion moved by the Hon M Xiberras and on a division being taken, the following Hon Members voted in favour:

The Hon J Caruana  
 The Hon L Devincenzi  
 The Hon P J Isola  
 The Hon W M Isola  
 The Hon Major R J Peliza  
 The Hon M Xiberras

The following Hon Members voted against:

The Hon I Abecasis  
 The Hon M K Featherstone  
 The Hon Sir Joshua Hassan  
 The Hon Lt Col J L Hoare  
 The Hon A P Montegriffo  
 The Hon A W Serfaty

The following Hon Members abstained:

The Hon J K Havers  
 The Hon A Mackay

MR SPEAKER:

The division is as follows: there are six votes, in favour of the motion, six votes against the motion and two abstentions and consequently in furtherance of section 44(4) of the Constitution the motion is declared lost on an equality of votes.

HON M XIBERRAS:

Sir, as the House is aware there was another motion following the lines of the previous one just discussed by the House and asking the House to name a Select Committee composed of the Hon H J Zammitt, Hon A W Serfaty, the Hon Lt Col J L Hoare, the Hon M Xiberras, the Hon J Bossano to look at the Gibraltar Broadcasting Corporation. In view of the fact that the House has not accepted the previous motion I now ask the leave of the House to withdraw the motion.

MR SPEAKER:

Leave is granted under order 23 of the Standing Orders.

HON P J ISOLA:

Sir, I have the honour to move the motion standing in my name which reads: "In view of the very great importance of air communications to the welfare of the people of Gibraltar and to the expansion and strength of the economy, this House resolves that a Select Committee of the House be appointed to investigate, report and make recommendations on

- a. the different kinds of air fares available to the public and the need if any in the public interest to restrict any other operator from operating on the Gibraltar/London route whether by charter or otherwise
- b. the viability of the Gibraltar/London route
- c. the extent and nature of consultation between the Gibraltar Government and Her Majesty's Government and the need if any for the people of Gibraltar through their elected representatives to have a more direct and effective say in air communications in and out of Gibraltar



- d. the monopolistic tendencies if any, on travel in and out of Gibraltar and their desirability or otherwise in the public interest
- e. the need and desirability of encouraging air communications between Gibraltar and countries other than Britain, thus affording the public increased opportunities of travel as enjoyed in other countries and at the same time providing a foundation for the continued expansion of the Gibraltar economy."

Sir, this motion has been drafted in exactly the same terms as the motion that was passed by the House, this House, earlier on in the year prior to its dissolution on the 19th May. Since this motion was passed by the House there have been four new members to the House, three of whom are absent today, leaving only the Hon and Learned the Attorney General, and I hope the Hon and Learned Attorney General will forgive me if I don't say everything I said when I originally moved the motion before the House, I believe there is an adequate hansafd report on the matter and certainly I will speak to him at any length he likes on the motion, perhaps outside the House if he is terribly interested in it. I do not think Sir, in view of the fact that all the Hon Members here were present when I moved this motion from the other side of the House, there is need for me to say anything in addition to what was said on that day, and I hope the House will bear in mind the arguments that were used by me when I moved the motion on that day. There have been a number of developments since I moved the motion which I think makes it necessary for this Committee to be resuscitated. It was I think the Hon and Learned Chief Minister, then Leader of the Opposition, who said when supporting the motion, that it was important if the Select Committee was to be able to work successfully, it was important that there should be cooperation from everybody concerned in air communications. I am glad to say that since that motion was passed in the short number of sittings that the Select Committee held under the chairmanship of I was going to say the now defunct Major Gache, but he is still alive, the ex minister for Commercial Economic Development, Major Gache, he did inform the House, and he did seem to have great influence and great authority with the air lines or at least so he told us, he did inform the Select Committee that though British European Airways and British Caledonian Airways had expressed their willingness to cooperate with the Select Committee and their representatives would be quite willing to appear before the committee naturally, given as we have the cooperation of the airlines, this will make the task of the committee considerably easier. Mr Speaker, Sir, since this motion was passed there have been throughout the air services in the world, there have been reductions in air fares, there have been attempts to win over passengers for the various airlines; there have been improved communications with many countries but none of these happenings have been reflected on the all important Gibraltar/London route. On the 26th September the Civil Aviation Authority gave a licence to Laker Airways to run a sky train, what they call a sky train service to New York, sky train fare they called it, from Stanstead in England to New York £32.50 single; £65 return in the winter and £37.50 single and therefore double £75 return in the summer by BOEING 707. Hon Members who have had experience in these matters will know that if you fly to London from Gibraltar and stay less than six nights you pay in the jolly old Vanguard, you pay £74 return. In the United Kingdom itself they introduced what is known as a stand-by fare of the normal fare £11.55, they introduced a stand-by fare of £9 which meant that people who left in the last minute, in the last half hour could get on for that much cheaper. Stand-by fares have just never been heard of in the Gibraltar/London route. Also I notice that BEA and British Caledonian want to introduce a special winter weekend fare return fare internally in England between London

