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GIBRALTAR

HOUSE OF ASSEMBLY



HANSARD

31ST OCTOBER 1979

REPORT OF THE PROCEEDINGS OF THE HOUSE OF ASSEMBLY

The Sixteenth Meeting of the First Session of the Third House of Assembly held in the Assembly Chamber on Wednesday the 31st October, 1979, at the hour of 10.30 o'clock in the forenoon.

PRESENT:

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

GOVERNMENT:

The Hon Sir Joshua Hassan, CBE, MVO, QC, JP - Chief Minister
The Hon A J Canepa - Minister for Labour and Social Security
The Hon H J Zammit - Minister for Housing and Sport
The Hon A P Montegriffo, OBE - Minister for Medical and Health Services
The Hon Major F J Dellipiani, ED - Minister for Education
The Hon I Abecasis - Minister for Tourism and Postal Services
The Hon A W Serfaty, OBE, JP - Minister for Trade and Economic Development
The Hon M K Featherstone - Minister for Public Works
The Hon Dr R G Valarino - Minister for Municipal Services
The Hon D Hull - Attorney-General
The Hon R J Wallace, CMG, OBE - Financial and Development Secretary

The Hon J B Perez

OPPOSITION:

The Hon P J Isola, OBE - Leader of the Opposition
The Hon Major R J Peliza
The Hon G T Restano
The Hon J Bossano

IN ATTENDANCE:

P A Garbarino, Esq, MBE, ED - Clerk of the House of Assembly

PRAYER

Mr Speaker recited the prayer.

OATH OF ALLEGIANCE OF NEW MEMBERS

The Hon R J Wallace, Financial and Development Secretary took the Oath of Allegiance.

HON CHIEF MINISTER:

Mr Speaker, I would like on behalf of Members on this side, and I am sure I am also voicing the feelings of Members of the opposite side, to welcome Mr Wallace, our new Financial

and Development Secretary. He has a distinguished service behind him which I think makes him eminently suitable for the task he has undertaken. I think he is the first former Governor that we have here as Financial and Development Secretary and we are very proud of his previous record and wish him well in the future.

HON P J ISOLA:

I would like to endorse what the Honourable and Learned the Chief Minister has said. We, too, would like to welcome the Financial and Development Secretary to this House. We hope he has a happy time with us, it may be a little difficult at times, but I am sure that provided he shows the robustness and forthrightness of his predecessor, we will be quite happy on this side of the House. We wish him well.

MR SPEAKER:

May I join in the words of welcome that have been expressed by the Chief Minister and the Leader of the Opposition and may I wish you every good fortune in your duties as a Member of the House.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, Sir, Honourable Chief Minister, Honourable and Learned Leader of the Opposition, I am grateful to you for the kind words of welcome that you have given today and, if I may say so, they reflect fully the attitude of the people here in Gibraltar since our arrival six weeks ago. I assure you that I shall do my best to be a true servant of this House and I am sure that I have much to learn and I am sure that you will teach me. Thank you, Mr Speaker, Sir.

CONFIRMATION OF MINUTES

The Minutes of the Meeting held on the 25th June, 1979, having been previously circulated, were taken as read and confirmed.

DOCUMENTS LAID

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

- (1) The Employment Survey Report - April, 1979.
- (2) The Prison (Amendment) Regulations, 1979.
- (3) The John Mackintosh Home Accounts for the year ended 31st December, 1978.

Ordered to lie.

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

- (1) The Hospital (Fees and Charges) (Amendment) Rules, 1979.
- (2) The Equine Animals (Importation) Rules, 1979.
- (3) The Animals and Birds (Amendment) Rules, 1979.

Ordered to lie.

The Hon the Minister for Education laid on the table the following document:

The John Mackintosh Hall Accounts for the year ended 31st March, 1979.

Ordered to lie.

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

- (1) The Tourist Survey Report - 1978.
- (2) The British Commonwealth and Foreign Parcel Post (Amendment) Regulations, 1979.

Ordered to lie.

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

- (1) The Copyright (International Conventions) (Amendment) Order, 1978.
- (2) The Copyright (International Conventions) (Amendment) Order, 1979.

Ordered to lie.

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

- (1) The Wireless Telegraphy (Amendment) Regulations, 1979.
- (2) Supplementary Estimates Consolidated Fund (No 2 of 1979/80).
- (3) Supplementary Estimates Improvement and Development Fund (No 2 of 1979/80).
- (4) Statement of Consolidated Fund Re-Allocations approved by the Financial and Development Secretary (No 2 of 1979/80).
- (5) Statement of Consolidated Fund Re-Allocations approved by the Financial and Development Secretary (No 3 of 1979/80).
- (6) Statement of Improvement and Development Fund re-Allocations approved by the Financial and Development Secretary (No 1 of 1979/80).

Ordered to lie.

REPORTS OF COMMITTEES

The Hon the Minister for Labour and Social Security laid on the table the Report of the Select Committee on the Declaration of Members' Interests.

Ordered to lie.

ANSWERS TO QUESTIONS

The House recessed at 1.10 pm.

The House resumed at 3.20 pm.

THE ORDER OF THE DAY.

MR SPEAKER:

The Honourable the Chief Minister, the Minister for Labour and Social Security, the Minister for Housing and Sport, the Minister for Tourism and Postal Services and the Minister for Municipal Services have all given notice that they wish to make statements. I will therefore now call on the Honourable the Chief Minister to make his statement.

HON CHIEF MINISTER:

Thank you, Mr Speaker. During budget time, earlier this year, in my statement on the Estimates of Expenditure, I informed the House that I had approached Her Majesty's Government for ad hoc financial assistance to assist Gibraltar at a particularly difficult time. The main reasons were the need for the Gibraltar Government to raise considerable sums of money through taxation - because, inter alia, of the effects of introducing parity - and the limitations on the scope of increasing indirect taxes.

2. There has been some pressure in the press for me to make a statement on Her Majesty's Government's decision not to approve this request for additional aid. I have resisted this pressure as I believed that I should first report to this House.

3. The request for aid arose out of my meeting with the former Secretary of State, Dr David Owen, in January this year. The purpose of that meeting was primarily to take stock of the situation vis-a-vis Spain following the meeting of the Working Parties in Madrid in December last year. However, before we began our discussion on this subject Dr Owen asked me, generally, what sort of problems we were facing. I replied that a difficult budget would probably be necessary and said that I proposed to take up the question of the financial situation with the Foreign and Commonwealth Office. I must make it clear that there was no question of Dr Owen entering into any commitment on this subject or, indeed, encouraging me to pursue it.

4. On 2nd April, after the Government had gone into the financial situation in detail, I put my request for consideration of possible aid in respect of certain particular items of expenditure amounting in all to about half a million pounds to the Foreign and Commonwealth Office through the Governor. I explained the steps that we ourselves were taking to reduce the deficits on the public utilities and make them self-supporting, the low level of our reserves, the inhibitions on the greater development of the private sector, the disproportionately higher costs of providing essential services in a small community, the situation in relation to direct taxation in the middle income groups as compared with that in Britain and the dangers of severe inflation if we went too far in increasing indirect taxation.

5. In short, I believed we had a good case for seeking ad hoc assistance, short of budgetary aid as such, and was aimed at strengthening the small surplus that we had been able to provide with the measures of taxation we introduced.

6. The reply to my letter was dated the 29th June and I would like to pause there and remind Members that between the 2nd April and 29th June a small incident occurred in the United Kingdom as a result of which there was a change of Government. This made the following points:

- (1) UK Ministers had noted and welcomed the steps which Gibraltar Ministers had taken towards setting in order the finances of the Gibraltar Government;
- (2) UK Ministers had sympathy for our fiscal problems but attention was drawn to the steps which were being taken in Britain's own difficult financial situation and the suggestion was made that further consideration might be given to reducing expenditure and to increasing indirect taxation despite the inflationary impact;
- (3) In reaching their conclusion on this matter, UK Ministers had naturally had regard to their own economic strategy, including the reduction of public expenditure in real terms and the constraints on the aid budget;
- (4) It was pointed out that considerable provision had already been made for Gibraltar under various aid programmes and through the 1978-81 aid programme in particular. Gibraltar was acknowledged to be a special case - hence its inclusion in the aid programme despite a Gross National Product per head which would normally disbar a territory from consideration for aid; but the case for granting Gibraltar additional financial help when the aid programmes for other dependent territories were being cut was not accepted.

7. I believe that I acted correctly in putting a case to the British Government for ad hoc assistance in a particularly difficult year. I have equally no doubt that I was right in not pressing the case in the light of the reply received. There are some who would like to place sinister interpretations on the decision of the British Government against meeting my request. There are very many of us who cannot but agree that, at a time when the British Government is attempting to put its own financial house in order through drastic cuts in expenditure, including cuts not only in overseas aid but in regional aid within Britain itself, it is not unreasonable that Gibraltar should be asked to follow a similar path - as indeed we are trying to do through our Expenditure Committee.

8. While we will continue to look to Britain for development aid in the future because Gibraltar is acknowledged to be a special case, and for so long as the need continues, I think it would have been wrong, in today's economic circumstances in Britain, and in the light of the financial policies of the present British Government, to have pursued the request for special aid any further.

HON P J ISOLA:

May I enjoin what the Chief Minister has said in relation to reading into the decision of Her Majesty's Government anything other than a purely financial decision. We do not consider on this side of the House for one minute that the decision of the British Government not to give the aid requested is in any way connected, in any shape or form, with any attempt to put any sort of pressure on Gibraltar and we certainly would dissociate ourselves from any statements that may have been made to that effect. However, we feel bound to say that, and we ask the Chief Minister to take into account in looking at the affairs of the Government and the estimates of the Gibraltar Government, that there is in Britain a new Government in power which is likely to remain there for five years with a very definite financial and fiscal policy and that Gibraltar is hardly in a position to be able to disagree with it, if I may say, so in practical terms, and that the Government should very much bear in mind the fact that in the next few years any requests for aid from Gibraltar are likely to be looked at from the point of view of whether they achieve the objects that are asked for and there is likely to be a very close look taken into the way the Gibraltar Government administers its finances and how efficient it has been. I will not go into the April budget debate because that is water under the bridge but I trust that the lesson the Government may have learnt from this is that there is going to be a need in Gibraltar and I would ask the Chief Minister whether he would not agree with me that there is a need in Gibraltar to become efficient and can the Government assure me that the Government has learnt that lesson?

HON CHIEF MINISTER:

I would like to say a few words. I am very glad to hear the Honourable and Learned the Leader of the Opposition express himself in the terms he has expressed himself at the beginning of his intervention. We are very conscious of the point that he has raised. My Honourable Friend on my left, the Minister for Labour and Social Security, is working with other colleagues and other Members of the Government very hard on the Expenditure Committee and we hope to receive support for certain measures that will come to the House from time to time in this respect. I did say, when I started my statement, that there had been a slight incident between the 2nd of April and the 29th of June and that is precisely what the Leader of the Opposition has highlighted and we are very conscious of that and we are also very conscious that apart from any efforts that can be made by the Expenditure Committee by looking after the pennies and so on and for as long as we don't get pressure why shouldn't we give this up or why should we increase this or the other in the course of questions which is sometimes contradictory to an attempt to save money, I think that that alone will not enough if there is really the will on the part of everybody employed in the public sector, particularly in the Government, to pull together in a difficult time and to bring the question of cost consciousness which I think is permeating down the line both by the work of the Expenditure Committee and, if I may say so, too, by the work of the Public Accounts Committee, that this is the only way in which we can make people cost conscious and we can make the best because if we could produce a little more I think we would have no problems whatsoever in our economic difficulties.

MR SPEAKER:

I will then call on the Minister for Labour and Social Security.

HON A J CANEPA:

Mr Speaker, on 10 October 1979, the Government gave the reasons for allowing substantial increases in the controlled price of bread. The information which the Government gave at the time was very much in line with that provided on previous occasions when there have also been substantial increases in the price of bread. May I take this opportunity to remind the House that, in July 1978, sliced bread was increased by 4p and other loaves by 3p, whilst in October 1976, sliced bread was increased by 3p and other loaves by 3p. Given that the price of bread was generally lower in 1978, and even more so in 1976, than at present, it can therefore be said that, in percentage terms, the previous increases that I have referred to were in fact higher than the latest one. The reasons for the last increase are very similar to those of the previous increases because, since the Inquiry into the Bakery Industry in November 1973, the Government has used the cost formula established by that Inquiry in order to consider, in great detail and with the utmost care, any applications for increases in the price of bread.

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The object of this statement is to refute the totally uninformed and rash speculation recently indulged in by a member of the Democratic Party of British Gibraltar in a letter to the 'Gibraltar Chronicle' on 17 October. It must surely be clear to everyone that, for obvious reasons, neither Government nor the trade want such increases. But if any trade or industry suffers higher costs arising from wage settlements, increases in the price of materials, etc, and the prices of its products are tightly controlled by Government, then it is only fair that these increases should be passed on if proved to be justified. With the low percentage profit margin of 4.16% on turnover allowed by Government, no firm could be expected to absorb increases even smaller than those that have had to be covered on this occasion.

I will provide the House with as much detail as is possible, consistent with the obligation which Government undertakes when it requires the trade to supply information which is of a confidential nature. Due care must be taken not to betray this confidence while at the same time making it clear that the increases have not been approved capriciously or recklessly.

With regard to the wages and salaries payable by the trade, the numbers allowed for now are 90 industrials for production, distribution, etc, 20 shop assistants for retail outlets, and 12 clerical/executive staff to deal with administration. In so far as industrials are concerned, allowance has been made for wage increases of 14% plus £1 per week, in line with the offer made in the public sector. The increases for shop assistant consist of £6 a week at the maximum and those for non-industrials are in the line with increases in the public sector, with which they are analogued. In addition, it should be borne in mind that bakers work a 60 hr week, and that they are therefore paid 20 hours at overtime rates. These increases, taken together, are very substantial and in fact account for slightly over 70% of the total increase in prices.

As is generally known, the price of fuel oil has been increasing at an alarming rate in the last few years. In March this year, gas-oil used by the bakeries suffered an increase of 5p per gallon (from 46p to 51p); in May it went up by another 3p, and again in August by a further 10p. Taken together, these increases account for about 7% of the total increase.

Social Insurance contributions payable by employers went up in 1979 by 72p for a male adult and 63p for a female adult, and therefore constitute a substantial burden in respect of about 120 employees.

Although the price of flour has remained fairly static, other baking ingredients, notably yeast, have suffered high increases at source, whilst recently increased charges for electricity and water have also to be included. Lastly, the

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profit margin of 4.16% on turnover which I have previously referred to has to be allowed for. In November 1973 the Inquiry Report recommended a margin of 5%, but the Government did not accept this and 4.16% has been maintained.

In order to recoup these expenses, the production side of the industry has to be carefully examined, and this is where I have to be careful not to divulge trade confidentiality. But I can definitely state that the speculation by a member of the Democratic Party of British Gibraltar to which I have referred is widely off the mark. Not only is the weighted average increase per loaf not 4p, but in fact 3½p, but the number of loaves and rolls sold in Gibraltar is well below his assumptions.

If the level of consumption of bread assumed in the Democratic Party of British Gibraltar's member's letter were correct, it would be necessary to import slightly more than double the quantity of flour actually imported for bread production. Electioneering is all very well but, if I may advise a beginner if taken to excess it is self-defeating.

The various weights of different types of controlled loaves are published in the Government Gazette and this information should enable Members opposite to arrive at a much more accurate figure of the loaves actually produced by the industry.

May I conclude by re-assuring Hon Members and consumers that the most careful and scrupulous investigations are carried out by the Trading Standards and Consumer Protection Department before the Government authorises any increase in the price of controlled commodities, let alone in the case of bread, which is the most basic of all commodities and is so highly emotive. It is difficult to imagine what the Government could possibly hope to gain by approving increases which are bound to be unpopular. The Government approves them only because it is fully satisfied that they are fair and justified.

HON P J ISOLA:

Could I ask the Minister, I don't think he has said it in the statement. What was the percentage increase, on average, allowed?

HON A J CANEPA:

No I haven't got it in my statement. I said that the weighted average was 3½p. Loaves of bread vary considerably in price from about 21p or 22p to 28p or 29p.

HON P J ISOLA:

I appreciate that but what was the average percentage increase allowance on price?

HON A J CANEPA:

About 15%.

HON P J ISOLA:

Can I ask the Minister, did the Government have figures of the actual number of loaves of bread sold in different respects and the amount produced of what was sold and what was not sold?

HON A J CANEPA:

The trade does provide this information for the Government every time it makes a claim in order to substantiate that claim and in order to enable Government to know how the money can be recouped.

HON P J ISOLA:

And can I ask the Minister, how far is the Government able to check these figures, on who does it rely for checking the figures on the trade, they have auditors that certify them, or how do they check it?

HON A J CANEPA:

Generally, whenever the Government requires audited accounts in consideration of any claim for an increase in the price of any controlled commodity the accounts are provided. The report of the inquiry carried out in 1973 that I have referred to gave very detailed information of a confidential nature which was not made public; the report was divided into 5 sections and sections 4 and 5 were not published, they were only for use by Government and their very detailed information on the production side was made available to the Government and that has been used year after year revised with changing circumstances because some types of loaves have become less popular than others and they have been replaced by others but we do monitor the situation and we are able to keep a very close check on the importation of flour and naturally if there is a drop in production we expect to see a drop in the number of bags imported for this purpose, for bread production. It is the Trading Standards Department which does this work for me.

HON P J ISOLA:

Of course, flour is used for other purposes than bread but can I ask the Minister, is there a trend towards a more expensive type of bread and its production and consumption of the more expensive type of bread in fact on the upgrade and does this not have an effect on margins?

HON A J CANEPA:

Yes, I would say that people do trend to go for what perhaps could be termed more fancy bread. There is very little production of the old traditional standard loaf because there is very little demand for it and people do go for fancy bread but what does happen, particularly after there is a sharp increase in the price of bread such as we have had recently, what does happen is that there is a drop in demand, at least for a few weeks, and whilst it then picks up it never seems to go back to the previous level.

HON P J ISOLA:

Would the Minister not agree that to the ordinary person, including Honourable Members of the Opposition, the price by which bread was allowed to go up, was it not unreasonable of people to think that the margin was rather high? Would he not agree that on the face of it with people who do not have inside information as the Minister has it was not unnatural that people should react strongly on that?

HON A J CANEPA:

It was high but as I have pointed out in my statement it has also been perhaps higher than 15% on average on previous occasions and I wouldn't quarrel with anybody expressing concern. What I do quarrel with is with rash speculation which is not substantiated and which unfortunately in Gibraltar can create a very wrong impression because people are very susceptible to what they see in the cold print of a newspaper. They take that as being Gospel truth and this is why it has to be debunked.

HON P J ISOLA:

Yes, but would the Minister not agree that it might have been better in the case of

MR SPEAKER:

I am afraid we are debating.

HON P J ISOLA:

I am not debating, I am asking questions.

MR SPEAKER:

You are only entitled to ask questions for clarification of anything you have not understood in the statement.

HON P J ISOLA:

Would the Minister not agree that in the absence of such a detailed statement as he has made in this House, and which it would have been better if the Government had made at the time the increase in the price of bread was announced, will he not agree that in the absence of such a statement it is perhaps a little unfair on his part to make accusations in this House against a member of a political party who is not in this House about a letter that appeared in the Gibraltar Chronicle.

MR SPEAKER:

Order. That is why I have given you, Mr Isola, a fair amount of latitude in asking the questions you have asked because the Minister has used his right to make a statement to answer something which would not have given the right to the person who wrote the letter to answer.

HON P J ISOLA:

Would he not consider that as in fact it is a matter for proper and legitimate concern it is perhaps a little unfortunate that he has attempted to answer a letter in the Chronicle written by someone who is not a Member of this House and would he not think it perhaps proper in the circumstances, to withdraw these allegations of electioneering against the person who is not a Member of this House.

HON A J CANEPA:

Mr Speaker, only time will tell. But I think it is open for me as a Minister to use the tactical approach which I consider to be most effective.

HON P J ISOLA:

Mr Speaker, I hope he will not be surprised if he gets a tactical reply.

MR SPEAKER:

I will then call on the Minister for Housing and Sport.

HON H J ZAMMITT:

Mr Speaker, Sir, the Housing Allocation Scheme was last revised in 1974. The need for a further review became apparent last year and the Housing Allocation Committee under the then Chairman Mr Louis Vasquez, set about the task of looking into all the Clauses of the scheme in an attempt to obtain a proper balance at the end of the exercise. Many meetings were held and I am grateful to the Committee for the sterling work performed by them. The revised scheme was then submitted to Government and after some minor changes it was accepted and

it is intended to introduce it in 1980. The Housing Department staff has to undertake the major task of reassessing all applications, around 1800, and it is intended to undertake this task early in the new year. Copies of the present scheme, with the new proposals alongside, have been circulated to Honourable Members and the main changes are:-

- a. the award of 100 points instead of 25 for Gibraltarian status (Clause 3)
- b. an increase in the standard space allowance to determine overcrowding, ie, Mr Speaker, that whereas before we were granting 25 sq ft per person under the age of 5, and 50 to adults, it has been slightly increased to a more realistic degree (Clause 5)
- c. an increase in the points awarded for waiting time (Clause 7). This is very important because we feel that with the present scheme it was possible for people waiting for a number of years to be overtaken by other people who found other means of overtaking.
- d. a change in the Discretionary Provisions (Clause 15) whereby clause 9 of the previous scheme is deleted and brought into the Discretionary Provisions Clause.

HON P J ISOLA:

Obviously this is a statement that we will have to consider but is the Minister in his statement alluding to the scheme that has just been circulated to Members?

HON H J ZAMMITT:

Yes, that is the case.