and Belfast or Glasgow or Edinburgh of £14.50 return as opposed to normal fare of £23 return. In Gibraltar if you wish to go for a weekend to London you pay your £74, you pay the full lot. Mr Speaker, the question of air fares is an intricate matter and is not something that can be discussed easily in the House, but one thing is absolutely certain that as far as the ordinary Gibraltarian citizen is concerned as far as the ordinary fare paying passenger is concerned, he gets a very very poor deal today from the airline, the fares are extremely high, he must stay at least six nights away from Gibraltar and he has to pay through the nose for the privilege and on most occasions he has to go in a Vanguard aircraft, a vanguard which went out of service in most of the main routes in Europe two or three years ago. I remember Mr Speaker, when the Trident service was introduced into Gibraltar with great flourish by the airline in 1967, five years ago, and the Hon then Chief Minister and the Hon then Minister for Tourism both holding the same positions again today, were invited to London for a week to try the new service out, the Trident service. But that is how it stayed, Mr Speaker, one trident service a week, that is all Gibraltar got and it stayed like that, I think, till about a year and a half ago and now, as a sort of great thing we are being told that the Vanguards are being phased out of the Gibraltar route and the reason for that Mr Speaker, is of course that they are being put out of passenger service altogether so they must be phased out of the Gibraltar route. It has been my feeling that Gibraltar has had in the past a very poor deal, from the airline, the main scheduled airline, who have made a considerable amount on the route which has always run with a high load factor, in other words has carried a very high average of passengers over the year. There is another matter which the Select Committee, I think, will have to consider and that is the balance between the ordinary fare paying passengers and the passengers that are carried at near charter rates. The Select Committee in the few sittings it had before the House was dissolved, was informed of the difference but I do not think it would be right or proper for me to give exact figures in this House except to say Mr Speaker that approximately 50% of the passengers carried over a year by the airline are normal fare paying scheduled passengers, the other 50% are passengers sent by tour operators, and I think it is not unfair to say that the ordinary fare paying passenger, the person who is going to England for example from Gibraltar to see his family, spend a couple of weeks as a holiday with them, the ordinary Gibraltarian who is going to England for all sorts of reasons and cannot take up a Windsor Tour which entitles him to much reduced fare than other people, that ordinary person who is paying over double for his air fare than the tour operator passenger is paying, and one of the things the Select Committee to my mind would have to consider is whether there is the right balance. The other point that has to be considered I think by the Select Committee is the place of charter flights on the Gibraltar to London route. This is very important, Mr Speaker, if we are to have the economic expansion of which the Minister for Economic Development, I won't mention his other title, he is concerned as far as this title is concerned, the plans that he has for the economic expansion of Gibraltar. Because Mr Speaker, in answer to a question by my Hon Friend, my Learned brother, he answered that there had been some 15,275 tourist arrivals in 1972 and that the total of guest nights had been a 111,000. Well, Mr Speaker when one thinks of the days of the Algeciras ferry which finished in June 1969, when there were some 500 arrivals a day, that would turn the tourist arrivals to Gibraltar in a year to something like a 175,000 as opposed to 15,000 for 1972 and obviously Mr Speaker that frontier stays shut and assuming that ferryboat is still cut off from Gibraltar, it is puerile, it is ridiculous to think that 3 or 4 hotels more in Gibraltar additional to the present two under construction, 3 or 4 more, and I think that the Minister for Economic Development will be very, very lucky if he can get two more, but three or four more will not make up in terms to the economy, in the way the tourist trade is made up and the fact that the operator takes most of the money anyway before they have arrived here, in that sort of term he

he cannot get anywhere near his hopes unless there is in Gibraltar a proper reasonable scheduled service at reasonable rates to fare paying passengers and some element of charter flights. Because to have economic expansion you must have people who are prepared to invest in Gibraltar and people who will not have trouble in getting their customers to Gibraltar which is what is happening today with a certain number of operators or travel agents or whatever one would like to call them and therefore looked at from the economic development of Gibraltar, it is important, it is vital in fact, that this question of air communications should be looked at by both sides of the House in a bi-partisan manner and it is therefore important because more and more people from Gibraltar are now using these services out of Gibraltar, are now travelling out of Gibraltar much more because of the particular situation that we are living in and it is more and more important that we should see whether their interest are being fully looked after by the airlines and lastly Mr Speaker it is more and more important if we regard the question of economic development as not merely in money terms but in increases in amenities and comfort of the community. I think that in the confines again of the Select Committee in the Ante Room and this Chamber we can go into the very many complex problems that any study of air communications involves and resolve the problem, we hope, in some way so that this House may speak with one voice viz a viz the British Government which is an important party in this and viz a viz the airlines who not only are very important parties but also very powerful ones. I commend, Mr Speaker, the motion to the House.

Mr Speaker proposed the question in the terms of the motion proposed by the Hon P J Isola.

HON A W SERFATY:

Mr Speaker, first of all I congratulate myself and my government that I have a shadow minister for economic development who is really concerned about the matters of economic development. This is good augury for the future. I did not want to interrupt the speaker when he said that my reply to his honourable brother was 15,000 visitors tourist arrivals, to the hotels. May I call his attention to the fact that these visitors were for the period 1st January to 1st August for three hotels only and that the total tourist arrivals in Gibraltar last year were 132,000 which is nothing really compared to the 700,000 we had in 1964, and this is why we are also concerned about the future of the private sector of the economy when we had 700,000 in 1964 and 132,000 last year, it is a cause for concern that the size of the tourist infrastructure is not being developed as fast as we would like it to be and of course I will take it upon myself and will try to prevail upon my colleagues that this is one of the most important things but there are also other very important things perhaps even more so from the social angle, that we must carry out in these four years that we hope to be in office. One should explain that in 700,000 visitors that an average stay in Gibraltar of only 1.1 nights and that now we are getting to the stage where the average stay is about eight days, eight nights which is all very good because from the PA Report if I may mention it once again we know that a person who stays apart from what he spends in hotels, eight nights in Gibraltar spends more and contributes much more to the economy than persons who stay only one night. Now, I would like to try and paint a realistic picture of the situation as far as air communications are concerned. I can see that the Hon Mover is very up to date and of course.....

MR SPEAKER:

I would like to remind the Minister that what we are discussing is whether a Select Committee should be appointed to go into these matters and in so doing of course, there are certain matters which have to be touched but we must not go into the details of the work which has of necessity to be done by the Select Committee itself. What we are discussing is the advisability of the appointment of a Select Committee to go into the question of air communications.

HON A W SERFATY:

Yes Sir, what I was trying to say and which I think with all due respect is relevant on whether the Government agree or does not agree to appointing a Select Committee is that the Hon Mover today and in his previous motion painted, I won't say a black but nearly so, picture of the situation as regards air communications and what I wanted to try and do now Sir, was quoting, not that I agree entirely with what either the mover says or what the Hon Major Gache then said quoting what Major Gache then said a few of the things he said so that I can paint a picture that the situation is not as black as the Hon Mr Peter Isola suggested or as white as the Hon Major Gache tried to make it, so that we can get a good picture of the situation when we decide whether or not to appoint a Select Committee.

MR SPEAKER:

Perhaps the way that one has to approach this is in order to be able to decide whether a Select Committee should be appointed or not, but not just to prove or just to show that the picture is not as black as they have painted it. What you are deciding here is whether a Select Committee should be appointed to go into this matter and in order to decide whether a Select Committee should be appointed of course you are free to go into any matter which is going to help the House to take a decision.

HON A W SERFATY:

Sir, do I take it then that I can consider this as a preamble to discuss whether or not a Select Committee should be appointed because....

MR SPEAKER:

Let us work on that premise.

HON A W SERFATY:

Very good, well the Hon Major Gache or the defunct Major Gache as the Hon Mr Peter Isola likes to put it, said among other things "I think it is proper I should say that the London/Gibraltar air fares are amongst the lowest in the world"; "all regular services to holiday resorts are suffering heavily at the moment from the effect of charters"; "charters only fly when and where there is trade, what would we do in the period of the winter to maintain as we have got today a daily service which we did not have last year and which we have because of representations which we made, what would we do in those periods if we were to encourage charters and charters were to fly in the peak period of the summer which is the period in which the airline depend and indeed the hotels do in Gibraltar and the trade in Gibraltar to offset the possible dilution of profits in the winter period." Now this is an important one: "The Air Transport

Licensing Board said in their decision turning down Gibair's application which was supported by the Gibraltar Government provided the capacity remains adequate however, we are clear that until traffic shows signs of substantial increase, the arrival of another carrier on the route will inevitably weaken the viability of the existing services which are so vital to Gibraltar interests". I do not believe Mr Speaker, quoting from Major Gache, that the situation has changed from then to now. Here is an important one, I will skip a few, "Therefore, I cannot say more more than HMG on this matter of consultation if I may use the term, has really bent over backwards to fall in with what Gibraltar required. In connection with the monopolistic tendencies if any, at the moment I do not believe that there are. BUA has at the moment and has had for many years a licence from the Air Transport Licensing Board to operate up to three flights in any one week. BUA have not used up those three flights even today and what is more have not thought necessary despite their very high load factors not only not to take up the third flight throughout the whole year but to apply to have the licence increased to more than three flights. Now, I am assured by BEA they would not oppose any application by the second carrier to increase its frequency between London and Gibraltar and in fact discussions are going on at the moment between BEA and BCAL for the summer of 1973. Let me also inform the House that I did contact another airline as was said in the PA Management Report which had shown an interest in possibly coming to Gibraltar and I have a letter here which says that they have carefully analysed their future availability and regret to advise that it was impracticable for them to come to Gibraltar."