HON P J ISOLA:

Can the Minister state what the effect will be in fact of granting a Gibraltarian 100 points instead of 25 points? British Subjects, for example, married to a Gibraltarian woman will get it, how will it affect people who have been waiting in the Housing List residing in Gibraltar all their lives, will they lose quite a lot as against Gibraltarians?

HON H J ZAMMITT:

No, Sir, a non-Gibraltarian who has been waiting on the list for a number of years will increase, if anything, on the waiting time. They never had the 25 points of Gibraltarian status. If they are not registered Gibraltarians they would not have had the 25 points.

HON P J ISOLA:

Yes, but they may have had other points.

HON H J ZAMMITT:

Yes, those continue to stand.

HON P J ISOLA:

Will this result in fairly substantial changes in the Housing Priority List?

HON H J ZAMMITT:

Not changes, Mr Speaker, it would give the advantage to the person who has been waiting the longest in the waiting list. Waiting time does seem to be an important factor and that will, to a degree, alleviate the person who has been waiting the longest and therefore do away with the many allegations one gets of people jumping the waiting list.

HON P J ISOLA:

Well, Mr Speaker, naturally, we will have to consider before having a reasoned response.

HON G T RESTANO:

May I ask, Mr Speaker, does this scheme apply to only post-war houses or does it also apply to pre-war houses?

HON H J ZAMMITT:

It applies to post-war housing normally, Mr Speaker, but it equally applies to pre-war housing if modernised.

HON G T RESTANO:

And if not modernised?

HON H J ZAMMITT:

If not modernised, Mr Speaker, the Minister for Housing has the authority to allocate pre-war housing normally to social cases and not as per waiting list or medically categorised cases.

MR SPEAKER:

I will then call on the Minister for Tourism and Postal Services to make his statement.

HON I ABECASIS:

Mr Speaker, Sir, Members of the House will recall that when, late in 1976, we announced a general review of postal charges which became effective on the 1st of January 1977, I also said that despite rising costs at all levels, no further postal increases would be considered within the following 18 months. I have kept my word. Since that date the cost of postal operations has increased considerably and it my firm belief, which I think is shared by all Members of the House, that the service which the Post Office provides for the public must pay for itself. I am aware of the fact that we sometimes suffer inconveniences which are due mainly to circumstances beyond our control but, all in all, I believe that the Post Office gives everybody a good and generally reliable service. Members are aware that air mail rates to the United Kingdom, the Republic of Ireland, Spain and Morocco have been kept for many years at a preferential rate, mainly because of the exchange of mail with these countries and, certainly, because of the cheaper cost of air conveyance. This principle of proximity and exchange of mail is not followed by member countries of the Universal Postal Union and Air Mail rates of postage are invariably worked out by all countries at an average of the aggregate cost of air conveyance for countries belonging to a particular group. Thus, Air Mail rates charged by any European country to, say, France or Albania are exactly the same as those applicable to Switzerland or Greece. The Gibraltar Postal Administration, a member of the Universal Postal Union under the British Empire, should obviously follow the same principles and, after very careful consideration, it has been agreed that the so-called preferential rates of Air Mail postage to the United Kingdom and the Republic of Ireland, Spain, Canary and Balearic Islands and Morocco will be withdrawn from the 14th of November, 1979. In effect, Air Mail letters to the first three countries will be charged at the rate of 12p, that is, the same as for Air Mail letters sent to any other European country. Air Mail charges to Morocco will, as from that date, be included in Group I for countries outside Europe, the postage charge will remain at 9p but for letters weighing not more than 10 grammes instead of 20 grammes as up to now. The second class Air Mail rate to the United Kingdom and the Republic of Ireland is withdrawn. In conclusion, I will remind the House that the UK "all-up" service to Europe, including Gibraltar, was fixed at 11p with effect of 20th of August, 1979, but, of course, the British Post Office have the facilities to avail themselves of this service which, in effect, means that the surface letter may be air-freighted at a pre-paid postage of 11p but it can also be sent by the overland route if this will result in earlier postal delivery. The UK surface rate to all countries has been increased, too, to 11p. I am glad to say, however, that our overland or surface rate to all countries is still being kept to 6p.

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The House recessed at 5.15 pm.

The House resumed at 5.50 pm.

MR SPEAKER:

I will now call on the Minister for Municipal Services to make his statement.

HON DR R G VALARINO:

I am afraid that my statement is somewhat long. Mr Speaker, Sir, Government recently issued two press releases in connection with the supply of electricity. The first of these which was dated 12 October, gave a warning on the possible need to introduce supply restrictions over the next few days together with a brief explanation as to why this might be necessary.

2. On 19 October the second press release explained the reasons for the deterioration in the situation which had led to much more severe restrictions than had originally been envisaged, pointed to the difficulties and outlined the action which was being taken to improve the situation and to provide a solution for the future.

3. I now wish to give the House and the public in general a more detailed account of the situation as it stands today, the difficulties which exist, and the state of the plant; to report on the cuts experienced during the week commencing the 15 October and as far as possible predict the prospects for the Winter.

4. As recently as July last, there was every reason to expect that the situation this Winter would show a considerable improvement over the preceding two Winters. The causes for this optimism lay in the fact that:-

- a. the 2500kW of capacity from engine No 10 which as the House knows has been out of commission for the last three years, would be available;
- b. work on the rehabilitation of the foundation of Engine No 12 had been deferred to early 1980 making the set available during the Winter on a last on/first off basis;
- c. Engine No 13 would be due for its top overhaul in October and should therefore be ready and in good condition to provide its full output for the Winter; and
- d. most of the older and smaller sets in the South Station would be well within their major overhaul periods and would be available to provide the peak lopping duties expected of this plant.

16.

5. This was the situation which existed in July despite the considerable backlog of maintenance work which has been accumulating over the last few years as particularly exemplified in the extraordinary long delay which has been experienced in getting No 10 engine back into service and the technical difficulties which have had to be overcome over the same period, such as the winding failure on Alternator No 9, the cracks found in the columns of Engine Nos 9 and 10 and the persisting difficulties with engine foundations on Engines Nos 9 and 12 requiring constant attention to correct engine alignment.

6. As was explained in the second press release, the newer plant in the King's Bastion North Station, Engines Nos 9 and 13, which has a total nameplate capacity of 15,860kW when in full and good working order with the proper planned maintenance and assuming no unscheduled breakdowns, is by itself perfectly capable of meeting the normal Winter peaks which are of the order of 13,000 to 14,000kW, and more so still to cope with the loads that have to be met at this time of the year, which are of the order of 10,000 to 11,000kW.

7. With this state of affairs, it is therefore possible to keep the 4,500kW of older plant in the south station to cope with peak lopping and reserve plant duties for which it is most suited given its age and complications.

8. During separate intervals of time over the past year or so differences of views have arisen between the management and the staff over methods of working and certain aspects of conditions of service which have introduced delays in dealing promptly with the work in hand. This was explained in the second press release and to deal with this particular problem a Departmental Consultative Council with necessary wide representation has been established to enable full and responsible discussion to take place of all the problems which exist in the Generating Station and to resolve them as soon as possible in the interests of the public.

9. Mr Speaker, the situation was further aggravated during a vital period of about six weeks between June and July this year when The Institution of Professional Civil Servants' took on a work-to-rule action in support of their claim in the UK. This action while not affecting the day-to-day operation to any serious extent, led to a stoppage of all the overtime worked at the Generating Station and this per se exacerbated the differences of views between the management and staff over the methods of working and had grave repercussions on the execution of the planned works programme.

10. Technical problems which could not be foreseen, added to the delays, led to the situation which developed on 11 October and resulted in the severe power cuts of the ensuing week.

17.

11. Over the last couple of months Engine No 13 has had to be derated to 2800kW from its potential operating 4500kW on account of rising exhaust gas temperatures. Over this same period engine No 12 was undergoing a major overhaul, which I am glad to say has already been completed, but investigation into the foundation trouble revealed as expected that it was of a superficial nature and confined to the grout area and it was decided to carry out the necessary repair forthwith so that serious consideration can be given to No 9 foundation at an earlier date. Since Engine No 10 was still out of service the problems with No 13 could not be dealt with and are still pending.

12. Thus on 11 October Engines 9, 11 and a very de-rated 13 alone were in service, when a crack was discovered on the column of engine No 9. The engine was inspected and water leaks were discovered on four cylinder lines, which signified an immediate shut down. Without this engine, there was insufficient capacity to meet the demand and Government issued the first of its two press releases. These faults occur in relatively new plant.

13. Over that weekend the Dockyard Power Station offered assistance and cuts were avoided, but as from Monday maintenance outages of plant and commitments to meet ship supplies restricted the assistance that could be provided and cuts were unavoidable. The duration and extent of the cuts progressively increased during the week to a peak which occurred on Thursday 18 October.

14. Mr Speaker, the repair to the column on No 9 was completed on that very morning so were the liner leaks, but hopes of restoring it to service the noon peak were dashed when it failed to start. When it finally started there were problems with the Lubricating Oil pressures and this had to be seen to. In the meantime, more problems were experienced with plant in the South Station and to add to the difficulties by mid-afternoon engine No 13 had to be stopped to cope with a minor problem, which the differences on working practices between management and staff did not help to resolve promptly. Thus at one point in time the available capacity of the station was reduced to the lowest on record.

15. However, following this incident, over the weekend considerable progress was achieved and a magnificent effort was made by the staff to improve the situation to the extent that for minor cuts in several districts on Monday the 22nd no other cuts have been necessary since and this has been possible without any assistance from the Interservice Power Station.

16. But in spite of this the situation will continue to be critical for the next two to three weeks. As I speak work on No 10 is being finalised and the set should be undergoing re-commissioning trials next week. Similarly, progress continues on restoring No 12 foundation with the cooperation of

18.

the staff and once these engines are back in service it will then be possible to tackle No 13 before the winter and Christmas loads set in. At the same time most of the smaller engines in the south station will also be back in service.

17. If such a works programme can be kept to schedule and no further unforeseen problems arise, then the prospects for the winter should not be as bleak as recent experience has led people to believe.

18. Before I finish this part of my statement I should like, on behalf of the Government, to thank the Dockyard Management and Staff for their help, which is always readily given when possible.

19. Mr Speaker, I will now deal with the future. The building of a new Generating Station is not a simple matter having due regard to the financial and technical implications that such a decision represents. Even more important still are the effects that such a decision will have on the consumer who will ultimately have to meet the cost through higher tariffs which, as we already know, are at an all-time high level due to the rising cost of fuel.

20. The fact that such a generating plant is not in operation already should not be interpreted as being due to inactivity on either the part of Government or its offices and I shall illustrate this with as brief an account as possible of precisely such activity over the recent past.

21. As the House is aware all the available space in both the Engine Rooms at King's Bastion is taken up with the plant which is already in service and further development on this site presents certain complications. In 1975 the Government consultants, Messrs Preece, Cardew and Rider were appointed to undertake a study of the power and water requirements of Gibraltar up to the year 2000. Their report was submitted in May 1976 and in its recommendations, it favoured the construction of a combined power station and water desalination plant on an alternative site.

22. These recommendations were discussed with Government officers both in London and Gibraltar during the course of 1976 and 1977. The cost of such a major development was estimated as being in the region of £8,320,000 and out of this £4,250,000 was the cost of the electrical development alone.

23. The design of the Generating Station is intrinsically linked with the desalination aspect of the Consultants' recommendation in as much as the operating efficiency of such a plant would be considerably higher if proper use can be made of the waste heat which is given off by the plant but if the heat output is to be utilised special equipment will have to be incorporated which will add to the overall cost of the generating plant. If such equipment were not to be installed at the initial stage the overall cost would be higher, conversely if the equipment is installed but desalination plant is not required Government will have incurred abortive expenditure.

24. Mr Speaker, this House is aware that a search for ground water by deep drilling has been under consideration for some time and in fact will be carried out in the near future. The result of the deep drilling exercise will not be known until early in the new year and should confirm or finally dispel the geologists' theory that there is sufficient ground water under the Rock to meet the community's need. In consequence of this the decision on the need to spend considerable sums of money on desalination plant has been held back for this reason and this has unfortunately had a delaying effect on progress towards the building of the new Generating Station.

25. Notwithstanding these delays a working party was set up in October 1978 to look into all the aspects of power generation in Gibraltar. This working party consisted of representatives of the Gibraltar Government and the Ministry of Defence in both Gibraltar and the United Kingdom.

26. The Working Party submitted its Report and recommendations in April 1979. While endorsing the recommendations put forward by Messrs Preece, Cardew and Rider, the Working Party considered that the best option for the future development of power generation would consist of a new combined Gibraltar Government/Ministry of Defence power station on the grounds that the increased load and energy sales would optimise the size and use of plant and would provide a superior base load for the generation of heat to be used by future distillers.

27. The Working Party also identified several alternative long-term options but given the nature of these suggestions and as required under its terms of reference, put forward several recommendations for the short-term which it considered were necessary to meet the demand of power over the interim period in order to provide increased security of electricity supply.

28. The Working Party's Report was submitted for consideration by both the Government and the Ministry of Defence in the United Kingdom. As recently as 31 August 1979 the Government was advised that the MOD's present and immediate future requirement for power could be adequately met by its existing resources and that consequently the MOD would continue to pursue its current and separate development programme as it considered that major capital investment in a new power station as put forward in the Working Party's Report was not necessary.

29. In the light of these developments the Gibraltar Government is now, as a matter of first priority, reviewing the short and long-term proposals for its own separate development put forward by the Working Party and will pursue the policy best suited to meet the needs of this essential service and to ensure that consumers have a reliable and secure supply of electricity in the future. I will report to the House immediately firm decisions are taken. Thank you, Mr Speaker.

HON P J ISOLA:

Mr Speaker, there are two definite parts of this statement made by the Minister, it is a very long statement but it is too little and too late, really. Could I ask the Minister how long has it been since the Government has been aware that the Generating Station requires more power and that the present situation was likely to exist? How long has the Government known this?

HON DR R G VALARINO:

Mr Speaker, it is difficult to answer that question. I have said that we have enough generating capacity in the North Station to supply the needs of the town. I feel that one should look towards the future now and decide what we are going to do rather than start thinking when anything became obvious.

HON P J ISOLA:

Mr Speaker, I asked this because we cannot have much confidence in the future unless we know that we have dealt with the past sensibly. I am asking the Minister, is it not a fact, for example, that the Gibraltar Government has had to rely heavily on the Ministry of Defence for electricity during the last 3 or 4 years? How long has the Government really known that it was heading for this crisis? Are we not in a crisis at the moment? Can the Ministry say what is the sort of margin of available power that there is at the moment? Is it a minimal amount that we have got, everything working, or has he got a lot of spare capacity today?

HON DR R G VALARINO:

Mr Speaker, I believe I have answered that question to some extent, and I quote from the statement: "Engines Nos 9 to 13 which has a total nameplate capacity of 15,860kW"-paragraph 6 of my statement - the loads for this time of the year are 10,000 to 11,000kW rising to a maximum in Christmas reaching, possibly, about 14,000kW.

HON P J ISOLA:

Is that considered to be a satisfactory margin?

HON DR R G VALARINO:

Mr Speaker, it is a satisfactory margin considering that we could use the older sets for the peak period. I would like to see further development, we are thinking of the future, not just today's requirements.

HON P J ISOLA:

Yes, I know, but, Mr Speaker, the Minister has talked about a short-term and a long-term solution and he has talked about the Working Parties who have been meeting and studying and talking for an inordinately long time it would appear judging from the crisis that we have had and gone through and deprivations that we have gone through of power in the past. What is the short-term plan of the Government to meet the energy problem in Gibraltar, the power problem for which incidentally they earmarked £4m in the 1978-81 Development Programme? Are we likely to have any of that within that time? What is the short-term plan?

HON DR R G VALARINO:

Mr Speaker, Sir, the Government is at present reviewing both the short-term and the long-term plan. I could easily say that the short-term answer is to instal another set but the problem is where to instal it; at the moment we have no further space in the generating station to instal it, therefore, the Government has got to go into all the necessary details which are going to arise in the future.

HON P J ISOLA:

Is the Minister telling this House, Mr Speaker, that in October 1979 or early November, 1979, as we are now, that with all these crisis we have had and failures of engines and problems that we have had, the Government is earmarking £4m for 1978-81, is the Minister telling this House that Government has at this moment got nothing on order for a new power plant, does not know where they are going to put it? Is that the position?

HON DR R G VALARINO:

Mr Speaker, first of all, I wonder whether the Honourable Member is debating or asking questions.

HON P J ISOLA:

I am asking questions.

MR SPEAKER:

He is asking you whether any generators have been ordered and if so, where are they going to be placed.

HON DR R G VALARINO:

The crisis which he referred to has been an unfortunate series of incidents which could have happened anywhere in the world and do happen anywhere in the world.

HON P J ISOLA:

Is this the usual thing, powercuts all over the world?

HON CHIEF MINISTER:

There was a power cut in Westminster the other night and the Houses of Parliament were left in darkness.

HON DR R G VALARINO:

And if you refer to last year's actions in France - I am sure the Honourable Member must travel abroad and he must realise that there are power cuts.

HON P J ISOLA:

Can I ask the Minister to answer my question. Is it a fact that today in this House the Government has no actual plan to put into effect before 1981 for a short-term solution to our power problems? Can the Minister tell the House whether the existing power plant can cope with the likely demands to be made in the power station in the next three years with all the new developments going on? Can the existing power plant deal with that situation? Can the Minister tell us that?

HON DR R G VALARINO:

Mr Speaker, we know what we want and I can give you an assurance that before the three years are up, as the Honourable Member wishes to put it, a development will have taken place.

HON P J ISOLA:

Is the Minister telling us that before the 31st of March, 1981, we will have a new generating station in Gibraltar?

HON DR R G VALARINO:

Three years.

HON P J ISOLA:

No, the plan is £4m between 1978-81. The Government made provision in the Estimates, I presume they were serious provisions made, to spend £4m in power development. Can the Ministry assure this House that there is an adequate power situation in Gibraltar to meet all the development that is carrying on in Gibraltar and which is likely to be completed in the next two years, with the existing power.

HON DR R G VALARINO:

Mr Speaker, the £4m in the Estimates are when we were going to share a joint development of power with the MOD. This is no longer the case. What I am talking about is an extra generating set, not a new generating station.

HON P J ISOLA:

Is the Minister suggesting that there was an agreement with the MOD about that and that they have now changed their minds about it? You said that the provision for £4m came when it was agreed with the MOD to have a joint venture. Is the Ministry suggesting now that after the £4m were asked for from this House there has been a change of mind on the part of the MOD?

HON DR R G VALARINO:

Mr Speaker, first of all nobody has asked for £4m from this House. There has been a change of thought from the MOD about a joint power station, therefore, we have to go into the short and long-term decisions that we are going to make. The short-term decision is a new generating set to cover the needs for the next three years. This is the answer to the question.

HON P J ISOLA:

Mr Speaker, I want to ask the Minister can he answer a simple question. Is the present capacity in the Gibraltar Generating Station at the moment, is it sufficient to meet the demands of any new development that is actually going on at this present time in Gibraltar?

HON DR R G VALARINO:

Mr Speaker, I have already said that the capacity is enough for the present but one must look towards the future.

HON P J ISOLA:

Mr Speaker, I know the Minister has answered my question. What I am asking the Minister is a simple question. Has the present generating station got sufficient capacity to meet the demands likely to be placed on it by the new developments that are going on at the moment in the course of construction today in Gibraltar, or will they be without light when they go up. Can the Minister tell us?

HON DR R G VALARINO:

No, the present generating station has not enough capacity to meet the requirements of Gibraltar in three years' time.

MR SPEAKER:

No, you are not being asked that. You are being asked has the present generating station enough capacity to deal with any requirements as a result of the developments that are taking place now and within the next 18 months which should bring you to the end of the 1981 period.

HON DR R G VALARINO:

Mr Speaker, the Honourable Member will be aware that the demand will be a gradual thing. We have got enough for some time to provide electricity but not for the next three years, this is the development that we are talking about.

HON P J ISOLA:

Within the development programme of 1978-81, that is my question, with present development that is actually going on now. Can the Minister assure the people of Gibraltar there is sufficient capacity in the power station to meet the demand, or isn't there? It is a simple question.

HON DR R G VALARINO:

Mr Speaker, within the next 18 months, yes, there is enough generating capacity at the King's Bastion Generating Station, with limited security.

HON P J ISOLA:

Is the Minister then telling us that the existing developments that are going up and that may be completed in the 18 months will have sufficient capacity? Well, can I ask the Minister another thing, can I ask the Minister if he has a sense of urgency about the situation? If I were in the Minister's shoes I would be very worried, is he worried or concerned about the situation?

HON DR R G VALARINO:

I am worried and concerned about the situation and so is Government. This is why we are going to have a short and a long-term plan as my statement indicated.

HON P J ISOLA:

Can the Minister assure this House that before the end of the current year there will be new plant on order and that there will be a new site and work will start?

HON DR R G VALARINO:

Mr Speaker, I cannot give an assurance that before the end of the year, as the Honourable Member puts it, we can have new plant ordered and a site found for it, but I can give an assurance that everything will be done to expedite this and we shall give it its utmost priority.

HON P J ISOLA:

Does the Minister not consider that during the last few months or years the public in Gibraltar should have been kept informed of the situation? Does the Minister consider it fair on the public in Gibraltar that they should not have been told about this situation, this terrible situation, in detail, as and when it occurred? Can the Minister say has been the reason for the silence of the Government on the matter?

HON DR R G VALARINO:

Mr Speaker, the Honourable Member is debating again.

MR SPEAKER:

That, may I say, is my prerogative.

HON DR R G VALARINO:

We have never kept the House in darkness, so to speak. This is the third statement that we have made. I have made two myself, the previous one was by Major Dellipiani, and we have always tried to keep the House as well informed of events at the generating station as possible. Let me say that I wish one of the Members opposite would come down to the generating station and come and see the situation for themselves. I am sure they would be much better informed rather than come here and ask some of the questions they have been asking.

HON P J ISOLA:

Mr Speaker, let me give an example, if during the IPCS working to rule because of their problems in the United Kingdom, if this work to rule was having such a serious effect on the Government programme, so as the Government or management knew that all these serious problems would come in October, wouldn't it have been fair to warn the public about these problems? Why have the Government been so silent in all this?

MR SPEAKER:

Mr Isola, we must keep questions within the bounds of reason. We are really prolonging questions. Are there any other questions?

HON G T RESTANO:

May I ask when the difficulties on the foundations first came to light?

HON DR R G VALARINO:

Mr Speaker, there have been different problems with different foundations in different sets, to which is the Hon Member referring?

HON G T RESTANO:

Nos 9 and 12.

HON DR R G VALARINO:

We have had foundation trouble with Nos 9 and 12 Engines for about two years.

HON G T RESTANO:

How is it that in two years it hasn't been possible to repair these faults?

HON DR R G VALARINO:

This is a complex question, Mr Speaker. You can repair some of the faults by grouting, trying to realign the engines, but at times you need a complete shut-down of the engines and a new foundation built. We have also tried to do as much as we can about these foundations but this is a continuous problem with some of the engines. Let me say at the same time that this not only happens in our generating station, it has happened to a very serious degree in the Dockyard generating station.

HON G T RESTANO:

Is the Minister say, Mr Speaker, that this is a recurring process, that those foundations will continue to be in bad conditions for ever and ever?

HON DR R G VALARINO:

No, Mr Speaker, one tries to repair the foundations problem as much as one can but this is a problem which sometimes occurs and it is difficult to deal with. I am sure if the Honourable Member would come down to the generating station I would show him what is involved.

HON G T RESTANO:

I will most certainly go. Are those difficulties irreparable? Will there never come a time when Government will be able to say that they have repaired them and it is unlikely that these difficulties will recur?

HON DR R G VALARINO:

Mr Speaker, at the moment we are repairing foundations on two of the engines. Let me say that with the work involved on the two engines the foundation problems on those two engines should be sorted out and should not recur.

HON G T RESTANO:

Mr Speaker, in case there is a recurrence of power cuts, would it be possible for the Department to plan ahead, so to speak, at least for 24 hours and give 24 hours notice of power cuts to the different areas in town rather than the 5 or 10 minutes that is given nowadays?

HON DR R G VALARINO:

Mr Speaker, unfortunately due to the technical problems involved in cutting off districts, it is impossible to give as long as 24 hours notice. We try to give as much notice as possible but sometimes we have to cut fairly quickly and we have to give very short notice. We always try to give as much notice as possible. During peak times it is very difficult because you put one section on and you find you have a 50% rise in consumption and you have to cut another district off. This is a highly technical and very difficult problem.

HON G T RESTANO:

Surely, after so many years of power cuts the Department should have an idea of how much supply it would have to give at any given time during the day and surely it would be able to give approximately 24 hours notice?

HON DR R G VALARINO:

Mr Speaker, the Department is unable to give 24 hours notice, you have no idea of the intricacies involved. We shall try to give the public as much notice as possible but unfortunately 24 hours notice is extremely difficult.

HON P J ISOLA:

Mr Speaker, would it not be possible to carry out the practice that I think is carried out in other parts of the world under which if there is to be a power cut in a particular area you switch off in that area, switch back on again, and then a couple of minutes later you switch off again so that people, especially elderly people, have time to grab a match to light a candle and so forth instead of this sudden shut-down?

HON DR R G VALARINO:

I think what the Honourable Member means is that we could cut off one section for a very short time and then put another section back.

MR SPEAKER:

What the Honourable Member is saying is, can the Generating Station give a warning by cutting the electricity for two minutes so that people will know that the cut is coming and they can take precautions.

HON DR R G VALARINO:

This proposition could well be looked into and I thank the Honourable Member for suggesting it.

HON J BOSSANO:

Can I ask the Honourable Member for the sake of clarification, whether he can confirm that in fact the Government has not attempted and is not attempting to pin the blame on the workers in the Station and that indeed it recognises that whatever occasional differences there may be, generally speaking, all the people in the Generating Station are doing a lot of hard work in what is a very difficult physical environment and that often goes unrecognised, that for most of the time there is a fairly constant electricity supply and that the place in which they are working is, in fact, far from ideal.

HON DR R G VALARINO:

Yes, Mr Speaker, the press release and my statement today in no way pins the blame of the power cuts on the shoulders of the industrial staff of the generating station. In fact, I think the length of my statement and the content itself clearly indicates the complex nature of the problem. In fact, in one of the paragraphs I complimented the industrial staff and I say how considerable progress was achieved and a magnificent effort was made by the staff to improve the situation.

MOTIONS

HON CHIEF MINISTER:

Mr Speaker, as I indicated to the House some time ago, since you retired from the post of Mayor and it became an appointment which had to be made other than from the Chair, it was the intention of the Government that the post should be held for reasonably short periods, more or less in the nature of the United Kingdom, by Members of the Government and it therefore gives me great pleasure to move: "That pursuant to the provisions of section 78 of the Constitution of Gibraltar,

this House elects the Honourable A W Serfaty as Mayor of Gibraltar with effect from the 1st of December." When the last proposal was put there were suggestions from the other side that Mr Serfaty should be appointed. I mentioned then that Mr Serfaty, whatever happens in the future, has given good service to Gibraltar and does not propose to stand again and it in the last period of the life of this House when we have thought it would be most appropriate for him to do his turn as Mayor. I will explain why the motion seeks his appointment with effect from the 1st of December. The reason is that, as it happens, my colleague has not had his holiday and had planned his holiday early in November and there are important functions such as the Remembrance Day Ceremony and other important functions which have to be attended and it was right and proper, despite the fact that my colleague Horace Zammit, the present holder of the office, was ready to stand aside when the time came which was at this meeting, I have prevailed on him to remain until the end of November and I understand that he will be resigning on that day so that by that time my colleague, Abraham Serfaty, will be back and be able to take over. I don't want to say very much about this now, I think the choice is obvious. I hope it is well received not only by the Members opposite but by the people of Gibraltar in general. I do not think this is the time to make an appraisal of Mr Serfaty's work but one thing is certain, he enjoys great popularity and great affection from all sides of the community perhaps because he has kept clear of politics despite being a very hard working Minister.

MR SPEAKER:

I will then propose the question which is that pursuant to the provisions of section 78 of the Constitution of Gibraltar, this House elects the Honourable A W Serfaty as Mayor of Gibraltar to take effect from the 1st of December.

HON P J ISOLA:

Mr Speaker, we have pleasure in supporting the motion. We would hate to throw a cloud over the impending retirement from public life of the Minister for Trade and Economic Development, we wish him to retire in glory and in peace and I hope that the retirement will not come too soon for him. I hope that in us supporting this motion that he will be able to be Mayor for a reasonable length of time and certainly we have no hesitation in supporting this motion. Presumably this will be the last House of Assembly of the Honourable Mr Serfaty, I think they have said it too often for him now to change his mind. Certainly, as far as the House is concerned and as far as it is in its power to do so, I think this is very fitting farewell present that we can give to a colleague in the House who although we have disagreed with him on a number of occasions and have very

strong differences of opinion with him on the pace of his development programme, nevertheless he is a man whom we admire for the way he stands up for what he feels is right in public life. We really have no hesitation in supporting this motion and I wish the Honourable Mr Serfaty a long term of office as Mayor and a happy one.

HON J BOSSANO:

Mr Speaker, I will be delighted to associate myself with the motion. I think I was the one the last time that suggested Mr Serfaty's name. The only point that I would like to make is that I think the need to restrict the position of Mayor to a Member of the House of Assembly is something that, perhaps, should be reviewed in the future and maybe Mr Serfaty can be there for a very long time.

Mr Speaker then put the question which was unanimously resolved in the affirmative and the motion was accordingly passed.

MR SPEAKER:

May I, as a one-time holder of the office, congratulate the Hon Mr Serfaty on the great honour which has been bestowed upon you and which I am sure you will enjoy carrying out.

HON A W SERFATY:

I am very grateful, Mr Speaker, to the Honourable Chief Minister, to the Hon the Leader of the Opposition, to the Hon Mr Joe Bossano and to you, Mr Speaker, for your kind support in this. I am, indeed, deeply touched. I would just like to say that my connection with the City Council, it was not a symbolic post then, the post of Mayor, but I can well remember when I was - half a century ago - a junior member of the staff of the City Engineer's Department and a quarter of a century ago, an elected City Councillor. I think that this experience of mine in the past and of course of 30 years in active politics will help me not to let this House down when the opportunities arise when I will be the symbolic head not of the City, I suppose, but of the municipality. All I can say is that I will do my best. Thank you very much.

HON A J CANEPA:

Mr Speaker, I have the honour to move in terms of the motion standing in my name which seeks to amend The Social Insurance Ordinance.

MR SPEAKER:

May I interrupt here and ask leave of the House for the Honourable Minister not to have to read the motion which is standing in his name because it has been circulated to Members some time ago, it is rather lengthy and it is completely and utterly formal.

HON A J CANEPA:

Thank you very much, Mr Speaker, I am very grateful. Mr Speaker, Section 52 of the Social Insurance Ordinance requires me to carry out a review of the rates of contribution and benefits under the Ordinance annually and to advise the Governor thereon having regard to the general level of earnings and prices in Gibraltar. In doing so, I must also have regard to the fact that the standard rate of old age pension must be such that for a married couple it is not less than 50% of the latest available figure for average weekly earnings of full-time weekly paid employees and not less than 33 $\frac{1}{3}$ % for a single person. Sir, the latest available figure for such earning is £65.68 a week as at April, 1979, and this may be seen from the Employment Survey Report which I tabled earlier in these proceedings. So, strictly speaking, Sir, the standard old age pension in January, 1980, should not be less than £32.84 for a couple and £21.09 for a single person. However, as in previous years I have thought it right to make some allowance for the fact that by the time that the new rate of pension take effect in January, 1980, the level of earnings will have increased as a result of the 1979 pay review and also that the index of retail prices has gone up by 16.4% during the past 12 months. I am therefore proposing in this motion that the pension rates should be increased by 17% from the present £30 to £35 for a couple and from £19.50 to £22.80 for a single person. Widows benefits are being increased in line with old age pension. With regard to the other benefits under the Ordinance, I have thought fit to propose a much higher percentage increase of 38% for guardian's allowance which in spite of increases over the years still stands at only £4.30 a week and this, I am sure, all will agree is almost a ludicrous sum to pay to anyone who has taken into his family a child who has lost both parents. Hence, my proposal to apply a much higher percentage increase to £6 a week. Let me add, in passing, that there is only one such case in payment and even this one may be ending within the next year or so. On the other hand no increase is proposed in the amount of maternity grant or death grant which were increased last year to £36 and £72 respectively and which are therefore already considerably higher especially the death grant than the rates which become effective in the United Kingdom in about two weeks' time. The additional cost to the Social Insurance Fund of the increases in benefits which I am proposing today will be of the order of £460,000 a year and it is the intention that this should be met, except perhaps for a small shortfall of about £30,000, from increased contributions. Subject to the passing of this motion, the various rates of contributions will be increased by between 20% and 25% which in cash terms means an additional 40p a week from the adult employee whether male or female and a similar amount from the employer. Self-employed persons and voluntary contributors will pay an extra 44p a week, that is, above what they are paying now and not above the amount that I have just mentioned. In the case of juveniles the increase is also at a flat rate of 30p with an equal amount from the employer. The decision

to increase contributions equally for both sexes has been prompted mainly by a directive of the European Economic Community Council requiring, inter alia, that there should be equality in the calculation of contributions payable by both sexes by not later than January, 1985. By increasing their contributions equally over the next 2 years it will be possible to achieve equality within due time. This I know is a matter which can give rise to many and very contrary views being expressed on the question of absolute sex equality in social insurance but this is neither the time nor the place, well, yes, the place but not the time, to go into what is an extremely complicated issue from every angle and not one which can be determined in one fell swoop as is only too clear from the position in Britain. We have already taken some steps towards full equality in certain matters of social insurance in recent years. For example, we have provided for widowers' pensions in certain circumstances and this is another one which in any case is perhaps justified now that there is equality of pay. As I intimated earlier, my proposals today are estimated to produce additional income which will fall short of additional expenditure of benefits by about £30,000 and this will increase the current contributions against expenditure deficit to about £243,000. Once again, as I said last year, it is felt that this can be absorbed by the Social Insurance Fund without giving cause for concern. In 1978/79, in spite of the deficit of about £184,000, the value of the Fund still increased by about £12m and it is felt that as has been done in 1978 and 1979, a small proportion of the income from investments should be used towards the cost of increasing the benefits without adverse effect to the Fund except that its rate of growth will be slightly less. Sir, I commend the motion to the House.

MR SPEAKER:

I will then propose the question in the terms of the motion in connection with the Social Insurance (Amendment of Contributions and Benefits) Order, 1979, as moved by the Honourable the Minister for Labour and Social Security.

HON P J ISOLA:

We fully support this motion and I thank the Honourable Member for his lucid explanation of what is being done in the motion. There is only one thing that rankles in the back of my mind with regard to the Social Insurance Ordinance although I know this matter has been raised previously in the House. Can the Minister tell the House in his reply what the position will be as regards that group of people, and how many are there still around, who through one misfortune or another or through one problem or another over the years, did not join the Social Insurance Scheme or were not allowed to, how are they likely to compare, what is the

differential likely to be between them, in receipt of other pensions or benefits or supplementary benefits, as opposed to the social insurance recipients and can anything be done at all for what must be a gradually dwindling number of people? Apart from that comment which is not strictly relevant to the motion, though it is in the sense that we are talking the people in the age groups are in receipt of social insurance we, of course, support this motion and support the constant review there must be of benefits over the years as the cost of living goes up.

HON A J CANEPA:

Mr Speaker, with your leave, I do not mind answering the point which the Honourable the Leader of the Opposition has raised and it will avoid my having to refer to it, perhaps, later on. There is a Bill to amend the Elderly Persons Pension on the agenda but I will take the point now. Persons who are aged over 65 who are not in receipt of an old age pension under the Social Insurance Scheme, will, if they do not have any other income, or if they have an inadequate income, they are entitled to apply and receive supplementary benefits which in conjunction with the present review we shall be increasing for them by 20%, a little bit more because we are aware of the fact that they are a much more needy sector of the community. If they do have other income then the only thing that they have is the elderly persons pension but the Honourable Member mentioned that they are a dwindling number. In fact, that is not what has happened in the last year, they have gone up from just over 900 to 950 and the reason for this is that we abolished the claw-back and therefore in respect of a lot of people some people for whom it wasn't worthwhile to collect the pension, they are now doing so and also because we increased it from £5 to £8 per week, a number of people with a reduced rate of old age pension under the scheme get the difference between their pension and the level of elderly persons' pension and that brought in a further number and with the relatively small increase that I am proposing later on in the agenda it means that our commitment on elderly persons' pension, the financial provision that we are having to make, is now very nearly £2m a year.

Mr Speaker then put the question in the terms of the motion moved by the Hon the Minister for Labour and Social Security which was resolved in the affirmative and the motion was accordingly passed.

HON A J CANEPA:

Mr Speaker, I have the honour to move in terms of the motion standing in my name which seeks to amend the Employment Insurance Ordinance and again I would ask the leave of the House to dispense with having to read it.

MR SPEAKER:

I think you have got the leave of the House.

HON A J CANEPA:

Before I deal with this, Mr Speaker, I would like to draw the attention of the House to some typographical errors at the bottom of the first page of the motion which has been circulated. Under clause 6(b) the figures £5.90 should be replaced by £5.90 and at the end of the line £6.80 should be replaced by £6.80 and then likewise under clause 7, £5.90 and £6.80. I apologise for those errors, Mr Speaker. Sir, after speaking on the previous motion, I don't think that I need to take up the valuable time of the House in presenting this one in too much detail other than to say that it is part and parcel of the same exercise except that it proposes that the rates of benefit under the Employment Injuries Insurance Ordinance should be increased by 15% as from January 1980. Examples of the proposed new rates of benefits for adults are that injury benefit goes up to £21.28 per week with an addition of £5.32 per week for an adult dependant and lower additions for children, gratuity payable on death or 100% disablement goes up to £5,980 and as far as the Employment Injuries Insurance Fund is concerned, Mr Speaker, the balance stood at £560,000 on the 31st of March, 1979 having increased by almost 50% during the preceding two years alone due to contribution income being considerably in excess of benefit expenditure and thereby enabling further investments to be made which in turn have increased the amount of interest gained. For the second successive year, therefore, Mr Speaker, it is not proposed, it is not proposed, I repeat, to raise the weekly contributions in 1980 and since January, 1978, therefore, these will have stood at 6p by the employer and 6p by the employee for adults and 4p each for juveniles. Sir, I commend the Bill to this House.

MR SPEAKER:

I will now propose the question in the terms of the motion regarding the Employment Injuries Insurance (Amendment of Benefits) Order, 1979, moved by the Honourable the Minister for Labour and Social Security.

Mr Speaker then put the question which was resolved in the affirmative and the motion was accordingly carried.

HON A J CANEPA:

Sir, I have the honour to move in terms of the motion standing in my name which seeks to amend the Non-Contributory Social Insurance Benefits and Unemployment Insurance Ordinance and again I would seek the leave of the House so as not to have to read the motion.

MR SPEAKER:

The House does grant you leave not to read the motion.

HON A J CANEPA:

Thank you, Sir. This third motion in my name concerns the weekly rates of retirement pension and of unemployment benefit which it is proposed to increase as from January, 1980. The first one, Retirement Pension, affects a small dwindling group of about 70 persons who, as one might say, just missed the boat when social insurance started in 1955, by being under pensionable age at the time but old enough not to be able to qualify for old age pension. Their pension is paid from the Consolidated Fund and is fixed at a level equivalent to the roughly equivalent group of reduced old age pension under the Social Insurance Ordinance and hence the proposed basic rate of £18.50 with a wide addition of £9.90. In percentage terms this is an increase of slightly over 16% which ties in with the approximate rate of inflation. The cost of this increase, as I have said, Sir, falls to be met from general revenue. Provision for the increase for the period January to March 1980, the last quarter of the current financial year, was made in the current year's estimates under Head 11 - Labour and Social Security - sub-head 10, so that it is not expected that additional funds will have to be voted. Insofar as unemployment benefit is concerned, the same increase is proposed as under the Employment Injuries Insurance Ordinance, that is to say, 15%, bringing the basic weekly rate to £17.40 and £26.10 for a couple with the usual additions for children as will be seen from Part 1A on page 3 of the motion. The much lower rates on page 2 apply only to those who qualify for unemployment benefit but who have not been either ordinarily resident in Gibraltar or insured here for an aggregate of two years since July, 1970. This is the same condition that applies to the progressively higher rates of benefit under the Social Insurance Ordinance. Sir, I commend the motion to the House.

MR SPEAKER:

I propose the question in the terms of the motion regarding the Non-Contributory Social Insurance Benefit and Unemployment Insurance (Amendment of Benefit) Order, 1979, moved by the Honourable the Minister for Labour and Social Security.

Mr Speaker then put the question which was resolved in the affirmative and the motion was accordingly passed.

HON A J CANEPA:

Sir, I have the honour to move: "That this House approves the Report of the Select Committee appointed on the 19th December, 1978, to consider what rules and procedures should be instituted by this House in relation to the Declaration of Members' Interests." Mr Speaker, the compilation of the Report now

before the House has proved to be relatively a straight forward matter. This has been made possible by, on the one hand, the preliminary spadework that had been carried out by the Clerk of the House and, on the other, by the considerable degree of unanimity to be found in the views of the Members of the Select Committee regardless of which side of the House they happened to sit on. The material which the Committee had before it was so relevant and so valuable to its deliberations that very few meetings have been required and in all of these meetings we were able to despatch our business efficiently and expeditiously. I want to place on record my thanks as Chairman of the Committee, to all the Members of the Select Committee for their help and cooperation and I am sure that they also wish me, on their behalf, to record our thanks and appreciation to the Clerk of the House who was a most hardworking and competent Secretary. Mr Speaker, the matter now before the House is one which in the past has been the subject of some controversy particularly in the early years of the political career of Mr Maurice Xiberras. That we have been able to get together in the Select Committee and agree unanimously on our recommendations in a short period of time is indicative of the fact that the Declaration and Registration of Members' Interests is no longer as controversial a subject as it was a decade ago. May I add, in passing, that I am sorry that Maurice Xiberras who was so keen that something along these lines should be done, is no longer with us to witness what I am confident will prove to be general support in this House for the proposed measures. Mr Speaker, I cannot guarantee that a formal resolution by this House to the effect that it should be a rule that Members should be required to declare personal interest in the House as is the practice in the United Kingdom together with the adoption of a register of Members' Interests that will require a Member to list his interests under the same headings as in the Register of the House of Commons, will ensure that no conflicts of interest will arise, but what I can say is that in instituting a proper system for Declaration and Registration of Interests this House will be taking a very important step forward in the required direction. If, in spite of the introduction of the measures recommended in the Report, reasonable grounds for suspicion of a conflict of interest should arise in particular cases, these should be vigorously pursued and investigated. I must stress that we are not setting up machinery or procedures for conducting witch-hunts for as is stated in the concluding paragraph of the Report, and I quote: "In the final analysis it is the public alone that can provide the necessary safeguards by exercising a continuing role as watch-dogs of the conduct of those who hold public office." In conclusion, Mr Speaker, I want to underline that if it is this present House that is going to approve the recommendations of the Select Committee, then it is the Members of this present House who should proceed expeditiously to implement them and to ensure that all Members register their interests during the remaining life of this House and not just approve something which the next House of Assembly and its Members will be expected to abide by. Mr Speaker, I commend the motion to the House.