MR SPEAKER:

I think I remember very well that at that very moment I ruled the Hon Major Gache out of order for the same reasons that I am trying to explain to you. It is a question of standing orders and relevancy of debate, but do continue.

HON A W SERFATY:

Well, it is clear Sir that Major Gache did not share the misgivings to any great extent of the Hon Mr Peter Isola. Of course the opposition supported the motion because we were very concerned. You may not say "Hear, hear" when I say what I am going to say, the Opposition were very concerned at the parting of the ways between Mr William Isola, Minister for Tourism and Major Gache who was looking at the fares of air communications which as we all know is a non defined domestic matter. But we sincerely felt that the lack of communication and the lack of cooperation between these two gentlemen was not in the public interest so we gladly took up the opportunity of forming part of a select committee and this is what I said then: "Now this question of airing matters, I am not going to say for example that some of these problems are exactly as stated by the Hon Mr Peter Isola. I consider and I may say so quite frankly that BEA are friends and so are British Caledonian. Of course BEA and British Caledonian are not in this business for the good of their health. They are defending their interests and of course we are here to defend the interests of Gibraltar." Now Sir, we have a different situation. I am responsible to the House, to the Government and to the House for tourism and it is my job too to look into this question of air communications. In fact I have already had as I said in my statement of the 6th October, I have had two conferences, two talks with BEA executives, one in London and one in Gibraltar, and I have already been able to prevail upon them to change two flights next winter from Trident 2 to Trident 3. But one important matter which the select committee, if appointed, will have to take up and it is not mentioned in the motion, is the question of seat capacity for Gibraltar. This is very important and I have been

able to discuss the matter with BEA because apparently they were prevailed upon by the last administration, presumably Major Gache, that Gibraltar should be used as an international airport which means that it is used as a stop over for Marrakesh. I do not disagree with this, this is important but we have to be very careful that seats in these planes are not counted as for Gibraltar because although people will come in these planes to Gibraltar they will only come and they admit it, if the seats are not taken up to Marrakesh, and as I said the other day Agadir is coming in the winter and Casablanca in the summer, so we are going to get quite a number of planes but my worry is seat capacity for the Gibraltar sector of the trip and this is what we must all worry about. Of course I do not want to bring this question of hotels in again but we talked so much about charters. I discussed this matter of charters not only with BEA but with some of the big tour operators that I have gone to see in London who had heard a lot about Gibraltar but never taken much interest and here I come across the difficulty of shortage of beds. Let us face it, it is no use talking about charters Mr Speaker, and I want Mr Isola to take good note of this, if we do not have enough beds to offer. We must, as I said some time ago, we must have a supermarket of tourism not a "bacalito". Now I am prepared to accept that this question is very complex, very complex indeed, this question of seat capacity, fares, and let me tell you Sir that BEA wrote to me only the other day something which I feel the House ought to know: "I can also confirm that my statement about the fares of Gibraltar is correct although we have currently raised all international fares by 4% we did not increase on the London/Gibraltar route. You are therefore in a better ratio than London/Malaga for example." And take note of this Sir, Mr Speaker, with respect. The IATA fares conference is now taking place in Torremolinos and when we know the results we shall obviously have to consider with BCAL and the DFL what we do about London/Gibraltar. Now, I saw a BEA executive only yesterday.....

MR SPEAKER:

We must not go into the details of negotiations. We are here to discuss exclusively the appointment of a Select Committee otherwise we open ourselves to a general debate and it is not relevant to the point at issue.

HON A W SERFATY:

Very good, Sir, as I was saying these matters are very complex and the Government welcomes an opportunity of having these matters thrashed out in the public interest and in the interest of air carriers with whom we must have good relation I think we must consider ourselves friends, we are not exactly on the same side of the fence but we must thrash these things out with them, and therefore the Government has pleasure in supporting this motion and we will vote for it.