MR SPEAKER:

I now propose the question which is that this House approves the Report of the Select Committee appointed on the 19th December, 1978, to consider what rules and procedures should be instituted by this House in relation to the Declaration of Members' Interests.

HON MAJOR R J PELIZA:

Mr Speaker, I am one of those who are extremely pleased to see that this is now going through this House, I think, unanimously by the end of our debate. It was definitely at one point, one of the strong points of the IWEP but I think I should point out it was not taken in isolation, that it was very much linked up with the pay of the Members of the House and also with the eligibility of certain categories of civil servants participating in politics particularly at election time with the right of reinstatement if they were not elected. Those two other sides of the problem which I think is very relevant to genuine and real democracy in Gibraltar, are still pending and I hope that this House will be able to resolve those two other sides of our old propositions in due course, hopefully, before the next elections. Having said that, Mr Speaker, I would like to draw attention to the last paragraph, paragraph 14, where I think that although it was obviously not under the terms of the Select Committee to look in, was the question of Declaration of Interests of Members' of Government, of Ministers, those holding responsible posts. I think we are all very much aware, those who are in politics, of the difficulties particularly in Gibraltar, of following the practice in Great Britain whereby elected members who become Ministers really have to resign from their present employment and give up any directorship and even lawyers are not allowed to exercise their profession. This makes quite a difficult, I think, task for us in Gibraltar because we are all aware that in a small place like Gibraltar with a limited number of candidates available it would deprive Gibraltar of many first class representatives of the people being able to take part in public life and therefore help generally the society which we represent. I think I would like to draw attention to that to make it clear that of course it is not quite completely satisfactory to this day, that situation has not been resolved and perhaps as time goes by and the pay of Members of this House and particularly I think of Ministers rises and increases, it might be possible to arrive to a situation similar to most, I think, of the democracies in the Western Hemisphere. I think it is important that having said all this, regardless of whatever precautions we may wish to take in this House about that, eventually, I think, it lies entirely with the honour of the individual concerned in that really I think that no matter what conditions one may lay in the House, however strong they may be, it is humanly possible to circumvent them and still carry on being a Member of the House even if you resign as a Director of your own business. There is nothing to stop one from

carrying on being a Director by remote control, similarly there is nothing to stop a lawyer who resigns and gives up his practice, indirectly continuing to do exactly the same work without practising in public. I think that eventually, having said all that and hoping that perhaps one day we can arrive to the same situation as in other democracies, I think that notwithstanding that at the end of the day it lies with the honour of the individual himself and the only safeguard that there is is really in the electors themselves who eventually at election time may decide: "That man I consider is of full integrity and I can elect him or that man hasn't got the integrity that I think he should have and therefore I will not vote for him." Thank you, Mr Speaker.

HON CHIEF MINISTER:

Mr Speaker, the mover made a reference to the interest that Maurice Xiberras took in this and in fact it was one in which once the original matter arose settled down, there was general agreement. As far back as 1976, in the Constitutional Committee Report, we did say that that was not a matter for the report and we did recommend and agreed in principle that it should be done. It has taken a little time like all good things take longer than one would want to but I think it is particularly good because there are people now who, not for the reasons stated by the Honourable and Gallant Major Peliza, but for other reasons better known to themselves, who want to discredit the whole nature of our Constitutional and political institutions, to undermine that perhaps with insinuations right and left where the word "corruption" is used in a very general term but which in the strict context appears to be much more than what it says in order to be ready for any possible libel action. There are sectors in the community who want to discredit our institutions for ulterior political motive and have taken it as an aim to discredit all our institutions, taking advantage of those weaknesses to which the Honourable Member has referred and to which I will refer in a moment. One wonders why this week after week reference to this matter, if it is not to draw the attention away from other matters which they well know do not carry the support of the majority of the people of Gibraltar and that they would say "rio revuelto ganancia de pescadores", that is exactly what they are looking for, upset the order that we have created, not try to improve it but upset it, in order to have another kind of set-up which people have so clearly rejected and have done so so clearly particularly in 1967 and subsequently. There are two aspects of this matter, one is the question of the declaration of members' interests and this follows the pattern in the United Kingdom. I think it is fair to say that we will pass the resolution and will set up a Select Committee to look into complaints and so on at the next meeting of the House. I thought it was too much of a rush after having waited so long to do it now at the same meeting but I think it still

remains a question of honour. In the House of Commons despite the fact that there is exactly the same procedure, a prominent politician whose integrity nobody doubts but whose utterances are greatly controversial, refused to fill up his form and that is Mr Enoch Powell. I don't think anybody would say that he hasn't filled up his form because he has got interests that are in conflict with his public duties but he has done it as a question of principle, he is a controversial person and one must respect him for that and for the courage that that entails. I just mentioned that because I think it is fair that it should be known that this is a declaration on one's honour and not a legal requirement and it will be more valuable because of that because then it will be known that it is people who voluntarily submit themselves to a resolution of this House to make this declaration. With regard to the question of the conduct of Minister, I have mentioned this several times, I think, occasionally, that though the rules and the practice as Honourable Members opposite who have been in office well know, have always been that you should declare any interest and should not take part in any decision of Government which is in conflict with your personal interest, your professional interest, your business interest. I think that has been considered and it is on that basis that the Constitution has developed in Gibraltar and despite the tirade, as I was mentioning before, it has survived and I think the test, as the Honourable and Gallant Major Peliza has said, the test finally lies with the people on voting day who they regard, despite all the insinuations, despite all the accusations, who they consider to be people worthy of being their representatives. Perhaps, I should state here for the record that since 1972, for the first time there was a formal undertaking that Ministers had to sign and a declaration of solvency and other interest which has got to be submitted, in the case of Minister to the Chief Minister, and in the case of the Chief Minister both his own and the rest to the Governor for his information and that provides of course not for just a declaration at the beginning of taking office but is a continuing process in which Ministers must give notice of any additional interest that they may have had since they make the declaration when they took office or any changes, in order that there should be a continuing process. I have followed the practice since that came into effect that used to be followed in the City Council and that is that in order that Ministers should not forget, there is a book in my office where Ministers can immediately enter any change of circumstances, any acceptance of a directorship or anything like that and then incorporate it into one of these declarations. The proposal that when you go into politics you should give up everything is very attractive in a way but I wonder how many people would be able to give up all their businesses, professional people their practice, go into politics and hope after two terms or three terms, to be able to collect anything that was left if in fact you carried out the thing to the letter of the law. I accept that you could have a charade of resigning and getting somebody else to do

the business in your name and you being behind it. I think that would be much more reprehensible than the fact that now Ministers are put on their honour in their declaration, for the simple reason that at the end of the day, in the United Kingdom, anybody who has been in politics and has held office for some time, there are avenues open to him to earn a living away from the profession that he left, or the occupation that he left, in directorships and things like that but here, unfortunately, that is not the case. There is no doubt that we are going along the right lines and that these declarations here can be but the beginning of further procedures that will make the thing as clearly open as possible that people should know where those people whom they elect stand and where those people who after being elected are by the rules of democracy chosen to office, stand. I would like to take this opportunity of commending the Chairman and Members of the Committee and the Clerk of the House for their excellent report and for the clarity of its statements and for the expediency with which it has been produced to this House.

HON P J ISOLA:

Mr Speaker, the report of the Select Committee is excellent for its clarity and what it says and of course we are supporting it and I do hope that all Members of the House co-operate in filling up the form. The only doubt that I have on my mind is that I do not think that the public are expecting this sort of registrable interests. I think the public will expect Honourable Members to give a detailed view of all their business connections, and all their business transactions and so forth and I think that when they start inspecting the register I think we are going to get a very irate press saying that so and so has only registered this, what about this and that and the other and the other. But I think this is something we just have to face and meet. I think that the general basis of the declaration of interests that is required from a Member of the House as a Member of the House, is very different to the sort of declaration of interests that a Minister would be required to make not only in any declaration he makes to the Governor or the Chief Minister but also in the day-to-day conduct of Government business, the declaration of interests he has to make in all sorts of matters that come before Council of Ministers or Gibraltar Council and even in his own Department whatever he may be doing, his own private interests or profession will be a conflict and I think this is the sort of interests that the newspapers are after but of course they will not get as a result of this and it is rightly so they should not get because this, as far as a Member of the House is concerned, will only be referring to interests of a Member as a Member of the House. As long as that is clear to the public there shouldn't be much controversy on what is, I think, a very sensible and very correct procedure. As my Honourable and Gallant Friend has said already, we look at the declaration in members' interests and, generally, the question of interests, we do tend to link it with payment to Members, a proper remuneration for Ministers, proper remuneration for Members, proper remuneration so that people can stand for election free from the fear of not being able, if elected, into Opposition

MR SPEAKER:

Let us not expand.

HON P J ISOLA:

And the other question, of course, of people who do stand for election that they can be reinstated if they get thrown out of the House. At the moment, obviously, the only people who are in the profession or who have got their own businesses and so forth but an ordinary individual that leaves his employment to stand for public life, whether it is public service or private employment, is faced with the problem when he has to resign from public life and it is that sort of situation that we would like to avoid and therefore we welcome this report, we welcome the institution of the Declaration of Members' Interests as one of the necessary steps that we feel in Gibraltar is necessary to try and produce genuine democracy with all the restraints that there are in Gibraltar by virtue of the fact that it is a small place and we all know each other. Sir, we have pleasure in supporting this motion.

Mr Speaker then put the question which was resolved in the affirmative and the motion was accordingly passed.

HON A W SERFATY:

Mr Speaker, I have the honour to move that this House should approve the giving by the Governor of the notice which has been circulated to Honourable Members regarding the Licensing and Fees (Amendment of Schedule) (No 2) Notice.

MR SPEAKER:

I am sure Honourable Members do not wish that the Minister should read the whole of the motion which has already been circulated.

HON A W SERFATY:

Thank you, Mr Speaker. The fees payable by traders for the services of customs staff outside normal working hours of business were last revised and increased in November, 1977. They stand at 25 per officer for the first three hours or part thereof and 22 for each additional hour. Since then salaries have been substantially increased and it has once more been necessary to adjust the level of fees the proposal being that they should be increased to 25 per hour or part thereof with a minimum charge for such attendance, 15 for Sundays and public holidays and 10 for any other day. The introduction of the minimum charge becomes even more necessary because certain traders have the tendency to collect goods after hours in order to avoid waiting to be attended. Unless such a minimum fee is introduced the practice will continue at public expense. The following serves to illustrate the point: On weekdays, that is, Mondays to

Saturdays, the customs staff are guaranteed a minimum of 3 hours overtime at time and a half. In the case of, say, an officer in the Executive Officer grade this works out at £11.30. The amount which is recovered from the trader at present is only £5. On Sundays and public holidays, when double time is to be paid, the cost of Government is £15 whereas to the trader it is only, again, £5. I have discussed this matter with the Chamber of Commerce who have no objection provided traders are allowed to team up for the after hours service of customs staff and thus share the expense amongst themselves. This is accepted by the Government. The second part of the motion, Mr Speaker, deals with the hours of business of the customs officers at Waterport, Transit Shed and at the Airport which at present extend to 5 pm. The staff in these offices are always supposed to finish their day's work at that hour. There is thus no time available, after the close of business, to allow for the signing of documents, closing of books, etc. This has led to representations from the customs staff to the effect that because they have to attend to the public until 5 pm, they invariably have to leave their offices well after that hour. It is, accordingly, proposed to alter the hours of business so that customs offices close 15 minutes later at midday and 15 minutes earlier in the afternoon thus allowing the staff a quarter of an hour to attend to last minute customers. The proposed hours of business are therefore 9 am to 12.45 pm and 2 pm to 4.45 pm daily excepting, of course, Saturdays, Sundays and public holidays. The third part of my motion, Mr Speaker, proposes a 100% increase in the airport departure tax which has been 50p since the House approved its introduction in March, 1975. The increase in the tax should effectively double the yearly income from that source to £70,000. The latest available information on departure tax at other airports indicate that Gibraltar has the lowest rate of airport tax in Europe and that the proposed new rate of £1 will still compare favourably. Air carriers and travel organisations are already fully aware of the proposed measure so that there should be no difficulty in this connection, in fact, air fares as from November reflect the increase. I beg to move, Mr Speaker.

MR SPEAKER:

I will then propose the question in the terms of the motion regarding the Licensing and Fees (Amendment of Schedule) (No 2) Notice, 1979, moved by the Honourable the Minister for Trade and Economic Development.

HON MAJOR R J PELIZA:

Mr Speaker, it is obviously always the trade who seems to have to pay for such increases and I think trade in Gibraltar luckily, these days, perhaps are not going through such a hard time that they cannot afford this and I welcome the idea that this sort of groupage of people who have to get their

goods out will be able to do it together and therefore reduce the amount that they would have to pay individually. I think that the approach is a sensible one, the cost has got to be met and I think in this instance the Minister has got to be patted on the back because I think he deserves it but - there is always a but - when it comes to the extra 50p on the departure tax, I think that this is really abusive. As a user I would expect something for the money that I have paid and this is perhaps where I can identify myself with the many other thousands of people who haven't got to declare an interest like I have but, of course, who ask themselves: "What am I paying this extra 50p for? I never got anything for it before when I paid the 50p and I am getting no more for it now." What do I find when I arrive in Gibraltar, a terrible congestion of tourists as they come in, a hell of a job to try and get your suitcase; and the whole thing looks such a muddle that quite obviously to have to pay 50p on top of that I think is a scandal. As you go out it is even worse because you are herded into a departure lounge which really cannot hold the number of people who are herded in, sometimes long before the plane is due to go and therefore they have to wait there in very uncomfortable conditions to the extent that not everybody can sit down because there is not enough sitting accommodation available and I would like to ask the Minister to really reconsider this very carefully and before adding the 50p at least provide some amenities for the 50p that the tourists have to pay, including, of course, Gibraltarians who have to go through exactly the same ordeal. Quite honestly, Mr Speaker, I cannot support that. I do not know how my colleagues feel because we haven't discussed that but on this one I would suggest to the Minister that he waits until he enlarges the terminal. I do not know when that will be, perhaps the year 2000 if this Government remains in office. I do not think this is an opportune moment to increase it and as a regular user of the terminal. I really know what it means and I really do not see why this change should be made, I think it is unjustified, it is really money being taken under false pretences. I really do not believe that an Honourable Government should act in this way. Therefore, Mr Speaker, I cannot support that increase and perhaps if my Honourable Friend will agree, we will introduce an amendment at the appropriate time.

HON P J ISOLA:

We are agreeing to this motion and I think the best way to deal with this particular situation is to abstain on the vote to show our disapproval of the piece of racketeering contained in paragraph 3 of this Order. This airport departure tax, you know, was immoral in the first place when it was first introduced. We objected to it on the grounds that the charges people pay in other airports are charges which are part of the airport tax which goes to the airport authority, but in Gibraltar the airport authority is the Royal Air Force and the

aeroplanes, so we are told, have to pay substantial charges to the airport and to the handling company for the handling of the passengers at the airport and for the handling of the aircraft and for the landing at the airport so what on earth is the 50p and now the £1 going to? It is an immoral tax, it is just getting a cut at the tax on visitors to Gibraltar, that is what it really amounts to, and of course we cannot agree with it. I agree with what my Honourable and Gallant Friend has said about the air terminal building, it is time that the Government tried to do something about it. I do not know what happens to an elderly person, I suppose they depend on a kind soul to help them with their luggage. For example, Government could help by putting a few trolleys in the airport, in other words spending this money if it wants to take it off people, in giving amenities at the only piece of ground there that belongs to the Government as the rest is Ministry of Defence or Blands or Gibraltar Airways or whoever handles aircraft. But to put it up 100% at a time when we have refused British Airways, I assume that still goes, an increase in fares from November 1st, that doesn't seem to me to be right and lays us open to all sorts of charges. I think the best way of dealing with this rather than to bore the House with amendments to the motion is that we will abstain, as a sign of protest, about the extra 50p on the airport departure tax and we would ask the Minister, seriously, that if this tax is going to be increased, well do something for the people using the terminal because at the moment they are treated like cattle.

MR SPEAKER:

Does the Minister wish to reply?

HON A W SERFATY:

Yes, Mr Speaker, we are doing something at the airport. However these extensions with all the difficulties of the Ministry of Defence apron and one thing and another cannot be carried out with a magic wand.

HON MAJOR R J PELIZA:

Is the extension going to be paid out of this money or is this money going to be used for something else?

HON A W SERFATY:

That I cannot say but one thing I would like to say and I am sure Members opposite will appreciate, that £1 in 1979/80 is worth no more than 50p in 1975 when we put the departure tax at 50p.

Mr Speaker then put the question and on a vote being taken the following Hon Members voted in favour:

The Hon I Abecasis
The Hon Major F J Bellipiani
The Hon Sir Joshua Hassan
The Hon J B Perez
The Hon A W Serfaty
The Hon Dr R G Valarino
The Hon H J Zammit
The Hon D Hull
The Hon R J Wallace

The following Hon Members abstained:

The Hon P J Isola
The Hon Major R J Peliza
The Hon G T Restano

The following Hon Members were absent from the Chamber:

The Hon J Bossano
The Hon A J Canepa
The Hon M K Featherstone
The Hon A P Montegriffo

The motion was accordingly carried.

The House recessed at 7.30 pm.

THURSDAY THE 1ST NOVEMBER, 1979

The House resumed at 10.30 am.

MR SPEAKER:

I would remind the House that we are still on Government motions and the next on the Order Paper is that to be moved by the Honourable and Learned the Attorney-General.

HON ATTORNEY-GENERAL:

Mr Speaker, I have the honour to move the motion standing in my name. I would seek the leave of the House not to have to read the motion in full.

MR SPEAKER:

Leave is granted.

HON ATTORNEY-GENERAL:

Thank you, Mr Speaker. Mr Speaker, this is a motion to amend the Second Schedule to the Licensing and Fees Ordinance to increase the fees that are payable for registration and naturalisation under the British Nationality Act, 1948. The

fees were last increased, Sir, in November of 1978 since when the fees in the United Kingdom have been increased with effect from the 4th of April of this year and it is proposed that our fees should proceed apace with those fees and, accordingly, the various fees in item 3 have been increased to that effect. Mr Speaker, I draw attention to the fact that where any application is made before these new fees were to come into force then the person who made the application would be liable only to pay the fee at the old rate. Mr Speaker, I also move to amend the Order by changing the date of commencement from the 1st to the 8th of November, 1979.

MR SPEAKER:

Let us not get confused because we have to propose the motion first and then we have to amend it unless it is basically a matter of correction. Let us get to the stage when I propose the motion and then we can make the necessary amendments in due course.

HON ATTORNEY-GENERAL:

Mr Speaker, I move accordingly.

MR SPEAKER:

I will then propose the question in the terms of the motion regarding the Licensing and Fees (Amendment of Schedule) (No 3) Notice, 1979, moved by the Honourable the Attorney-General. If there are no contributors to the motion I will ask the Honourable the Attorney-General to move the necessary amendments.

HON ATTORNEY-GENERAL:

Mr Speaker, it was contemplated that this motion may have been dealt with yesterday but because it is not being dealt with today I would move the following amendments; that in sub-paragraph (2) of paragraph 1, the expression "1st" be changed to "8th".

MR SPEAKER:

Is there any other explanation you would like to give on this?

HON ATTORNEY-GENERAL:

There is just one other amendment as well, Mr Speaker. That in sub-paragraph (2) the same change be made from "1st" to "8th" the reason being, simply, to provide for the amendment to come into force one week later than originally contemplated.

Mr Speaker then put the question in the terms of the Hon the Attorney-General's amendment which was resolved in the affirmative and the amendments were accordingly passed.

Mr Speaker then put the question in the terms of the Hon the Attorney-General's motion, as amended, which was resolved in the affirmative and the motion was accordingly passed.

BILLS

FIRST AND SECOND READINGS

The Elderly Persons (Non-Contributory) Pensions (Amendment) Ordinance, 1979

HON A J CANEPA:

Mr Speaker, I have the honour to move that a Bill for an Ordinance to amend the Elderly Persons (Non-Contributory) Pensions Ordinance, 1973 (No 27 of 1973) be read a first time.

Mr Speaker then put the question which was resolved in the affirmative and the Bill was read a first time.

HON A J CANEPA:

Mr Speaker, I have the honour to move that this Bill be now read a second time. The main object of this Bill is, in fact, in its last, clause 5, in which the rates of elderly persons pension is increased from £8 to £9 as from the 1st of January, 1980. This increase of 12½% is slightly less than it would normally have been nearing in mind the current rate of inflation which stands at about 16% but it must be remembered, firstly, that in January of this year the pension was increased by no less than 60%, from £5 to the present £8 a week and, secondly, that with the proposed increase early next year, the pension will have increased by no less than 290% since it was first introduced in 1974 whereas during the same period the rise in the index of retail prices has been of about 130%. Also, of course, as Honourable Members are aware, the additional income tax claw-back of this pension was abolished last year with retrospective effect to the 1st of April, 1978, and therefore the pension is now only subject to tax in the normal way. The proposed increase in the Elderly Persons Pension is estimated to involve additional annual expenditure of about \$48,000. The House will recall that speaking on my first motion yesterday evening I said that expenditure on this item would, with the proposed increases under the Bill be running at close on £½m a year. Insofar as the current financial year is concerned, Mr Speaker, I do not anticipate that additional funds will be required for the quarter January to March, 1980, as we made provision for the proposed increase in the approved Estimates at Budget time. Turning to other aspects of the Bill, Mr Speaker, we have taken the opportunity to amend the principal Ordinance in several respects as laid down in clauses 2, 3 and 4. As will be seen from the Explanatory

Memorandum to the Bill, they are not matters of substance, let alone departures from established policy. For example, the Elderly Person Pensions Ordinance now provides that a person who at the time of the award of a pension is in receipt of supplementary benefits, should have his supplementary benefits reduced by the amount the elderly persons pension. But the Ordinance does not provide for similar treatment in the case of a person who becomes entitled to supplementary benefits after the award of elderly person pension. This is intended to be put right by clause 3 of the Bill. Likewise, a person is not entitled to the elderly persons pension if he is in receipt of some other social security pension, for example, United Kingdom retirement pension but it has been realised that there is no provision in the law to cancel or reduce the elderly person pension where a person to whom it has already been awarded subsequently becomes entitled to some other pension. Again, it is intended to rectify this in clause 4 of the Bill. The few other changes are minor consequential matters of drafting amendment. Mr Speaker, I commend the Bill to the House.