HON W M ISOLA:

Mr Speaker, Sir, for one moment I was getting quite nervous, I was not quite sure if the Government was going to support this motion or not and it was only until the last two or three words of the Hon Minister for Tourism that I gave a sigh of relief. Now, Mr Speaker, a motion is not thrown at the House for no reason at all. There is always a reason behind the motion as before a motion is put to the House there are very valid reasons of why the motion should have been brought to the House in the first place. I think that it is necessary at least as far as I am concerned when I support the motion to go back a little to 1969 to appreciate the reasons why I am supporting

In 1969, as the Hon Minister for Tourism has said, the frontier with Spain was open. In 1964 I accept the Minister's figures were £700,000 and by 1969 they had been reduced substantially because it was in June 1969 that a large number of tourists who visited Gibraltar were chopped off at one particular stroke of the pen on the 9 June 1969. At that particular time, Mr Speaker, Gibraltar was what I would consider a soft sell. A soft sell to the extent that people coming from England to Gibraltar could bring as much money as they wished to whilst if they visited places outside the sterling area like France, Belgium, Holland and Germany etc they were limited to the extent of £50 for their holiday. So at that particular moment, Mr Speaker, we had the influx of the tourists coming from Spain on a day's visit or perhaps a night stand and also the English people who could spend as much money as they like in the sterling area. On the 3 of January 1970 the Treasury lifted the restriction from English holiday makers which meant that as from the 3 January 1970 English visitors were able to frequent any country they wished and take as much money within reason as they wished. Gibraltar was no longer the sterling attraction that it was in 1969 and 1968. From that particular moment Sir, we not only become a political island but also the Englishmen who formed 95% of our tourists had a choice of travelling anywhere in the world. In January 1970 in my submission Sir and I think this is to a very large extent correct, Gibraltar became what is known as a hard sell. We had to push Gibraltar to sell Gibraltar. In those particular days we still had again against us Mr Speaker, the Vanguards coming and leaving Gibraltar at very awkward hours arriving in England at three or four in the morning. All these difficulties did not help the tourist trade. I was particularly pleased Mr Speaker with the remarks made in answer to my question by the Hon Minister for Tourism that the tourist arrivals for the three principal hotels up to January 31 with 15,000 as against 11,000 for the previous year. It means that we are making inroads but as the Minister says we must not be complacent and we must move on. Now on the question of air fares I think it has been said that Major Gache was responsible to the Government for air fares in the two years that he was in Government and if I remember rightly we had two increases of fares for the London/Gibraltar route. It is all very well Mr Speaker to say that the Gibraltar fare to give an example and the Malaga fare are practically the same. That, Sir, is not quite correct in my estimation because Gibraltar is not tied by IATA, and Gibraltar is a cabotage route and for me or for anyone to say that going to Malaga is practically the same as coming to Gibraltar is not quite correct because in Malaga there are charter planes which go there at a very cheap rate of about £12 or £14, the cheapest rate to Gibraltar as we all know is about £44 or £45. It is very important that we should try and get the best of everything we can in order to help our tourist industry and our economic development. If we have a Select Committee and we have a report I feel Mr Speaker that the task of the Minister for Tourism which is not an easy one, was not an easy one in my time, it will not be easy for the Minister he has far more support in a Select Committee to implement the policies which we in Gibraltar as a whole consider to be for the benefit of the tourists, but Mr Speaker, we must not just think in terms of tourists, we must also think in terms of the ordinary man in the street in Gibraltar who wishes to leave Gibraltar. And on this Mr Speaker there is very little I can say except that it seems to me incredible that for instance a Mr X can go on a holiday to London on a Windsor Tour and spend £44 for a week. On the other hand if Mr and Mrs X wish to see their family say in Oxford, an hour and a half away from London they have to pay exactly the same price of £44. These are matters to give little examples which we in the Select Committee can, with the help and cooperation of British European Airways and British Caledonian Airways and the Tour Operators because Mr Speaker, without their support we can get very little advancement but at least we can appreciate their difficulties and also at the same time make certain recommendations which we consider can be to the benefit

of Gibraltar. It is all very well Mr Speaker on the question for instance of fares, we have very little say in the fares when they go up. I mean if BEA wishes to increase their fares to Gibraltar the procedure is this; they will come to Government and say "We intend to increase the fares, do you agree?" and if we say we do not agree the fares still go up. And of course if we say we agree to the fares going up and then anyone accuses the Government or shall we say accuses BEA of the fares having gone up, they turn round and say "Very well, but your Government has agreed". Now, of course Mr Speaker, that does not happen in other parts of the world because there are conventions as between different countries. As far as Gibraltar is concerned we have very little to say in fact no say at all on the question of the increase of fares which affects Gibraltar to my mind and if I may say so Mr Speaker far more than any other part of the world because Gibraltar is so small and we have no airlines and we have no other competition. These are matters Mr Speaker, which can be discussed much more not eloquently perhaps much more down to earth behind the closed doors of a select committee, and also Mr Speaker at the same time as we have a Select Committee, members of the public are allowed to come and give us their views. For all these reasons and many others Mr Speaker and I think I have spoken already too much, when I know that the members of the Government have at long last agreed to a motion put forward by the Opposition. I will vote for the motion. Thank you.