MR SPEAKER:

Before I put the question to the House does any Honourable Member wish to speak on the general principles or merits of the Bill?

HON P J ISOLA:

Mr Speaker, as far as elderly people are concerned and pensions to the aged are concerned the Minister will always receive the support of this side of the House for any increase that there may be. We subscribe to the principle that people in their old age, everything should be done to make their old age as comfortable as possible and, therefore, the Government will always get sympathetic support for any proposals that increase the amount of pension or payments to be made and I think it is kept under constant review to ensure that the elderly do not suffer from the ravages of inflation which the younger people are able to meet by wage demands and wage increases and, therefore, let me say quite clearly, that that is the position of the Opposition, we would certainly like to see constant review of benefits for the aged and the elderly. Having said that, Mr Speaker, I am a little surprised that the increase in the Elderly Persons Pension is not keeping pace with the inflation of the current year. I suspect that this may be partly due to the fact that by doing away with the clawback and by making the elderly person pension a universal pension, applicable to everybody, whether they needed it or not, the Government has found itself with a rather larger bill than it need have found itself. I don't like going back on past history but the Government will recall that when they introduced the Elderly Persons Non-Contributory Pension originally, on this side of the House we didn't agree with the universality of it because what we said then has happened and that was that by giving the pension

to everybody it inhibited the Government for being more generous with the amount of the pension that it could give because everybody could apply and, therefore, the rate of the pension was bound to be low and this favoured those with means as against those people who required the pension and could well do with the money, it wasn't just pocket money, it was necessary for them. The Government in order to meet that objection, I suppose, introduced the claw-back system and the effect of that, of course, was to get back from the wealthy the pension that was given to them, that was the effect, that anybody who really didn't need the pension by virtue of the claw-back provisions paid it back, but that again was unsatisfactory because that gave the lie to the principle of universality, so the Government did away with the claw-back and said: "Right, if you are a rich man you will pay 50% of your pension back to the Government," which is fair enough. That unfortunately is, I would imagine, an unhibiting factor in the amount that can be given and I think that is a pity because by not increasing it in accordance with the percentage of inflation, Government is possibly being unfair to a section of the community, not all old people, but a number of old people who can well do with any increase that can be given and to that extent we must express our reservations on this Bill. We support the Bill in the sense that we agree with the increase but we feel that the question of elderly persons and the non-contributory pensions position should be reviewed by the Government. You see, Mr Speaker, the other point that somehow or other seems to act against elderly people who are not so well off as against elderly people who are well off is that elderly people who are well off do not get supplementary benefits and, therefore, just pay tax on their pension, so they have an unearned income increase, as it were, but those who require the pension and not only require the pension but also require supplementary benefits get those benefits or that pension reduced by the amount that they are receiving in supplementary benefits. I am not sure whether I am correct on this and certainly I would like clarification. There is a field, I think, the Government ought to explore. If we are going to stick to universality of pensions let it be a sort of luxury in a way, let it be a sort of great social principle, I don't think it is a very great social principle but, anyway, let's say it is, but let's compensate the people at the other end by not taking away from them if they are in receipt of supplementary benefits, if their circumstances are such that they require to receive supplementary benefits, let us not reduce the benefits or the pension whichever way it is done by the amount of the first pension. I would like the Government to consider that as a genuine effort or a genuine attempt to try and improve the lot of those whose lot should be improved without necessarily giving advantage to those whose lot need not be improved. Subject to those comments, Mr Speaker, we will of course support the main principles of the Bill which seems to be to increase the amount of pension.

MR SPEAKER:

Does the Minister wish to reply?

HON A J CANEPA:

Yes, Mr Speaker. I am grateful for the constructive approach of the Leader of the Opposition on the matter. I would like to remind him, however, Sir, that the concept behind the pension when it was introduced in 1974 was that it was a measure intended to bridge the gap between the era when we would achieve universal pensions under the Social Insurance Scheme and what has happened in the past when only industrials earning under £500 were insurable. It was an interim measure to take us over the hump, as it were. Eventually, Mr Speaker, the number will dwindle. I said yesterday evening that there were about 950 of these and that in fact the number had increased from about 900 in the last year and I explained the reason for that. But I think we have reached a peak, I would not anticipate the number to go beyond 950 and they should begin to dwindle. There will always be a hard core of persons in receipt of elderly persons pension. I imagine that, in the main, women who have not been out to work, spinsters mainly, I would say because widows will probably be covered under the Social Insurance Scheme by their husband's contribution, but I do anticipate that unmarried women or men who for a number of reasons may not have been able to work, illnesses and so on, they will become entitled to the Elderly Persons Pension at the age of 65 in the same way as now those person aged below 60 become entitled to supplementary benefits because they have no other income. As I say, I think the number will begin to dwindle slowly until eventually there will be a hard core which it is very difficult to put a number to them, it could be a hard core of 250 or 350, of that order, I would say substantially less than the present 950. And when we do reach that level then I think the Government of the day will be in a position to provide a more realistic pension for them though of course it will never be able to compare with the social insurance pensions since one is contributory and the other one is not. Mr Speaker, Mr Isola spoke about the pension favouring those with means, well, originally we tried to do something about that, Mr Speaker, when we introduced the pension in 1974 we linked it to a very punitive claw-back which meant that the whole of the pension was recovered through income tax for anyone whose income at the time, I think, was in excess of £2,500. Then we relaxed the claw-back, I think it was in early 1978, so that people with incomes in excess of £4,500 only would pay the whole of their pension back and, finally, and under pressure and I think I should remind the Honourable Member that some of the pressure for us to abolish the claw-back came from the other side of the House. They were pressing the Government to abolish the claw-back obviously with open eyes knowing that the people who would derive the most benefit from that would be those who pay tax at a higher rate. The

pension has been more than inflation proof, in fact, because it was only £2.30 a week when we introduced it in 1974 and as I said in my main contribution the cost of living has only gone up by less than half in percentage terms compared to the increases in the pension which amount to 290% so even though in the last year the increase will not have been inflation proof in that it is only 12½% as against 16% for the cost of living, the increases have been more than inflation proof in the last five years. The other important thing, of course, is that people are not expected to live on this pension. If they do not have any income at all or if this is their sole income, then it is topped up by the householders rate of supplementary benefit and the level of supplementary benefit is more than inflation proof. I recall, Mr Speaker, that when I took office from Maurice Xiberras the level of the pension for a couple stood at £6 a week. By January that will have been increased by more than 400% because we have been concerned to ensure that the most needy sector of the community should be provided with a minimum income which is increased regularly by amounts beyond the cost of living. The only constraint, of course, being the minimum level of wages, in other words, the basic wage of a labourer constitutes a constraint on the maximum level of supplementary benefits that a family can receive. I think, Mr Speaker, within the constraints that we have in the sense that we are dealing with a very large number of people, we are dealing with a level of expenditure which is now approaching £1m, I think we are doing the utmost that we can to provide a supplementary income in a way for people who may have small pensions and for those who have nothing at all but live with their in-laws and are being by and large provided by their in-laws, we are nevertheless giving some money that they can call their own which is good, I think, for the dignity of the individual so that he does not become totally dependent on his in-laws but can make some contribution towards his upkeep and, perhaps, have money for his own personal expenses. This is the concept behind the pension and it might be that in time the Government will be able to do something more substantial about it but for the moment this is about as far as we can really afford to go. Thank you, Sir.

Mr Speaker then put the question which was resolved in the affirmative and the Bill was read a second time.

HON A J CANEPA:

Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill should be taken at a later stage in these proceedings.

This was agreed to.

THE PRICE CONTROL (AMENDMENT) ORDINANCE, 1979

HON A J CANEPA:

Mr Speaker, I have the honour to move that a Bill for an Ordinance to amend the Price Control Ordinance (Chapter 177) be read a first time.

Mr Speaker then put the question which was resolved in the affirmative and the Bill was read a first time.

HON A J CANEPA:

Mr Speaker, I have the honour to move that this Bill be now read a second time. Sir, in the course of the debate during the Committee Stage of the Price Control (Amendment) (No 2) Bill, which the House considered in October last year and which restored the position under the Price Control Ordinance as it had been prior to the amendment which the Supreme Court ruled was unconstitutional, it was suggested by the Honourable Mr Bossano and by Mr Maurcie Xiberras that it would be desirable to harmonize the contents of section 3A and section 5 of the Price Control Ordinance by introducing the term "services" into the former section. Clauses 4 and 5 of the Bill now before the House, Mr Speaker, are intended to achieve precisely this. At the moment, representations to the Governor may be made under section 3A in respect of any object, article or thing and if the Governor has the power to serve a notice upon a person in respect of supplies, then it does seem proper that he should also have those same powers in respect of Services. If this Bill becomes law the Governor would be able to serve upon the person performing a service at unreasonable prices, a notice showing the maximum price allowed to be charged for that service and to make that person liable to prosecution if he disobeys such a notice properly served upon him. The difference between the two sections is that whereas section 5 already gives the powers to the Governor to authorise the examination of accounts, books and other documents in the custody of a person carrying on a business and in respect of supplies and the performance of any services, section 3A does not include services. Under section 3A the Governor may receive representations and fix maximum prices but he cannot issue notices and order the examination of account books or documents of a person carrying on business without having recourse to section 5. In these respects the sections are interdependent. The opportunity has also been taken, Mr Speaker, to improve the definitions in the principal Ordinance and to effect other minor drafting improvements. The new section 5 has been introduced in order to combine the powers at present contained in sections 5(1), 5(2), 5(3) and 5(c) of the principal Ordinance and the Honourable Attorney-General has advised me that this latter approach is largely cosmetic and that the only substantive changes are those given in the

Explanatory Note appended to the Bill. Mr Speaker, there has of course been some controversy surrounding amendments to the Price Control Ordinance over the past two years but I would like to think that the present Bill before the House might be described as a services charter and yet another feature of consumer protection which has been sought by both sides of the House. I have discussed the matter with the Chamber of Commerce to whom copies of the draft Bill were supplied in early June and the reply of the Chamber has been that they have no serious objection to the Bill and perhaps before I am asked to comment when I exercise my right to reply, perhaps, I could say that as I think the Honourable Mr Restano well knows from his days in the Chamber, the Chamber objects in principle to price control legislation, they would love to see the Price Control Ordinance or price control abolished altogether because they believe that competition is enough to ensure that prices are kept at a reasonable level. It is, I think, because they have a fundamental objection to the whole principle of price control that they have said that they have no serious objection to the Bill. Mr Speaker, I comment the Bill to the House.

MR SPEAKER:

Before I put the question does any Honourable Member wish to speak on the general principles or merits of the Bill?

HON P J ISOLA:

Mr Speaker, I would like to say on this Bill, two points. One is, certainly I would like to have an assurance from the Government or the Honourable and Learned the Attorney-General that this Bill will in no way contravene the Constitution and the Judgement of the Supreme Court on the matter. I would hate to find myself voting in favour of a Bill that was non-constitutional or unconstitutional so perhaps from the point of view of the record we might have an assurance on this point. Secondly, Mr Speaker, it does seem to me, from reading the explanatory note and trying to compare with previous Ordinances, that all this Bill does really is to do a bit of re-drafting of existing provisions and to include services on the question of what the Governor can inspect or order an inspection of books in respect of companies and firms that render services, but I would like to ask the Minister when he replies, to tell the House what has brought about the need for this legislation, does the Consumer Protection Officer desire to inspect books of people who give services or is it that somebody has been going through the legislation and said: "Look, we can inspect books in respect of supplies but not in respect of services, let us amend the Ordinance." Because, obviously, I think Honourable Members on both sides of the House would not like to put more restrictions than is absolutely necessary in pursuance of a policy of price control which involves necessarily the liberty of the individual and so forth. Subject to the sort of explanation as to why it is considered necessary to amend the Ordinance, we would support it to the extent that it goes.

HON ATTORNEY-GENERAL:

Mr Speaker, if I may speak to the constitutional point. I will not go so far as to say that the Bill is constitutional because I believe that it is ultimately the prerogative of the Court, but I will say that we have considered the case of Garcia and Others -v- the Attorney-General, when we were drafting this Bill, of course, and we had that case in mind and in my opinion this Bill keeps to the constitutional side of that case. I believe it to be not an infringement of the Constitution.

HON A J CANEPA:

Mr Speaker, the proposal to include services in the ambit of the powers which the Governor has under section 3A and to harmonize section 3A and section 5 does, not to my mind, constitute a new or a fresh initiative on the part of the Government in order to conduct, shall we say, a witch-hunt on people who perform services. The need to introduce services within section 3A was mainly prompted by the debate that I have referred to in the Committee Stage of the Bill in October last year and I think it would be of interest to the Leader of the Opposition and his mind might be put at rest if I were to suggest that when he has time perhaps he should look through pages 77-81 of the Hansard of 24 October, 1978, because he will be able to appreciate, I think, the background and the context against which the suggestion was made. In fact, I can assure the Honourable Member that in respect of the powers which the Governor has had in the last four or five years to issue warrants in connection with complaints of overpricing, perhaps, in respect of articles or things, I don't think there has been any case where the Consumer Protection Officer has had to resort formally to those powers. Knowing that the powers are there, he has been able to approach the trade concerned and the matter has been amicably settled to the satisfaction not just of the consumer but I would like to say even up to a point, the trader who may feel that justice is being done all round. That is the approach that we would take. The Government will not, through the Consumer Protection Department, be poking its nose where, perhaps, it shouldn't. No initiative will be taken but the powers will be there and if an individual should come along and make a formal complaint to the Consumer Protection Department, the matter will be investigated without having recourse to the powers which the Governor has, if the person being investigated, as it were, were to prove to be difficult then of course we can always have resort to formal powers and carry out a proper investigation. I can assure the Honourable Member that these powers should be there in law and that they will be used, if at all, most judiciously.

Mr Speaker then put the question which was resolved in the affirmative and the Bill was read a second time.

HON A J CANEPA:

Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of this Bill be taken at a subsequent meeting of this House.

THE ENTERTAINMENTS (AMENDMENT) ORDINANCE, 1979

HON ATTORNEY-GENERAL:

Mr Speaker, I have the honour to move that a Bill for an Ordinance to amend the Entertainments Ordinance (Chapter 51) be read a first time.

Mr Speaker then put the question which was resolved in the affirmative and the Bill was read a first time.

HON ATTORNEY-GENERAL:

Sir, I have the honour to move that the Bill be now read a second time. Mr Speaker, this Bill effectively does one thing and that is to increase the penalties for keeping a place of entertainment without a licence or for keeping a place of entertainment contrary to the provisions of a licence. The penalty in each case is the same, it is increased to £100 on first conviction and on a second or subsequent conviction to £200 and in each case to a daily penalty of £5 for every day on which the offence has continued. Mr Speaker, Members of the House will recall that last year an amendment to this Ordinance was passed by the House, it has not yet been brought into force, and this particular provision is intended to bring into force that part of that Bill which does increase these penalties. Mr Speaker, I commend the Bill to the House.

MR SPEAKER:

Before I put the question to the House does any Honourable Member wish to speak on the general principles or merits of the Bill?

HON CHIEF MINISTER:

Mr Speaker, following on what the Honourable and Learned Attorney-General has said, I would like to say it will be recalled that there was an outcry about the formation of club on the spot, so to speak, to overcome the provisions of the rules about X films and we passed that Bill into an Ordinance but the date for the coming into force of the Ordinance was left by notice by the Governor in the Gazette. Following the passing of that Ordinance, I have talked with the operators of the cinemas and I said that we were reluctant to exercise these rather stringent conditions in the Ordinance but if they did not cooperate we would have no option but to do so. I am glad to say that they have cooperated and that it has not become necessary to put that Bill properly into force.

This aspect of it is a different one, this is one which certainly was included in that Bill and one which has given cause for complaint from many parents about their children being allowed into films that they would themselves object to their children being allowed on the question of age and this again has been done in the past by making conditions to the exhibition of certain X films that it should be fit for persons over 13 years and not over 16 and this Bill proposes to increase the penalties on the matter and to provide for better protection. The penalties were very low and they have been brought up to date though I cannot say that it has taken account of inflation since they were last fixed.

There being no further contributors to the debate Mr Speaker then put the question which was resolved in the affirmative and the Bill was read a second time.

HON ATTORNEY-GENERAL:

Sir, I beg to give notice that the Committee Stage and Third Reading of this Bill be taken at a later stage.

This was agreed to.

THE PENSIONS (SCHOOL TEACHERS) (SPECIAL PROVISIONS) (AMENDMENT) ORDINANCE, 1979

HON ATTORNEY-GENERAL:

Sir, I have the honour to move that a Bill for an Ordinance to amend the Pensions (School Teachers) (Special Provisions) Ordinance (Chapter 123) now be read a first time.

Mr Speaker then put the question which was resolved in the affirmative and the Bill was read a first time.

HON ATTORNEY-GENERAL:

Sir, I have the honour to move that the Bill be now read a second time. This Bill deals with a very technical and, if I may say so, specific matter. The Pensions (School Teachers) (Special Provisions) Ordinance, the principal Ordinance, provided for certain teachers who were specified in the Schedules to that Ordinance to have taken into account when they were having their pensionable service reckoned, one half of the time that they had worked in Gibraltar as school teachers after the age of 20 and otherwise than in the public service. This Ordinance was enacted in order to take into account teaching service in Gibraltar before the war time evacuation of families. When the schedules were compiled it was subsequently found that certain teachers' names had been left off the list. There has been one previous amendment to insert a name and it has now come to light that there are, in fact, three more persons who fall within the ambit of the Ordinance

and therefore the purpose of this amendment is simply to add their names to the schedules. In the case of two of the people concerned they are still teaching and therefore they go into one schedule and in the case of the third she has in fact retired and she goes into the other schedule but the overall effect is precisely the same. Sir, as I said, this is a technical Bill to insert an omission and I commend the Bill to the House.

MR SPEAKER:

Before I put the question to the House does any Honourable Member wish to speak on the general principles and merits of the Bill?

There being no further contributors to the debate Mr Speaker then put the question which was resolved in the affirmative and the Bill was read a second time.

HON ATTORNEY-GENERAL:

Sir, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken at a later stage in the meeting. This was agreed to.

THE SUPPLEMENTARY APPROPRIATION (1976/77) ORDINANCE, 1979

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I have the honour to move that a Bill for an Ordinance to apply further sums of money to the service of the year ending 31st March 1977 be read a first time.

Mr Speaker then put the question which was resolved in the affirmative and the Bill was read a first time.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I have the honour to move that the Bill be now read a second time. Sir, I think that Honourable Members will recall that at the meeting of this House on the 25th of June this year, the House passed a motion approving the Report of the First Session (1979) of the Public Accounts Committee. It was a motion which was moved by the Honourable and Learned the Leader of the Opposition. One of the main recommendations in that report was that all the excess expenditure in 1976/77, totalling £2,240,956, should be approved by a Supplementary Ordinance. The purpose of the Bill now before the House is to appropriate, in accordance with Section 65(3) of the Constitution, that sum of £2,240,956 out of the Consolidated Fund. The purposes for which the sums are required are set out in the Schedule to the Bill. Mr Speaker, Sir, I commend the Bill to the House.

MR SPEAKER:

Before I put the question to the House does any Honourable Member wish to speak on the general principles and merits of the Bill?

HON CHIEF MINISTER:

Sir, when the first report of the Public Accounts Committee recommended that, we could easily have passed a Bill at the same time but we felt, being the first report of the Committee

and even though it was in the summer recess, that we should not show undue haste to carry out the recommendations of the Public Accounts Committee in view of comments that had been made before about the fact that the expenditure had been properly made though unauthorised by this House. That is why I think that this is just a rectifying situation and does not require any money in order to appropriate it because the money has already been voted by this House in general terms.

HON P J ISOLA:

I would just like to say because I did seem to read something somewhere, I am not sure where, where it was said that the money had been swept under the carpet and of course, that is not so. What we did find in the Public Accounts Committee and I think one ought to refresh the minds of people on this, we did find that the money that had been spent had been properly spent, the only problem was that this was not authorised by the House which of course it should have been authorised by the House and I think if anybody who has interest in this matter would refer themselves to the report of the Public Accounts Committee, they will see that there was some fairly strong language used about the question that no authority had been sought from the House on the matter. Having said that we did recommend that the House do pass the appropriate Appropriation Bill because the money spent had been properly spent so we have no hesitation in supporting this Bill.

Mr Speaker then put the question which was resolved in the affirmative and the Bill was read a second time.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken at a later stage in the meeting.

This was agreed to.

THE SUPPLEMENTARY APPROPRIATION (1977/78) ORDINANCE, 1979

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I have the honour to move that a Bill for an Ordinance to apply further sums of money to the service of the year ending 31st March, 1978, be read a first time.