HON CHIEF MINISTER:

Mr Speaker, I would like to say a few remarks arising out of the remarks of the previous speaker. At last he says the Government agrees to a motion of the Opposition. Well, so far we have had three motions; one was a motion of censure, I do not think they expected us to vote for that. You might say it was a vote of censure when the House of Assembly was dissolved before its time. The Government had a vote of censure on itself or put itself to the people and that was what happened. But anyhow insofar in the confines of this House there have been three motions, one was the vote of censure which of course by all means must be opposed, in any case it was irrelevant but the other was one on which we did not feel that we could support it. Now this one we feel that we can and all I would like to say is that when we cannot agree with the Opposition they should not call upon democratic principles being deprived and so on, perhaps the whole thing is a democratic process. I am sure that the Opposition feels very strongly about a motion and support it and I hope that the Opposition will allow the Government the/to feel that there may be good reasons when we cannot see our way to agree with the Opposition because it would save us a lot of speeches. So there is a natural, ingrained human inclination to agree, but if we do not agree it is because we have very strong reasons, but this time we are glad and we hope that it will be reflected in the time that the debate takes.

/right

HON MAJOR R J PELIZA:

The last thing I wanted to do was to speak on this motion but having been prompted by the Hon and Learned the Chief Minister I have no option but to stand up and explain why it is that we have to come out with matters of democratic principles. Democratic principles does not mean just that we come here and agree or disagree. It is the attitude of every member to every matter that is discussed. This is the point of democratic principles that we are talking about, not the fact that we can come here and agree or disagree. Of course we all know that we can agree and disagree but it is the explaining and giving a logical reason as to why you disagree. For instance, we have had



I think two or three occasions when we have asked for the meetings to be held in the evening and the Chief Minister has not agreed, with no logic whatsoever. The only thing that he has tried to and attempted to give the impression that what he found reason for disagreeing with was the fact that if the meeting started at 6 o'clock the meeting would have had to go on until 3 o'clock in the morning. That, of course, is completely illogical and is not so. There is no reason why we shouldn't start at 5 and finish at eight. It might take a few more days but the business will go on and the people will hear about it and of course in this a democratic principle is involved whether he likes it or not, the fact that the public cannot listen to it, is depriving the public of a democratic principle. The fact that it is very difficult for those who have been elected not to be here and discuss the matter because they have got to attend to their business or to their work, as in fact happened to one of his own ministers yesterday, affects the democratic principle so therefore to say that a democratic principle is a question of coming here and the Government saying "No, we disagree" and sit down, that is not democratic principle. As I said Mr Speaker I had no intention at all of standing and speaking on this motion. I fully support the motion, I think it is a very wise idea when there are common interests to have a select committee and I will not go into the merits or demerits of the previous one but I think it is a good idea where there is unanimity of view or where there is a possibility of unanimity of view or where there is a common interest on Gibraltar which is so obvious that it is important that the two sides should get together. Where unity can be seen to be taking place with sincerity and honesty and not just used for political purposes, then I think is when we have got to get together. This is true unity, this is true democracy. Having said that all I can add is that I support the motion and I hope that in future the Government will be able to be more explicit, come out and give reasons, good reasons, of why they agree or disagree with what the Opposition have got to say and particularly at question time that they give answers to questions.

HON J CARUANA:

Since it appears that there are no other members who are going to address the House from the other side I would like to say one or two things on the air communications and say that the policy of the Integration with Britain Party with regard to tourism has always been one to maintain tourism at a realistic level and to develop it within the resources of Gibraltar. This is a reasonable attitude to take at all times and we have shown it in our policies in our actions during the last few years. In 1971 it has been proved and shown that 82,000 tourists came to Gibraltar and in this year 111,000 tourists, which shows an upward trend, which shows in fact the need to take account of seat capacity and bed capacity for Gibraltar. I only wish the Minister and the Government especially now that a Select Committee has been agreed got speed here and we will praise him if he does well and we shall oppose and hit him when he does wrong like he did with St Michael's Cave and Miss Gibraltar Contest. I cannot agree with the Chief Minister concerning what he said about this motion. I can't see how the Government would get out of voting with this motion because they have already voted before on this same motion at the last session and with that Mr Speaker, I am sure there is no doubt as to how I will vote.

MR SPEAKER:

I then will invite the mover, the Hon Mr Peter Isola to reply.