Mr Speaker then put the question which was resolved in the affirmative and the Bill was read a first time.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I have the honour to move that the Bill be now read a second time. In my speech when moving the previous Bill I mentioned that the main recommendation of the Public Accounts

Committee in its first session was a recommendation of appropriation for monies overspent in the year 1976/77. In the same report the Committee recommended that a sum of £116,819 be appropriated from the Consolidated Fund to meet an excess expenditure in 1977/78 and in the Bill now before the House the intention is to appropriate, in accordance with section 65(3) of the Constitution, that further sum of £116,819 from the Consolidated Fund. I would, Sir, take this opportunity to assure the House that I myself have read with the utmost interest the first report of the Public Accounts Committee and have taken note of the recommendations and contents. Mr Speaker, Sir, I commend the Bill to the House.

MR SPEAKER:

Before I put the question to the House does any Honourable Member wish to speak on the general principles and merits of the Bill?

There being no further contributors to the debate Mr Speaker then put the question which was resolved in the affirmative and the Bill was read a second time.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken at a later stage of the meeting.

This was agreed to.

THE SUPPLEMENTARY APPROPRIATION (1979/80) (NO 2) ORDINANCE, 1979

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I have the honour to move that a Bill for an Ordinance to apply further sums of money to the service of the year ending 31st March, 1980, be read a first time.

Mr Speaker then put the question which was resolved in the affirmative and the Bill was read a first time.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I have the honour to move that the Bill be now read a second time. The purpose of this Bill is to appropriate, in accordance with Section 65(3) of the Constitution, a further sum of £379,719 out of the Consolidated Fund and in accordance with Section 67(2) of the Constitution, a further sum of £7,962 from the Consolidated Fund to replenish the Contingency Fund. The Bill also seeks to appropriate, in accordance with Section 27 of the Public Finance (Control and Audit) Ordinance, the sum of £517,061 for the Improvement and Development Fund. Mr Speaker, Sir, the purposes for which these additional sums are being sought are detailed in two Schedules to Supplementary

estimates which I laid at the beginning of these proceedings. They are the Consolidated Fund Schedule of Supplementary Estimates No 2 of 1979/80 and also the Improvement and Development Fund Schedule of Supplementary Estimates No 2 of 1979/80. Mr Speaker, Sir, I commend this Bill to the House.

MR SPEAKER:

Before I put the question to the House does any Honourable Member wish to speak on the general principles and merits of the Bill?

HON P J ISOLA:

We will of course be dealing with the actual proposed expenditure in the Schedule but at this particular stage I would just like to ask the Honourable the Financial and Development Secretary when he replies on the second reading, this is about the financial position of the Government, this I notice is the second Supplementary Appropriation Ordinance, 1979, since the budget and leaving the Improvement and Development Fund to one side and merely referring to the Consolidated Fund, it seems that the Government is coming to the House for a further £387,681, taken together with the first Supplementary Appropriation Ordinance this would, am I right, bring the estimated Consolidated Fund balance as at 31st March, 1980, down by this amount plus any other amount voted already by the House on Supplementary Estimates No 1 of 1979/80. Could I ask the Financial and Development Secretary, in general terms, is this additional expenditure being met from savings or is this additional expenditure going to eat into the reserves of the Government?

MR SPEAKER:

If there are no other contributors I will call on the Honourable the Financial and Development Secretary to reply.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, Sir, I am grateful to the Honourable and Learned Member for the points which he has made. The supplementary now before the House and that which was passed at the June meeting brings an addition of expenditure of £640,610. It is too early yet to say what the savings will be on other heads of expenditure and also what the additions of revenue will be. We have, within the last two weeks, issued a letter to departments asking them to provide revised figures for 1979/80 and also to submit their proposals for the 1980/81 estimates. This is the annual process which the Treasury carries out. I would hope, in fact, I would expect that the total amount of £640,000 odd I have just mentioned will be met from savings and additional revenue and that the position of the Consolidated Fund at the end of this financial year will be no worse than was expected when the original estimates were passed.

Mr Speaker then put the question which was resolved in the affirmative and the Bill was read a second time.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I beg to give notice that the Committee Stage and Third Reading of this Bill be taken at a later stage of the meeting.

This was agreed to.

COMMITTEE STAGE

HON ATTORNEY-GENERAL:

Sir, I have the honour to move that this House should resolve itself into Committee to consider the following Bills clause by clause:

The Elderly Persons (Non-Contributory) Pensions (Amendment) Bill, 1979;

The Entertainments (Amendment) Bill, 1979;

The Pensions (School Teachers) (Special Provisions) (Amendment) Bill, 1979;

The Supplementary Appropriation (1976/77) Bill, 1979;

The Supplementary Appropriation (1977/78) Bill, 1979; and

The Supplementary Appropriation (1979/80) (No 2) Bill, 1979.

THE ELDERLY PERSONS (NON-CONTRIBUTORY) PENSIONS (AMENDMENT) BILL, 1979

Clauses 1 to 5 were agreed to and stood part of the Bill.

The Long Title was agreed to and stood part of the Bill.

THE ENTERTAINMENTS (AMENDMENT) BILL, 1979

Clauses 1 to 3 were agreed to and stood part of the Bill.

The Long Title was agreed to and stood part of the Bill.

THE PENSIONS (SCHOOL TEACHERS) (SPECIAL PROVISIONS) (AMENDMENT) BILL, 1979

Clauses 1 to 3 were agreed to and stood part of the Bill.

The Long Title was agreed to and stood part of the Bill.

THE SUPPLEMENTARY APPROPRIATION (1976/77) BILL, 1979

Clause 1 was agreed to and stood part of the Bill.

The Schedule was agreed to and stood part of the Bill.

Clauses 2 and 3 were agreed to and stood part of the Bill.

The Long Title was agreed to and stood part of the Bill.

THE SUPPLEMENTARY APPROPRIATION (1977/78) BILL, 1979

Clause 1 was agreed to and stood part of the Bill.

The Schedule was agreed to and stood part of the Bill.

Clauses 2 and 3 were agreed to and stood part of the Bill.

The Long Title was agreed to and stood part of the Bill.

THE SUPPLEMENTARY APPROPRIATION (1979/80) BILL, 1979

Clause 1 was agreed to and stood part of the Bill.

Schedule

MR SPEAKER:

Before we start on the Schedule may I ask the Financial and Development Secretary, since I am not an accountant; I see that you have on the Consolidated Fund, on the Schedule of Supplementary Estimates, you have divided it into part A and part B. I have done my mathematics so I do accept the fact that the grand total of the Schedule in the Bill of course comes out correct. However, is it correct to present to the House the Schedule which is going to be voted on distinctly to the way it is presented in the Bill itself? There is no subdivision between part A and B in the actual Bill.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The reason, Sir, why it is done this way is to bring the attention of Members in part B to those amounts which I have advanced against the Contingency Fund. I take your point, Mr Speaker, and in future when presenting the Schedules we will, in fact, give a round up sum to show the total.

Item 1, Head 4 - Electricity Undertaking

HON P J ISOLA:

Mr Speaker, I notice £277,000 are being asked for in respect of this Head. I understood that although fuel prices have gone up there has been a saving I presume on the exchange of the pound. The other point I would like to make is, of this sum is any amount of this sum going in payment of electricity taken from the Ministry of Defence Dockyard at all?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, Sir, if I may answer the question by the Honourable and Learned Member. Of these £277,000, £250,000 is in respect of fuel price increase and £27,500 is in respect of

additional generating. None of it is for the electricity being purchased from the inter-services generator. Thank you, Sir.

Item 1, Head 4 - Electricity Undertaking, was agreed to.

Item 2, Head 7 - House of Assembly

HON P J ISOLA:

Can the Government say when it expects to spend this money we are being asked to vote?

HON CHIEF MINISTER:

The Honourable Mr Bossano is absent but he expressed great reservations about the expenditure of this money and in fact he gave me notice that he was going to have something to say about it, not because we haven't got the obligation to carry out a bye-election but because he thought it was unnecessary because of the short time between now and the natural term of the legislature. That is a matter on which there has been and continues to be considerable speculation and I do not want to say anything that will deprive anybody from carrying on speculating.

HON P J ISOLA:

Could we then not re-designate this to read expenses of a contested bye-election or general election and, secondly, Sir, is it not a fact of course that the Government could technically stay in office till about December next year so I think it is relevant if we are going to vote this what we are going to vote it for.

HON CHIEF MINISTER:

First of all, the estimate has come from the Returning Officer and he has stated what he requires for a bye-election and he doesn't take any other possibility into account because he is not entitled to and he has no business to and therefore this is the amount that has been required by him to carry out a bye-election. Whether, if there were a general election, this would be exceeded or not remains to be seen but, anyhow, I am sure that any Government that could come even if there was a general election and the amount was greatly exceeded, whoever came into office would gladly pay the additional funds if it would have helped them to get into office so the answer is still that it is for this purpose and this purpose only. Whether the Financial Secretary can then vire from a bye-election to a general election, that is a matter for him too.

Item 2, Head 7 - House of Assembly was agreed to.

Item 3, Head 10 - Judicial (3) Magistrates and Coroners Courts was agreed to.

Item 4, Head 13 - Law Officers, was agreed to.

Item 5, Head 15 - Police, was agreed to.

Item 6, Head 16 - Port, was agreed to.

Item 7, Head 18 - Prison

HON P J ISOLA:

With regard to the Prison I notice that we are being asked to vote £9,806 for overtime to meet present demand which requires mounting of 24-hour guards at the Central Police Station and KGV Hospital. I also notice that we are being asked to vote supplementary estimates of nearly £2,000 for the purchase of Prison Officers' uniforms destroyed in the disturbance and I also notice that we are being asked to vote another £800 for replacement of furniture that was destroyed in the disturbances and I think there is another item somewhere else I have seen, in the Improvement and Development Fund vote, I notice that we are being asked to vote money there, £20,000 odd, for the repairs of the Prison. Can I just ask, Mr Speaker, as we are being asked to vote all these monies, may I ask the responsible Minister what is the position there now, is there peace and quiet or does this extra overtime that is now being asked for of £9,000 odd does it reflect a continuing crisis situation there and what is being done about it?

HON A J CANEPA:

I wouldn't say that the situation there now is one of crisis at all. I have visited the Prison on a number of occasions since the disturbance to keep a check on the work which is currently in progress. The situation at the moment is that all is well except that there is a great deal of inconvenience arising from work having to be carried out on the cells that were seriously damaged and there is a game of musical chairs going on, as renovated cells become available prisoners are being moved from one wing to another. I am anticipating what is coming under the Improvement and Development Fund but, perhaps, if I do so now, Mr Speaker, I need not go into it later on, and that is that we are taking the opportunity to improve security measures in respect of cells. For instance, whereas previously the doors opened outwards which meant that the prisoners were able to tear them off the hinges rather more easily, now they are going to open inward and the floor level of the cells is being raised. Also the window bars, some of which were wrenched, now the windows are going to be smaller and therefore the bars will be more deeply embedded into the concrete so that, hopefully, this will not happen again. I do not think that we are in crisis situation, work is proceeding very well and I would like to take this opportunity to thank and commend the workers of the Public Works Department who are really doing marvellous work, there is a very high rate of productivity, I am glad to say, and things

are alright except that there is no saying, with the kind of prisoners we are getting these days, any problems are liable to crop up and we very often have to have some of that at KGV for periods of time because a lot of them are on drugs and they have withdrawal symptoms, some of them are mentally disturbed and they have to be taken to KGV periodically in any case so I am not going to pretend that after the House has voted all these funds and the funds have been spent that I can guarantee the House that there will be no recurrence of problems for the next year or so, that I cannot guarantee. I think I should also take this opportunity to say that the Administrative Secretary was appointed to carry out an inquiry into the disturbances, also that the Government has received a report from a team of Home Office Inspectors who were here earlier in the year and when we receive the report of the Inquiry the recommendations of this team of Home Office Prison Inspectors will be considered by the Government with a view to what we should do in the future, with a view also of the decisions that will have to be taken about the whole future of the building and its location but I do not want to anticipate too much and perhaps in due course, once definite decisions have been taken, if Members so wish I will be only too happy to make a statement to the extent that I can.

HON G T RESTANO:

May I ask about the 24-hour guard service at the KGV Hospital. Is this that there is somebody there permanently for 24 hours or do they go as and when required?

HON A J CANEPA:

If it is a violent prisoner who is a patient then we do have to keep a 24-hour guard. If the prisoner who is temporarily in KGV is not violent then we do not provide a guard at night we would only do so during the daylight hours from 8 in the morning till 8 in the evening and once they are, as it were, locked up then we do not have to have a guard. The same thing could happen in St Bernard's Hospital as well but the medical authorities are cooperating now in the sense that whereas previously it used to be virtually mandatory that a round-the-clock guard had to be kept, now it is only done on certain occasions and therefore this helps in respect of the expenses on overtime.

Item 7, Head 18 - Prison, was agreed to.

Item 8, Head 19 - Public Works

HON J BOSSANO:

Could I ask the Government in respect of this Head whether, in fact, something is being done to review the question of the tendering procedure for providing uniforms and so on for non-industrials since I know from my personal experience of

the uniform grades who are covered by this provision that in fact there is a great deal of discontent because of the long delay that this tendering procedure has brought about and the fact that many officers are already a year behind issue of uniforms that should have been done a long time. Because of the uncertainty of getting the contract it appears that nobody who is interested in taking up a contract with the Government is prepared to do anything about it until after they are certain they have got it and then it seems they have to order from the manufacturers and there seems to be a very lengthy process at present which is not producing the result that it should do and the officers concerned are not getting the replacement for the uniforms that they are entitled to by their conditions of service. Can the Government, in fact, say whether they are reviewing the situation to make sure that we can produce what we are supposed to be producing?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, perhaps I might answer that as Chairman of the Government Tender Board. As far as the Tender Board itself is concerned, we are fairly speedy and as soon as we receive recommendations for tenders we get them through within at least a fortnight if not a shorter time. What we are not satisfied with is the way in which we are at the moment going about tender arrangements for clothing and certain other goods. We feel, and we have now got an officer in the Accountant General's Department who could do this, that if departments could only inform the Accountant General's department what their requirements are likely to be for the following year, we could put out a tender for a larger quantity of uniforms, some of the uniforms, shoes, etc, are very similar, and then we could not get an assured and quick supply but possibly at a cheaper price. We are looking at the tender procedures not only to meet the point made by the Honourable Member but also at the question of getting things at a cheaper price.

Item 8, Head 19 - Public Works, was agreed to.

Item 9, Head 22 - Secretariat.

HON J BOSSANO:

Could I ask the Government on this one, in fact, whether in terms of their review of the public expenditure and the need to get good value for money, whether they are considering the wisdom of carrying on paying rents when there is Government property undeveloped to which it might be more economic to develop and use?

HON A J CANEPA:

Yes, I can say that at our very last meeting two Fridays ago, we were considering precisely that point and I think I can anticipate that the recommendation of the Expenditure Committee to Government in this respect will be that we should make better use of Government own resources wherever possible.

Item 9, Head 22 - Secretariat, was agreed to.

HON J BOSSANO:

Mr Speaker, could I with your leave raise the question of Item 2 which unfortunately I was on the telephones of London when it came up and I was unable to participate in. This is the £10,000 re-expenses of a bye-election.

MR SPEAKER:

To the extent that you wish to say something on Item 2 most certainly, to the extent that we have already taken a vote it will not influence the issue.

HON J BOSSANO:

I would like to clear my position in respect of this question.

MR SPEAKER:

As I have just said a vote has been taken but if you wish to make a comment we are in committee and I will most certainly allow you to do so.

HON J BOSSANO:

I would like to make clear, Mr Speaker, that I am voting against the provision of this sum of money if the explanation in the remarks column is that it is for the purpose of holding a bye-election and that means that a decision has been taken to spend £10,000 on a bye-election which will presumably mean that we are going to have to spend another £10,000 in 1980 when the life of the House expires. It seems to me that in the context where the Government is trying to convince Members of the House and the public generally that it has suddenly become very cost conscious, to spend £10,000 for the sake of having one extra voice on this side of the House I think a voice that needs to be there because there is an unfilled vacancy, nevertheless it is a very expensive price to pay for the contribution of one new Member in a space of a few meetings of the House that would take place before the dissolution was necessary. Therefore I have in fact got a policy directive from my Party that on this issue we are totally opposed to the expenditure of this money for a bye-election. We think that Government should consider the wisdom of doing this as opposed to bringing forward the date of the general election and spending that sum once instead of twice. If the money is for either one or the other then, of course, I am prepared to support it but if it is, as the remarks say, for a bye-election and it indicates a final decision on the subject, then I am voting against it and I will therefore have to vote against the total sum because it includes that.

HON CHIEF MINISTER:

I did know that Mr Bossano had anticipated, that is why I was surprised he wasn't there but if he was talking to London I am sure he must have been talking about something very important which will not lead to industrial strife. The point is that there is a constitutional duty to provide for a bye-election because there is a vacancy and in accordance with the Constitution the writ must be issued by the 29th of December, within three months of the date of the vacancy occurring so there must be provision for that. The rest is discretionary and any indication here that it was going to be used for a general election could be interpreted that in fact we were going to have a general election. Again I do not want to do anything that would stop speculation so it has to remain as it is. I take the point about the fact that it is rather expensive though no doubt a very needful support to the depleted Opposition to have another Member but perhaps it could be that it could be a Member the way things are going it could certainly be a Member for four meetings. Whether we should pay £2,500 for an additional vote on the other side or not, is a matter of opinion but at this stage we have to make a statutory provision to comply with Constitutional requirements.

HON P J ISOLA:

I don't think this is something one can talk lightly about. The Constitution provides for 15 Members of the House, it says how they should be elected and it says how vacancies should be filled up. The Constitution is rather an important document and I think that to worry about £10,000 in that context and to say let us not have a bye-election, even though the Constitution tells us that we must have one, is to be somewhat irresponsible, I think, in matters that affect the public of Gibraltar. This is a House that makes laws, the whole status of Gibraltar is guided by the Constitution and I think it illbefits a Member of this House to make critical comments on the Constitution or to expect somebody to ride roughshod over it. My view, and I have expressed it to the Governor, is that the election should take place or the bye-election should take place at the earliest possible date because the business of this House is conducted mainly from October to April in every year and it is wrong to deprive people who voted for Mr Xiberras in the last election, wrong to deprive them of the opportunity of putting somebody in his place, whether of my Party or the Government Party, my Honourable Friend's Party or anybody else's Party and I think that the way the sum of £10,000 has been brought into public light as something very expensive, in a Budget of £30m shows little appreciation, if I may say so, or little sense of perspective in the spending that is carried out on behalf of the public and approved by this House. The sum of £10,000 viewed in the context of the need for proper representation in this House, Mr Speaker, is peanuts and I am

surprised that Hon Members on either side of the House should make a lot of this. Certainly, let me leave the House in no doubt at all, it has been my view which I have put to the Governor that a bye-election should take place this side of Christmas because there are only 15 seats in this House and it is important that the seat should be filled. Whether there is a general election or not is of course entirely within the discretion of the Chief Minister, if he wants a general election we have one, if he wants a bye-election we have one, but whatever it is I think a decision should be made in reasonable time. I think the public are entitled to know what the intention of the Governor and the Government are in this respect.

HON MAJOR R J PELIZA:

Mr Speaker, I would like to support my Leader on this issue. I think it is a very important Constitutional issue which is really literally depriving the people of Gibraltar of having a representative of their own in this House and no matter what the cost involved is I think this would not be acceptable generally to those thinking and knowledgeable people of Gibraltar. I am very surprised that my Honourable Friend has made that remark. As to the question of the £10,000 expenditure, perhaps he has got a point there but that is a decision that the Chief Minister must make. He must think whether he would be justified in calling a bye-election and not a general election and he must take into account the £10,000 extra that it would cost to have a bye-election now and a general election in a few months' time. But that is something that he has got to decide, and whether he makes the right decision with respect to the people generally in Gibraltar, that is a decision that he has got to make, it might be a popular or an unpopular one but it is on his shoulders that this decision falls. But to go the other way and try and change the Constitution for the sake of £10,000, I certainly would never tamper with the Constitution. That is a very sacred document and I do hope, Mr Speaker, that this is not what he meant and Mr Bossano should make his position clear.

HON J BOSSANO:

Mr Speaker, I am delighted to make my position clear and I hope that whoever gets elected finds it easier to understand things said in the House than some of the present Members seem to do. I am not trying to alter the Constitution of Gibraltar on this occasion. I have in fact on many previous occasions expressed my dissatisfaction with that particular document, as the Honourable and Gallant Member knows. All I am saying is that I and my Party are totally opposed to spending £10,000 on a bye-election and if we are voting £10,000 for a bye-election I have got a directive to vote against it. As far as we are concerned if there is a need, constitutionally, to have 15 Members in this House then the

£10,000 should be spent on electing 15 new Members and that is our position. The decision has got to be taken by the Chief Minister but since I am not

MR SPEAKER:

May I without interfering in the debate say that it is a requirement of the Constitution that any vacancy which exists in the House of Assembly must be filled by the issue of a writ within 90 days of the person resigning and sending his letter of resignation to the Speaker. It is a constitutional requirement. I am just saying this as a statement of fact and nothing else.

HON J BOSSANO:

What I am saying is that in the context of a House of Assembly that has got a very short time to run, if we were in fact six months since the last election then the logic of the situation would be that the casual vacancy created should be filled but if we are nearing the end of the term of office of all the Members here the logic of the situation and the financial logic particularly seems to me to indicate that that is a decision that has got to be taken. I accept that it is the Honourable and Learned the Chief Minister's prerogative to decide whether a general election should be held or not but I am saying that as far as I am concerned that is the right decision to take. It would appear that as far as my colleagues in the Opposition are concerned they are either indifferent as to which of the two things have got to be done or they prefer a bye-election but as far as I am concerned it should not be a bye-election and therefore I am voting against the £10,000 for that reason.

HON MAJOR R J PELIZA:

Mr Speaker, the Hon Member now confirms what I understood which means that if he were in a majority here and he were to deprive the House of voting the £10,000 for a bye-election we could not have a bye-election and therefore indirectly he is tampering with the Constitution and therefore I cannot agree with what my Honourable Friend is saying. But not voting for this £10,000, Mr Speaker, he would in fact deprive the people of Gibraltar of having a bye-election.

HON CHIEF MINISTER:

I think perhaps the position might be remedied because if there was a refusal by any Government to provide for a bye-election and the writ was issued and the bye-election had to be held, I am sure that this is one of the cases where the Financial Secretary has power to provide out of the Contingency Fund for such a situation. I do not want to say anything that would appear to be inelegant or perhaps prejudice anything that we may say later on by the contribution

of the Member who has resigned but since Mr Isola has become a little pompous about the question of the deprivation of the rights of people and to have it immediately, one should remember that Mr Xiberras resigned about two months after he indicated his intention to resign and if in fact the Party was so keen in having had a bye-election he could have resigned from the House the moment he resigned as Leader of the Opposition.

HON P J ISOLA:

Mr Speaker, that is an unfair statement on the part of the Chief Minister to make. I think it is a very unfair statement in the circumstances that took place in relation to the resignation. But let me tell him that I made my position clear certainly in plenty of time to have had an election in early or middle of November. Now let me answer Mr Bossano - as far as we are concerned we are only entitled to ask for a bye-election and that is what we have asked for. We are ready to have a general election this side of Christmas but I am sure that the Honourable the Chief Minister is not going to give us a general election every time we ask for one. If he were, I would ask now December 15th, a general election but, Mr Speaker, the point I wish to make is that all I am entitled to ask for and in fact any Member of this House other than the Chief Minister is entitled to ask for is that the vacancy be filled and that is what we are doing.

Item 10, Head 26 - Treasury, was agreed to.

PART B

Item 1, Head 14 - Medical and Public Health

HON P J ISOLA:

This is the £4,000, is it not?

MR SPEAKER:

That is correct.

HON P J ISOLA:

Mr Speaker, could I ask on this, this is to meet the excess of patients agreed. I would be grateful if the Honourable Minister would refresh my mind on how many patients they will take in England and how many patients the £4,000 is intended to cover?

HON A P MONTEGRIFFO:

The £4,000 that appear there because it is not always easy to make a projection as to how many patients we shall need to send to the United Kingdom between now and the end of

the year. This is only to cover us until the end of the financial year but we have got an undertaking from the Treasury that if more money is needed we shall come to the House for more money. There is absolutely no question of restricting or pressurising anybody not to send patients to the United Kingdom. This will cover, roughly, about 5 to 6 patients. It may be less it may be more depending what sort of treatment the patient needs.

HON P J ISOLA:

How many patients are, in fact, covered by the present agreement?

HON A P MONTEGRIFFO:

Forty and the reason why it is forty is because it has got to have a balance as against the money we spend on patients in Gibraltar and usually when it goes over forty patients we are in the red. So far they have not asked for any money to be paid to them in any of the years where we have spent more money than they have spent on us. The Treasury is making a few noises in the United Kingdom and that is why we are discussing the matter but when we reach forty we can be certain that we are already in the red and therefore I would rather start paying immediately rather than have the thing accumulating for two years which is the time span we have to review the account and finding ourselves perhaps with £30,000 or £40,000 in one go. I would rather pay because we have to pay.

HON P J ISOLA:

The only thing I would like to say on that, Mr Speaker, is that we support this vote entirely and what we would not like to see in a matter which I do not think looking at the whole expenditure of the Honourable Member's department and other items like the Health Centre and so forth where as the Minister knows very substantial amounts of monies are being spent, we do not think that the specialised treatment of patients outside Government hospitals, in other words, in England, should be under any severe financial constraint. I think the judgement should be entirely medical here and we would support any expenditure on that basis.

HON A P MONTEGRIFFO:

I thank the Hon Member for that but I can assure the Honourable Member that there is absolutely no constraint whatsoever.

Item 1, Head 14 - Medical and Public Health, was agreed to.

Item 2, Head 18 - Prison, was agreed to.

On a vote being taken on Schedule of Supplementary Estimates Consolidated Fund No 2 of 1979/80, the following Hon Members voted in favour:

The Hon I Abecasis
The Hon A J Canepa
The Hon Major F J Dellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon P J Isola
The Hon A P Montegriffo
The Hon Major R J Peliza
The Hon J B Perez
The Hon G T Restano
The Hon A W Serfaty
The Hon Dr R G Valarino
The Hon H J Zammitt
The Hon D Hull
The Hon R J Wallace

The following Hon Member voted against:

The Hon J Bossano

Schedule of Supplementary Estimates Consolidated Fund No 2 of 1979/80 was accordingly passed.

IMPROVEMENT AND DEVELOPMENT FUND. SCHEDULE OF SUPPLEMENTARY ESTIMATES NO 2 OF 1979/80

Item 1, Head 101 - Housing

HON MAJOR R J PELIZA:

I see there is an addition to the expenditure. Can the Minister explain what the cost of modernisation is per flat?

MR SPEAKER:

You are being asked for a breakdown of the sum of £54,554.

HON M K FEATHERSTONE:

I think it would be almost impossible to give an answer to that, Sir, because each and every flat has a different rating and you would get a variety of answers but I will try and find out and write to the Member if required.

HON MAJOR R J PELIZA:

I would be grateful for that.

HON P J ISOLA:

Mr Speaker, I notice we go for supplementary provision in cases where the development is being financed from ODA funds. If, in fact, we are spending in excess of the ODA agreed cost of the project, is that cleared with ODA first? I mention this because of the point I made yesterday when we were talking about the contract for the jetties, the filling up. Can I just ask, as a matter of interest, when we vote extra money in respect of ODA projects, have the amounts been cleared with ODA or we spend it and then ask them for the money?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

This depends on whether we are all going outside the approved project. Let us say, for example, yesterday that we have a project for £1.3m and we find that it is then going to cost £1.6m then we would have to go to ODA and get approval for the extra £0.3m because if we didn't we would be liable, if we went ahead with it, to meet the cost of that ourselves. But if we have, taking the same example, a project of £1.6m approved and we have £1.3m in one year, and £0.3m in the next year, and for any reason we want to bring it forward into the first year, then we can do that without the consent of ODA, we would merely inform them in our quarterly return when we are asking for money, what we were doing. I hope that gives the answer to the Honourable and Learned Member.

HON G T RESTANO:

Can we have a breakdown of the £102,600 backlog heavy maintenance, what does this apply to?

HON M K FEATHERSTONE:

The majority of that applies to the painting of the Tower Blocks, that is approximately £101,000 of it.

Item 1, Head 101 - Housing, was agreed to.

Item 2, Head 104 - Miscellaneous Projects

HON MAJOR R J PELIZA:

On the winning of sand. I would like to know before I go a bit deeper into this, if the Minister could tell me what the work force is going to be and what the running costs are going to be because, obviously, before we can agree to this extra £89,000 which I think brings the total of this scheme to £450,000, I would like to know a bit more about it.

HON M K FEATHERSTONE:

Sir, the £89,000 mainly consists of some £65,000 which were the fees of the consultants who did this work and which were left out when the actual figure was sent to ODA at around £350,000 odd. The balance is due to a number of extras which have come along, partly the work on the railway which has cost more than we had thought, and various other points. I am not quite sure what the other part of the Honourable Member's question was.

HON MAJOR R J PELIZA:

The composition of the work force and how much is going to be the running costs of the company?

HON M K FEATHERSTONE:

The work force of the company, as far as I understand, will consist of some 8 people altogether. There will be a Manager, there will be 6 industrials and a part-time clerk. The various costings have been worked out on a provisional basis and it is hoped that the company will be able to market sand considerably cheaper than is being sold at the moment and still be within the bounds of viability.

HON MAJOR R J PELIZA:

I wish the Hon Member could give me the figures. Obviously you must have had some kind of estimate as to what it is going to cost to run the company and what the annual cost is going to be.

MR SPEAKER:

These £89,800, you say, are monies to be paid to the consultants. Didn't you say that?

HON M K FEATHERSTONE:

About £65,000.

MR SPEAKER:

Is that money to be paid by the Government or by the company?

HON M K FEATHERSTONE:

It is paid from the ODA funds that are being put towards the setting up of the operation.

MR SPEAKER:

We have got to be careful because this has nothing to do with the running of the company itself.

HON MAJOR R J PELIZA:

It may not have to do with the running of the company but this is part of the investment of the Government in this company which is going to total £450,000.

MR SPEAKER:

To that extent of course you are perfectly entitled to ask any questions you may wish to ask on the expenditure. What I am saying is that we must not get involved on the actual running of the company. You can, in another context but not now.

HON MAJOR R J PELIZA:

Well, I cannot see how we can take it in another context other than now in the sense that if I am going to vote for this money which is an addition to the amount of money already invested, and I think it is a very handsome sum, £450,000

MR SPEAKER:

But not for the company, that is what I am trying to tell you.

HON MAJOR R J PELIZA:

Well, it is all part of the money that goes into the making of the company. This is the only way it can be.

MR SPEAKER:

With due respect, that is incorrect.

HON MAJOR R J PELIZA:

Mr Speaker, if to win the sand is going to cost £450,000, that is what it is going to cost the Government, call it what you like

MR SPEAKER:

Irrespective of the way that Government has subsequently decided how to run the company.

HON MAJOR R J PELIZA:

Exactly, the whole scheme is going to cost £450,000. It is an investment that the Government has made. However, before I feel entitled to vote in favour or against I want to find out a bit more about that. I am trying to get from the Minister what the annual running cost of the company is estimated to be.

MR SPEAKER:

No, that is where I have got to object. The Minister is not responsible to answer questions insofar as the running of the company is concerned. He is accountable for monies payable by the Government to the company, that is another matter, but we must not get involved in this House in matters related to the running of a private company. That is the distinction that I am pointing out.

HON M K FEATHERSTONE:

Sir, as I see it, the situation, as I have said before, is similar to a nationalised industry in which you do not get questions in Parliament every five minutes of what is the day-to-day running cost of the company. As I see it the situation should be that since the Government is the owner of the company, at the end of the year when the company's accounts have been audited and all the running costs are known etc, these accounts will be presented to Government and then the Honourable Member will be able to find out all the information he has asked. These will be tabled in the House in the normal course of events. It is difficult at the moment to say what the running costs are, we are only just at the beginning and it depends to a great extent on production how the running costs go.

HON P J ISOLA:

But hasn't all this been the subject of Consultants' Reports? What do we pay all these consultants for? Is the Minister saying that the Government has no idea today what sort of money it may have to pay out to this company by way of subsidy, or what sort of return it is going to receive on its investment of £450,000? What are all these consultants for?

HON M K FEATHERSTONE:

Government, of course, has an idea. When the company was set up, the company was set up under the idea that they would be able to market sand at a reasonable price and it has worked out on a reasonable production rate at about £4.90 a ton, as I have already said. If production is greater then the price may be lower.

HON MAJOR R J PELIZA:

Mr Speaker, I am afraid I cannot agree with what the Minister is saying. First of all, we are not asking for the day-to-day running of the company, we are asking for a simple figure which I think they must have worked out, how much is the company going to cost to run for one year? That I am sure is a figure that must be available because without that figure

MR SPEAKER:

I think you are entitled to ask what amount is Government intending to pay to the company from year to year, not what the company is going to cost to run. That is a matter which the company will have to account to Government in due course and then, perhaps, when the accounts are tabled, then you can start asking questions.

HON MAJOR R J PELIZA:

Mr Speaker, yesterday I made a remark that a nationalised industry in Britain has not got a Minister as a Chairman. This is completely wrong and certainly not the practice in nationalised industries in England or as far as I know anywhere else in the world except in Gibraltar. Perhaps in Russia there might be something like that but even there I don't think it works that way. Mr Speaker, if the Minister doesn't give me those figures I would like to tell the House very quickly what I think those figures are going to be if the Minister doesn't know it. As far as I am aware the import of sand in Gibraltar is about 11,000 cubic metres of sand a year. If we were to make this a real competitive business where there is no form of subsidy, the investment of £450,000 at a very low interest of 10% would immediately cost the enterprise £45,000 a year, and if you divide £45,000 by 11,000 cubic metres the sand would have to cost there and then alone £4.09 a metre. How the Government is going to sell that sand at £4.09 a metre when already it has got 8 men employed at least at £60 a week minimum which is going to be nearly £1,000 a week which is already another £52,000 that we have to add to the sum. This is without taking into account replacements and other contingencies which are bound to crop up. Mr Speaker, therefore, I think that it is unfair to say that this is open competition. Of course it isn't open competition. It is a nationalised industry, heavily subsidised, which I think the taxpayer is going to pay for. If the efficiency is the same as a Government department I think it is going to be disastrous from that point of view. Whether, in fact, the sand is suitable is also questionable. I am told that there are rather thick grains now and again there which for plastering would make it extremely difficult and costly. All these items, Mr Speaker, are very important ones which I think this House must take into consideration before voting a single extra penny for that enterprise. Quite honestly, with the information that the Minister has given me today, the reluctance to give the information which in itself makes me suspicious as to the viability of the enterprise, the fact that he is not open with it, the fact that instead of having a completely independent and commercially minded Chairman, not a Minister in a Government but a real competent, well experienced Chairman of the company which I don't think we are going to have, all those

things, Mr Speaker, make me very reluctant to vote in favour and unless the Minister can give assurances that there are likely to be changes, that we are going to have a really independent company, that he can give figures to make sure that this is going to be a viable proposition and that it is not going to be subsidised in the future in the way that it has already been subsidised, Mr Speaker, I cannot vote in favour of the £39,000. I am also suspicious of the way the scheme started. It wasn't open to tender. Let us look at the history of this company Mr Speaker. The whole thing is very shady indeed, Mr Speaker and I cannot possibly vote in favour of that money.

HON CHIEF MINISTER:

Mr Speaker, how naive or silly people can be in these matters. I think the latter is the case as regards the last speaker. I can understand the hostility that this company has brought about from members opposite, one, because it is new and the other one of which I am not surprised but there is another one which worries me a little because it has been said before that Members opposite are not the representatives of big business but I wonder whether they are not really fighting this in order to protect the people who have been monopolising and charging us through the nose for sand when we have been trying to bring about something which is local. There is no question of subsidy whatever people may look to the ceiling about, there is no question of subsidy at all. This is a capital project which has been given by ODA in order that we will produce something in Gibraltar which we do not have to import and not rely on outside sources. There is no question of subsidy, it is a question of capital expenditure provided by ODA funds and I can tell you that the ODA are very careful about how they authorise their money and how they look at the project and which consultants have been engaged to look into the matter and get it operating. If we had appointed a Chairman of £15,000 a year perhaps they would have said that we were throwing money down the drain. Because in its initial stages it is important to keep an eye on it, the Minister has taken upon himself that responsibility. That is quite normal and is an attempt not to have too many expenses in the running of it. We should be very grateful that the Minister had undertaken to be the Chairman of the company whatever Members opposite may say. This is something which is going to generate, on the basis of the consultancy, cheaper sand which will not be dependent on outside sources. We have had problems about sand when there has been bad weather or one consignment has not come and building has been delayed, private projects, big projects have been delayed because the people who deliver the sand have failed to do so. Here we are, we are trying to see whether we can produce something and here comes this Member who spends most of his time in England and tells us about the grading of the sand as if nobody else had thought about these things except him from wherever he lives in the United Kingdom. He has

been talking absolute nonsense. It is unbelievable, simply because we have produced something original and which we hope is going to work and will work despite the great propaganda there has been against it because what we are doing is trying to atleast if we haven't got that gold mine of which the Member used to speak about atleast let us find sand and not produce it from outside.

HON MAJOR R J PELIZA:

I have no objection at all to nationalised companies, certainly I am not supporting any big business whatsoever. I have no finger in any pie. However silly he may think me to be, I can assure him that I have no interest in any big company, certainly anything to do with sand and if he thinks this is the case I hope he makes it clear because he made certain insinuations before.

HON CHIEF MINISTER:

I cannot allow the Hon Member to go on like that because it is absolute nonsense. I haven't said that he has any interest in the matter, what I have said is that it appears that Members opposite are standing out for big business, that is a different thing.

HON R J PELIZA:

I am glad that he has cleared the point, Mr Speaker. All I am going to say is that I am not against nationalised industry where this fulfils a good social purpose and where any subsidy that is made is for that social purpose but where the subsidy is for other concerns which should be available in the open market and should not come from the taxpayer, Mr Speaker, to that I object and also of course to the setting of a company in which a department of Government has a direct control.

HON M K FEATHERSTONE:

I would like to clear the Honourable Member's mind in one point. There is no question that ODA, who out of the generosity of their hearts have given us the capital towards starting this scheme, are saying to us: "We are giving you £450,000 capital for this scheme we are demanding 10% interest on this and therefore you are saddled with £40,000 a year." Just the same as with the deep drilling, we are spending of ODA money some £300,000 and this is not going to be reflected in the cost of water and I think the Honourable Member is drawing a very big red herring across the picture when he says that the company is going to start with £40,000 and if

you divide that by 11,000 cubic metres there is £4,000 to start with and then you have a £1,000 a week and God knows what on top of that. I think the Honourable Member, who I understand is a business man in his own right, should have a little more sense than to stand up and make such ludicrous statements.

HON A W SERFATY:

Mr Speaker, I well remember, having been connected with the building trade for many years that building operations in Gibraltar have been virtually at a standstill because of lack of sand at the Western Arm. That also has an important economic value, to try and avoid that situation, and as to the quality of the sand that the Honourable and Gallant Member has referred to, I think with all due respect he is talking nonsense. In fact, we do know that the quality of that sand is ideally suitable for plaster work because the size of its grain.

HON P J ISOLA:

Mr Speaker, I think that this vote on this item has got into a sort of general debate on the good sense of the Government, of the consultants and on who the Opposition represents. I think I should try and disillusion the Chief Minister if he thinks that we can just stand up for big business. That is not so, it is patently not so in many acts that we have done in this House and if we are going to start talking of who represents big business in Gibraltar, I don't know, I don't know who is big business and who is not. We have taken a certain action because we think that the first experiment in nationalisation on the part of the Government might have gone in the direction of aeroplanes. We made the suggestion many years ago, and we were not accused of representing big business then, Mr Speaker. The question of the sand, Mr Speaker, is a very important one. Of course we accept that there is a need to bring a permanence to the situation of the sand in Gibraltar but, Mr Speaker, what has worried me was what I heard yesterday when the Minister said: "Anybody who comes along can import sand but we are not going to let them use the wharf any longer for nothing. Now they will have to pay a good commercial rent." That worries me, Mr Speaker, because it leads me to think that the price of sand may start at £4.9 per cubic metre but I am not quite sure how it is going to end and if we have no safety valve, if we create a monopoly, even a Government monopoly, the dangers there are enormous and the obvious example, and I am not trying to be critical, is the Gibraltar Broadcasting Corporation. I am not talking badly of them but the obvious example is there where because they are the only people in that line of business the cost is much in excess of what people thought possible and this inevitably happens when

there is only one operator in anything, be it bread, be it broadcasting, be it sand, be it whatever. Mr Speaker, I heard the Minister speak when he was talking of sand, I heard him say if production is good and if it is this and if it is that, so that there are still ifs in the situation. In those circumstances is it wise to cut off your left arm and forget about the importation of sand? Is it wise just to remember the time when there hasn't been sand, just to remember that, but forget the great problems there have been in the past to get sand to Gibraltar and how it has been done, to forget the achievements of the importers of sand in providing shipping and so forth. The thing that comes to mind on this, Mr Speaker, is water, where the last Minister for Public Works, not the Honourable holder of the post but Colonel Hoare, told us in this House: "No more water importation", and then in the end what happened? We got into terrible trouble and then we had to import water again and, fortunately, the ship was still available. Let us keep our options open, Mr Speaker, for example, we know very little about the Consultants' report, we didn't approve the way the consultants went about it in Gibraltar for which they are getting huge fees, they didn't even see people who could do it, they went straight to one man and gave it to him. They didn't even interview any other firm in Gibraltar so that wasn't a good start and then we get a company set up with the Minister as Chairman and we have no objection to the Minister as Chairman but, Mr Speaker, if a Minister is Chairman let him come and answer for the company in the House. This is what we want to see changed because we do think it is a matter of constitutional importance. Here we are voting money, here is a member of this House who is appointed Chairman of the company by the virtue of the fact that he is Minister and who has in his Board Heads of Departments who are accountable to the Public Accounts Committee and to the House and yet in this House we will not be able to talk about it. I think this is wrong and we have to think of a way of putting it right. Mr Speaker, the Ministry of Overseas Development gives us £450,000 so that we can have our own sand in Gibraltar, this is fine, but if in fact we are not going to put in our accounts, we are not going to charge the company anything for that £450,000, that is it, that is finished and we are not going to do that, the point that comes to mind is, could not these £450,000 if the net result at the end of the day is going to be sand more or less at the same price as being imported, was it a wise investment, could the £450,000 have been better employed in housing or in schools or in something else? Perhaps not, we do not disagree with it, but we do want to think and to be convinced that this project is a good and realistic project, that the sand will be produced, will be cheap, that no particular advantages will be given to this company that has just been given a gift of £2m, that no particular advantage will be given and that the contractors and the Government will be free to get sand somewhere else, cheaper, if necessary or if possible because that affects the whole economy of Gibraltar. The last thing, we want, Mr Speaker, is to have a white elephant in Gibraltar

on such an important and essential commodity. That is why I have great sympathy with what my Honourable and Gallant friend said.