HON P J ISOLA:

Mr Speaker, I am grateful for the generous support there has been from the House to this motion although the awful spectre of Major Gache came before me as the Minister for Economic Development got up and did exactly the same performance as Major Gache did when he supported the motion, he used every argument he could think of why a select committee should not be appointed and then voted in favour, and the only alarming thing about the Hon Mr Serfaty's attitude seems to me to be that when he was in London recently and he had a seminar with Major Gache it seems that Major Gache took the opportunity to condition the Hon Minister on this issue and on this motion and I can assure you, I can assure the Minister, Mr Speaker, that I will do my utmost during the sessions of the Select Committee to decondition him and put him back to what he was when he first sat in that Select Committee and tended to see eye to eye with me on some of the matters raised. I must remind the Minister that I was very glad to hear from him that we are now to have two flights in the Trident 3's instead of Trident 2's, but he didn't tell us what was going to happen to the Vanguard. They are still coming into Gibraltar and it is no use moving from Trident 2 to Trident 3 when you are still stuck with the Vanguard. Get rid of that one, let us have all jet travel between London and Gibraltar and I must also take issue with the Minister when he again, to my way of thinking, seems to have been conditioned by Major Gache in his approach to the airlines and the services they give Gibraltar. The important difference between the service between London/Malaga; London/Paris and London/Strasbourg and so forth and London and Gibraltar is that in Gibraltar, the Gibraltar run although they call it a scheduled air service in effect what they are running is a part charter service, and a lot of the tickets, a lot of the seats on those planes are not available to the general public and the seats that are available to the general public are at a very high rate and the seats that are available to tour operators which form about 60% are available at a very low rate so what the airlines do as far as Gibraltar is concerned is that when it suits them to call it a scheduled air line or that they are running a scheduled air service, that is when they want increases in air fares they come to the Government and say "We have to run the service whether it is empty or full." That is nonsense Mr Speaker, the load factor on Gibraltar they are running at 65%, 70% in many cases because they are running in effect a part charter operation and the other point I would like to make to the Minister for Economic Development is this, that a charter operation would in fact be cheaper than the present charter rates that are given to tour operators so that in a way we are falling between two stools, we are not providing a proper scheduled air service to Gibraltar at reasonable rates and which people have a reasonable chance of getting a seat, and we are not providing the cheap charter rates that our competitors are providing to other parts and other tourist spots. I am glad to see my Hon friend the Minister for Tourism nodding his head in agreement. The Minister for tourism has talked about lack of beds, but I don't know much about that. I know there are two hotels going up, but I do hope you have more beds there to sleep in. Mr Speaker, there is the other point he made about the IATA in Torremolinos, again may I remind him of a popular play of the airlines with whom of course we want to and must maintain friendly relations and that is that they talk about IATA rules and IATA agreements when it suits their argument but they don't talk about IATA agreements when they are talking about the different kinds of air fares available to Gibraltar. There are lots of air fares available in Gibraltar which are not approved by IATA but are put on by the airlines because this is a cabotage route and not an IATA route so when they talk about IATA conferences let them talk about IATA matters and not about cabotage matters. But the airlines, and that is what I would like the Minister to keep very much in mind, that the airlines are in the business to make money as he says and therefore the Gibraltar Government and the House of Assembly and the people in Gibraltar must treat them in a business like way and not think that they are

doing us a favour by switching from Trident 2's to Trident 3's and so forth. They are going, as one of their executives said, they go where the money goes, whether it is Malaga or whether it is Gibraltar, or whether Gibraltar is at war with Spain or not is irrelevant from the point of view of the airline. These considerations we must keep in mind and when my honourable friend said that he knew that BEA would not oppose an extension of flights to Gibraltar by British Caledonian, an application for an extension, he must read that in the background in which Major Gache made that statement under which we were informed that an arrangement was going to be made between the airlines under which one would do the night flight and another would do the day flight which in effect means that we are dealing with one and not two. I know we are in a difficult position in Gibraltar because it is a small place and it is a small route, but I think it is a route that is still of interest to the main airlines because they are running at something like 65% or 75% full which for a scheduled airline is very good indeed. I am glad the government side approve this motion and I do hope that from the Select Committee will come a more realistic and accurate picture of the problems that face Gibraltar in air communications and a more realistic solution based on a realistic view at everything by the members of the committee. This can only be of help I think to the people of Gibraltar in their present predicament.

Mr Speaker then put the question in the terms of the motion moved by the Hon P J Isola which was resolved in the affirmative and the motion was therefore passed.

HON P J ISOLA:

that

I now move the motion standing in my name/this House resolves that the following members should be appointed to the Select Committee to investigate, report and make recommendations on the items that I have just mentioned: The Hon A W Serfaty, the Hon M K Featherstone, the Hon A J Canepa, the Hon W M Isola and myself. In putting forward the names of the members for the committee I say now as I said when I moved this motion at the last meeting or not the last meeting, at the meeting when this was approved, that there has been no consultation with the other side as to the membership of the committee.

MR SPEAKER:

I have given an indication to Hon Members, to the mover and the Hon the Chief Minister that you would require notice to amend the motion which you are just proposing for the purposes of substituting a name. After further research during the debate I have been able to discover that this is so in the House of Commons because their standing orders so requires them to do so. It is not a general practice rule that it is a requirement of their standing orders. Under our standing orders we do not require notice of amendments to any motion. I propose therefore to go by our standing orders and if it is proposed to amend the motion before the House to substitute any member it will be completely and utterly in order.

HON P J ISOLA:

Mr Speaker, as I was saying on this side of the House we know who we would like to see on the committee. We have of course suggested that there should be a majority of the Government side on the committee because they hold a majority in the House. The Hon Mr Serfaty and the Hon Mr Featherstone were in the previous Select Committee, the Hon Mr Serfaty of course as responsible Minister should obviously

be in it and the only new man was the Hon A J Canepa. In picking the Hon A J Canepa I did have in mind the previous motion in which we were suggesting the Hon Mr Zammitt, and I didn't feel it was right for the Opposition to suggest the same members in both committees but this is of course a matter entirely for the other side of the House.

HON CHIEF MINISTER:

Mr Speaker, from Erskine May it is quite clear that in the House of Commons practice there is an element of consultation beforehand as to the people likely to serve and I do hope that in any future motions for Select Committees even if we don't agree with the terms, if we have some indication we might say the kind of members we might wish to have since we will not in any way interfere in the choice of members by the Opposition. In this case I would like to move that the name of the Hon Horace Zammitt, Minister for Information and Sport, substitute the name of the Hon A J Canepa, Minister for Labour, and I am very glad that there is no need for a further meeting to be able to do that so that the Select Committee can get going as soon as all the members are available or as soon as possible, so that is my proposed amendment to the motion, that the name should be altered in that way in order to have the three members that this side of the House would like to have represent them in the Committee.

MR SPEAKER:

May I again for the purpose of clarification say that of course consultation for the nomination of members would be convenient in order to avoid the necessity for an amendment but of course under standing order 76 in the United Kingdom they are required to consult, we are not in any manner of form. So there is an amendment which I will propose to the motion before the House, that the Hon A J Canepa should be substituted by the Hon Horace Zammitt.

I now propose the question which is that the amendment proposed by the Hon the Chief Minister be made.

HON P J ISOLA:

Mr Speaker, of course that amendment is entirely acceptable. In fact I should saw that he was the member that we did have in mind for this Committee but because we thought he might Chair as Minister of Information the Select Committee on Broadcasting we didn't think it fair to burden him with two committees. On this question of consultation, Mr Speaker, there is a practical problem and that is that if one asks the Government side beforehand who they would like on the Select Committee we would have <sup>an</sup> indication whether the motion for a select committee is going to be approved or not and if we get the intimation that it was not going to be approved then the motion might be couched in different terms. There are other problems that arise from consultation on this matter. I think the fact that it can be amended on the spot under our standing orders is thoroughly convenient in the circumstances of Gibraltar.

HON CHIEF MINISTER:

I appreciate there are difficulties but without prejudice to either side some of these things can be ironed out.

Mr Speaker then put the question in the terms of the amendment moved by the Hon the Chief Minister which was resolved in the affirmative and the amendment to the motion was passed.

Mr Speaker then put the question in the terms of the motion by the Hon P J Isola as amended which was resolved in the affirmative and passed.

HON ATTORNEY GENERAL:

Mr Speaker, Sir, yesterday I proposed that the committee stage and third reading of the Companies (Amendment) Bill be taken later at this meeting. To that proposal Mr Speaker, this Honourable House agreed. On reconsideration of the Bill it seems to me that there is an amendment which will have to be moved in Committee if we are to achieve the purpose which we are seeking to achieve by this Bill. The amendment is not going to be an easy one to draft, it will take some time and consideration. I would therefore Mr Speaker Sir, ask that my proposal of yesterday be now withdrawn and this Honourable House agree that the Committee Stage and Third Reading be taken at the next meeting of this Honourable House.

MR SPEAKER:

Do all members agree to the withdrawal and to the Committee Stage and Third Reading of this Bill being taken at the next meeting?

HON MAJOR R J FELIZA:

Yes Mr Speaker, we have no objection to that at all.

HON ATTORNEY GENERAL:

Mr Speaker, there remains the Pensions (Increase) (Amendment) (No.2) Bill, Mr Speaker, this has been reported to this Honourable House from Committee without amendment and I now move that the Bill be read a third time and passed.

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

#### ADJOURNMENT

The House then adjourned sine die.

The adjournment was taken at