HON CHIEF MINISTER:

I would like to make one or two points on the remarks made by the Hon Mr Isola. First of all he mentioned GEC. Well, I would like to remind the Honourable Member that television started as a private enterprise and it was only when it failed that it became a corporation with the help of the Government. As a private enterprise it had suddenly failed completely. In fact, it left a legacy which, unfortunately, we have had to pay hard for. With regard to the other point about the company not having advantages, it has an initial advantage, it has the advantage of the capital for building it up because it is going to be for the public good and for the public benefit and it is not going to run for profit. There is where the great difference is, between that and the private importers of sand would do it for good business and not just for the public benefit alone.

HON P J ISOLA:

Mr Speaker, let me say quite clearly that we are not against the profit motive at all. We do not say that when there is no profit motive the public gets the best deal unfortunately, that is not the case. You have British Airways, a British public company, a nationalised undertaking, which charges much more than all the private charters in the world so let me make that point clear. What we do say is that we must not allow the Government instituted monopoly of production of sand lead to greater cost in building, lead to greater cost and greater burden on the general taxpayer to keep this nationalised industry, if one can call it that, to keep it in business. That is why we think there should be competition.

On a vote being taken on Item 2 Head 104 sub-head 2 - Winning of Sand from Upper Rock Catchment Area of Schedule of Supplementary Estimates Improvement and Development Fund No 2 of 1979-80, the following Hon Members voted in favour:

The Hon I Abecasis
The Hon A J Canepa
The Hon Major F J Dellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon A P Montegriffo
The Hon J B Perez
The Hon A W Serfaty
The Hon Dr R G Valarino
The Hon H J Zammit

The Hon D Hull
The Hon R J Wallace

The following Hon Members voted against:

The Hon P J Isola
The Hon Major R J Peliza
The Hon G T Restano

The following Hon Member was absent from the Chamber:

The Hon J Bossano

Item 2 Head 104 Sub-Head 2 - Winning of Sand from Upper Rock Catchment area was accordingly passed.

HON G T RESTANO:

Mr Speaker, could we have an explanation of the £4,000 for the Key and Anchor Club?

HON A W SERFATY:

An agreement has been reached with the Ministry of Defence whereby we would be paying for the cost of reprovisioning certain facilities that were available in the Key and Anchor Club at the nearby Inces Hall, and it has happened that the actual cost instead of being the estimated £45,000 has worked out at £49,000 and that is a commitment that we must meet.

Item 2 Head 104 - Miscellaneous Projects was passed.

Item 3 Head 106 - Government Offices and Buildings.

HON G T RESTANO:

Mr Speaker, on the Supreme Court, £15,000, can we have an explanation for that?

HON M K FEATHERSTONE:

This has been mainly that the work that was done has been found to cost more than was estimated because there were more things found to be faulty when they started repairing

than was originally envisaged. For example, the roof was found to be in a worse condition than had originally been considered.

HON G T RESTANO:

Can the Minister give an explanation why after the Opening of the Legal Year the Supreme Court was again closed down for repairs? Was there any work that was done that had not been done properly?

HON M K FEATHERSTONE:

Yes, there was certain work that was not done to the satisfaction of the Clerk of Works who was there and this is the reason why they have had to take some extra time to put some of the things that they have not done as well as we would have required, correctly. By the way, this was done by a contractor not by Public Works.

HON G T RESTANO:

Do these £15,000 in any way refer to this remedial work?

HON M K FEATHERSTONE:

No, Sir.

HON G T RESTANO:

Will the remedial work now cost government anything at all or will the contractors bear the whole cost?

HON M K FEATHERSTONE:

No, Sir, this is all part of the contract. They have to do the work up to a specified standard and until it is up to that standard we do not accept it.

Item 3 Head 106 - Government Offices and Buildings, was agreed to.

Item 4 Head 107 - Port Development was agreed to.

Item 5 Head 111 - Potable Water Service.

HON G T RESTANO:

Can the Minister give an explanation for the £66,000 and say how the project is developing at the moment?

HON M K FEATHERSTONE:

Would you repeat that please?

HON G T RESTANO:

How the project for deep drilling for water is developing at this moment?

HON M K FEATHERSTONE:

The tenders were received and were processed and assessed, the tender has been given and the firm that has won the tender and is going to do the deep drilling is due out early this month and should start drilling about the 15th of this month.

HON G T RESTANO:

At what stage will it be verified whether in fact there is water or not?

HON M K FEATHERSTONE:

The whole idea of this deep drilling is that we have had, through the courtesy of ODA, geologists out here from the Geological Society, they have investigated the situation and they say that there is a 50% chance that we will be able to strike water in sufficient quantities to be useful to us. This is a gamble.

HON P J ISOLA:

Mr Speaker, in the note to this it says it brings the overall cost of the project to £265,000. Under the Approved Estimates the cost of the project is set out as £300,000, does that mean that that is a misprint it should be £365,000 or is the overall cost £265,000?

HON M K FEATHERSTONE:

No, Sir, the deep drilling is in two parts. The first phase was the actual drilling to strike water and if it was struck

in satisfactory quantities the second part which was estimated to cost £100,000 would be the provision of equipment to get it from where it was struck to our reservoirs.

Item 5 Head 111 - Potable Water Service was agreed to.

On a vote being taken on the whole of Schedule of Supplementary the following Hon Members voted in favour:

The Hon I Abecasis
The Hon A J Canepa
The Hon Major F J Bellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon A P Montegriffo
The Hon J B Perez
The Hon A W Serfaty
The Hon Dr R J Valarino
The Hon H J Zammit
The Hon D Hull
The Hon R J Wallace

The following Hon Member abstained:

The Hon P J Isola
The Hon Major R J Peliza
The Hon G T Restano

The following Hon Member was absent from the Chamber:

The Hon J Bossano

Schedule of Supplementary Estimates Improvement and Development Fund No 2 of 1979-80 was accordingly passed.

The Schedule was agreed to and stood part of the Bill.

Clauses 2 to 4 were agreed to and stood part of the Bill.

The Long Title was agreed to and stood part of the Bill.

The House resumed.

THIRD READING

HON ATTORNEY-GENERAL:

Sir, I have the honour to report that the Elderly Persons

(Non-Contributory) Pensions (Amendment) Bill, 1979; the Entertainments (Amendment) Bill, 1979; the Pensions (School Teachers)(Special Provisions)(Amendment) Bill, 1979; the Supplementary Appropriation (1976-77) Bill, 1979; the Supplementary Appropriation (1977-78) Bill, 1979 and the Supplementary Appropriation (1979-80)(No 2) Bill, 1979, have been considered in Committee and agreed to without amendment and I now move that they be read a third time and passed.

Mr Speaker then put the question which was replied in the affirmative and the Bills were read a third time and passed.

The House recessed at 1.00 pm.

The House resumed at 3.20 pm.

MR SPEAKER:

We are now on Private Members' motions and the first motion on the Order Paper is in the name of the Honourable Mr J Bossano.

HON J BOSSANO:

Mr Speaker, I wish to move the motion standing in my name: "That this House considers that the Regulations made under the Pensions Ordinance should be amended by making part-time service pensionable and that shift allowances should be included as pensionable emoluments as provided for in the shift agreements that have been in force for the last few years." Mr Speaker, there are two elements to the motion both of which are designed to bring to the notice of members and to the notice of the Government in particular the need that there is to correct what is in one case an anomaly in the case of the requirement that shift allowances should be included as pensionable emoluments, and in other case what is a matter of equity. The position as regards shift allowances is that in an agreement signed, I believe, in 1977 for industrial workers, the shift allowances are stated to count for the purposes of superannuation following the practice under the ETUC which is the engineering industry shift agreements in the United Kingdom, which is where the original conditions of these allowances were borrowed from. This is an agreement signed between the official employers and the industrials and therefore the Gibraltar Government is not the only party involved. In the case of the United Kingdom departments the situation is that a great many industrial workers are not in fact covered for superannuation at the moment but the matter has been under negotiation with the United Kingdom Departments for the last three years and

an agreement in principle has been arrived at which in fact will provide for pensions to be paid to all industrial employees who have ended their employment with the UK Departments since 1972, so there will be a great many industrial workers who have left the UK Departments in the last seven years who will eventually be entitled to a pension in respect of their service between 1949 and 1972. This is an agreement that has been very lengthy and it has not yet been finalised, in fact, the principle on the terms that I have mentioned has already been agreed but the thing is not yet signed. In the case of the Gibraltar Government because industrial workers are entitled to a pension, we have a situation where the dependents of some government employees, widows of government employees, are getting a lower pension than they might otherwise be getting as a result of these allowances not being included and there has been a certain amount of pressure from industrial workers to the extent that there was talk of taking industrial action because of the failure of the Government to respond to a claim to have this included which has been on the negotiating table for a considerable period of time. I think sometimes, Mr Speaker, things like this perhaps tend to get clogged up in the machinery of Government and perhaps the political side of the Government is not fully aware of things that are on the boil until they explode. I therefore took advantage of my knowledge of the problem and the opportunity I would have of bringing matters to the notice of members of the House to ask those concerned that if they agree I should first give members on both sides of the House an opportunity to express their views on this before the situation deteriorated into an industrial dispute which particularly in the case of the shift workers could have very nasty repercussions since most of the shift workers involved are in areas of manning essential services like distillers and the generating station. We have a situation there where we have got a written agreement between the employer and employee saying that the employees are entitled to something but the law in fact has not been amended to allow this payment to be made but there is a contractual obligation. In the other case, Mr Speaker, I raised the matter previously in the House and the Government undertook to introduce the necessary legislation in respect of part-time service in the event of the overall revision of the Pensions Ordinance taking longer than it was anticipated and it was left, I think, on this basis in the earlier part of this year. As regards the pensionability of part-time service there are a number of different groups of workers involved in the white collar field and a number of different unions have been pursuing this in direct negotiation with the Government but the biggest single group of workers is that of part-time nurses. My own Union, ACTSS, has played a prominent part in attempting to reach an agreement on this basis and it was because again so little progress was being made that I was asked to raise the matter in the House. The position as regards the United Kingdom Departments which I think is

something that the Government should take into consideration in their own drafting of any revisions in the event of their accepting in fact what I am proposing, the position in the United Kingdom Departments is that part-time service will count on exactly the same terms as that provided for in the principal Civil Service Pensions Scheme in the United Kingdom and that the implementation of this will be with effect from 1972 and will cover all service back to 1949 in full and prior to 1949 as to half of the service involved. I would suggest to the Government, I am just saying that it should be made pensionable in the motion without suggesting how it should be done. I think it is proper perhaps in the House to try and achieve agreement in principle on a thing like this but that the details of the actual date of implementation and the counting of service and so on is something that obviously one would expect the Government to discuss with the staff associations although I may also be the person involved when it comes to discussing the matter across the negotiating table. Mr Speaker, I commend the motion to the House.

Mr Speaker proposed the question in the terms of the Hon J Bossano's motion.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, Sir, I should like to speak to the Honourable Mr Bossano's motion but before doing so I would like on behalf of Government to thank him for moving this motion and raising this matter again in the House because it does give us an opportunity of saying what we have been doing since the motion was moved and passed in December last year. Following the motion in the House of Assembly on the 19th of December which read: "This House resolves that urgent consideration should be given to the question of counting part-time service for the award of a pension within the general review of pensions which is likely to be carried out and that should a general review for any reason be delayed the question of part-time service be considered separately". This Government availed itself of the services of an expert from the United Kingdom on pension matters and he was here in July and he studied not merely the Pensions Ordinance but also the Widows and Orphans Pensions Ordinance and as a result of this study, Mr Speaker, the Government is now undertaking a general review of the existing Pensions Ordinance and the Widows and Orphans Pensions Ordinance in the light of the provisions of the principal civil service pension scheme in the United Kingdom. I am sure that the Honourable Mover is aware and also members of the House to negotiate a new pensions scheme may take some time because clearly one must consult the Unions and Staff Associations concerned. For that reason it is the Government's intention

to divorce the question of counting part-time service for the award of a pension from the general review and we have moved on the question of counting part-time service, officials have prepared a position paper which is now ad referendum ministers, it would then go to Gibraltar Council because the question of pensions of Government employees is not a defined domestic matter. The proposals are, I may say, to count part-time service on the same scale as in the United Kingdom, that is to say, 18 hours a week or more should reckon for service towards the award of a pension. I should, Sir, make it quite clear that part-time service would reckon for pension purposes and it would be subject to all the regulations and conditions of the present Pensions Ordinance, it wouldn't be based on the principal Civil Service Ordinance in the United Kingdom, that is, such conditions as reaching retirement age, minimum qualifying reckonable service, continuous unbroken service, etc. Furthermore, part-time service should be coupled with any full time service much the same as temporary or industrial service is coupled at the moment. The second point, Sir, which the Honourable Member mentioned was shift allowances to be included in pensionable emoluments. It is true that this provision was included in the agreement signed with the Staff Associations and Unions in 1977, and it is also true, as he pointed out that owing to an oversight no change has been made and the officials in their paper that is going forward make provision for this to be included in the amending regulations. That Sir, is the position and once again may I say that we are grateful to the Honourable Member for moving this motion. Thank you, Sir.

HON MAJOR R J PELLIZA:

This side of the House will always support something which is for the benefit of those who have given good service to Gibraltar in one way or another and also for the public, generally, I think, we have always supported anything that helps towards the senior citizens and therefore, we do support the implementation of the suggestion of my Honourable Friend, Mr Bossano, and we only hope that the matter will be expedited and that a reasonable conclusion will be arrived at soon.

HON J BOSSANO:

Mr Speaker, I think all I can say is that I am grateful for the support of both sides and that obviously I wish it were so in all motions I bring to the House.

Mr Speaker then put the question which was resolved in the affirmative and the motion was accordingly carried.

HON J BOSSANO:

Mr Speaker, I beg to move that: "This House considers that immediate steps should be taken to review the establishment of Nurses in view of the great strain being placed on staff as a result of coverage for increased leave entitlement." Mr Speaker, the problem that the motion is drawing attention to, in fact, is not unique to the Medical Department but it is a problem that I think is perhaps greater there because essentially it is a mathematical relationship between the numbers employed and the amount of time off that people are entitled to and, secondly, it is an area where for obvious reasons the absence of a number of Nurses is something that can be more serious in terms of the service that is being provided than the absence of any other grade of worker like clerks or PTO's or other people whose immediate impact on the client is not as obvious as the immediate impact on a patient is of the absence of a Nurse. The matter has been raised also through the normal negotiating machinery and once again, Mr Speaker, I have been asked by those concerned to bring it to the attention of the House in the hope that this will produce quicker results than have been apparent in the time that this has been consistently raised in the normal negotiating forum. The position stems from the original philosophy of the Government that there should be a Staff Inspection of the entire Civil Service in order to arrive at complementing levels and subsequent to that Staff Inspection having been conducted in this and in other Departments, leave entitlement of those concerned was increased in order to bring them into line with the United Kingdom. It is not very difficult to consider the situation if one takes an example which is an approximate figure of what has happened that if one has got an establishment, say, of 240 nurses and their leave entitlement goes up by one week, then there are 240 nurse-week less available for the needs of the Department and that would require something like five extra employees to cover for the 240 weeks extra that people are on leave. The position that the Government has taken in negotiations on this matter and it appears to stem from their philosophy that virtually nothing can be changed without Staff Inspection, which is something perhaps that the Government might be wise to take a second look at because it seems to be having an effect on the decision-making machinery of Government which is making it even slower than it has a reputation for being, according to its past performance. The position that has been taken is that it would require a fresh Staff Inspection to establish whether more employees are needed. The need for such a situation might, perhaps, be defensible where there was an obvious and dramatic change in the circumstances of the Department so that one could say in 1976, for example, it was established that there were 50 employees required as the complement of this Department, since 1976 there has been a tremendous reduction in the volume of work of the Department so it may

well be that there are less than 50 required now and it may well be that the extra leave entitlement can be accommodated within the existing staff because we have got a surplus capacity, but that would only be justified in exceptional circumstances, Mr Speaker, where it was seen that there was a patent change in the functions of the Department and I would say that this would certainly not apply to the case of the Medical Department in respect of our Nursing services, I don't think there has been a dramatic improvement in the health of Gibraltar so that there has been a very large drop in the number of patients that we are handling. Let me add, Mr Speaker, that in terms of the discussions that have been taking place between the management in the hospital and the staff in the hospital, there is unanimity of view between the two sides. It appears that the management is as keen to see the increase as the staff is and although it may not have an immediate effect in the sense that there are unfilled vacancies at the moment, nevertheless, the situation appears to be in terms of the complementing and the filling of the complement, that there are times when we appear to have a queue of people waiting to come in and we cannot take them in because we are up to our complement and there are times when we get a lot of people leaving at about the same time and it is difficult to recruit replacements in the short term but, obviously, it is a better situation to have the unfilled vacancies there for when we have the applicants than to have that we have the applicants and that we lose them to other jobs and are unable to attract them back into nursing because when the eventual decision is taken the prospective candidates have already found alternative employment. I therefore commend the motion to the House, Mr Speaker, and ask Members to support it.

Mr Speaker then proposed the question in the terms of the Hon J Bossano's motion.

HON A P MONTEGRIFFO:

Mr Speaker, the Honourable Member is correct. The position has been aggravated by the fact that apart from the extra leave which is being granted to the nursing staff, they have to take this year again as a result of the change of system the backlog of leave and so they have been doing a tremendous amount of work, quite apart from what we would call ordinary overtime. I might say here, in case Honourable Members of the Opposition should think that nurses are getting a lot of overtime, they are not, they are getting the overtime that is needed to be done in the Department and in fact it is causing some strain in many respects but the overtime on an average is about £20 a month though this figure of averages can be deceiving as there are certain members of the staff getting considerably much more which shows the necessity of some members of the staff having to do a considerable

number of hours which if we had the full establishment would be considerably eased. I agree entirely with the proposition of the Honourable Member that to have another Staff Inspection to see how many staff we require at this stage, perhaps, is not the right way to go about it for the very simple reason that we know. If before Staff Inspection decided that with so much leave we needed so much staff, if we have got to cover about 1,300 days I make it about 5 to 6 more nurses. Whether or not it is possible to recruit the number of staff we want when at the moment we have still got sixteen vacancies, in August we were down to six vacancies, now we are back to sixteen vacancies, and I think the Honourable Member in all fairness will admit that inevitably, of course, the going of full-timers into part-time work, of course, decreases the number of hours any person can give and that exacerbates the problem, but it is inevitable and we have got to accept that with grace because it is a question of either accepting part-timers or accepting no nurses at all. So, Mr Speaker, we support the motion.

HON. P. J. ISOLA:

Mr Speaker, the motion before the House which asks for immediate steps to be taken to review the establishment of nurses. I don't know whether I understood the Minister for Medical Services correctly, I presume what the Government is going to do is to review it immediately without a Staff Inspection. Well, that is a step that we welcome on this side of the House. Unfortunately, Mr Speaker, we have been able to look at the results of Staff Inspection and certainly on this side of the House, we haven't been very impressed. Certainly in two Committees that I have been in, we have tried to see the Staff Inspectors but our approach to them has been blocked by Establishment who tell us: "You don't want to see the Staff Inspectors, see us, ask us the questions which we did and we are still waiting for answers, that was about six months ago. We do not have, and this is merely as outsiders because we are not in the process of Government and we are not in there, we do not have tremendous confidence in the process of Staff Inspection judging from what we have seen in a number of Departments and certainly my own experience in the Public Accounts Committee and in the Water Committee leads me to question the good judgement of the Staff Inspectors in two very important areas of public administration, the reading of meters, for example, electricity and water, the situation is very, very unsatisfactory, the Post Office counter problem, and also I believe in the Public Works Department, the Public Works Department that administers, I've forgotten what the figure is but it goes into millions of pounds of money and has an accounts staff about the same size as a much smaller Department, and the Staff Inspector considers that to be adequate. We do not share the confidence that the Government have in this system of Staff Inspection and that is one of the reasons why we support this motion that a review should

take place notwithstanding, that it should not wait for a Staff Inspection.

HON. A. P. MONTEGRIFFO:

On a point of clarification, we are not saying that Staff Inspection is good or bad and we are not discussing Staff Inspection at this particular moment. Because the Staff Inspection has already been done, we know that the extra number of days work will require so many nurses.

HON. P. J. ISOLA:

We are concerned about it because we are concerned at getting answers about Staff Inspection when we have our own personal experience of the result. Mr Speaker, that is one point, the other point is that obviously if there is increased leave entitlement and this has been negotiated, it is really a matter of mathematical computation the sort of staff establishment that you require. It looks to me that it may well be an academic exercise because you have still got sixteen vacancies in the staff establishment but nevertheless, I think it is right to have the proper establishment for the Department and especially such an important Department as the Medical Department. It is a matter of concern to hear people working very long hours of overtime in a profession that presumably requires pretty good concentration all the time, so we have no hesitation in view of the facts that have been brought before the House, we have no hesitation in supporting the motion.

MR. SPEAKER:

Are there any other contributors to the debate? I will then call on Mr Bossano to reply.

HON. J. BOSSANO:

Mr Speaker, I welcome the support and I would say that although, in fact, the motion is not seeking to have the whole system of Staff Inspection reviewed but rather to make this an exception to the general rule, I still think that many of the points made by the Honourable and Learned the Leader of the Opposition in respect of Staff Inspection may well warrant a future debate on this subject because I believe that it is not producing the sort of results the Government expected from it and since the matter has come up it might be something that the House should take a look at.

Mr Speaker then put the question which was resolved in the affirmative and the motion was accordingly carried.

HON P J ISOLA:

Mr Speaker, I have the honour to move the motion standing in my name which is: "That this House regrets the departure from public life of Mr Maurice Xiberras and wishes to express its deep appreciation to Mr Xiberras for all his work and effort on behalf of the people of Gibraltar during ten years of public service." Mr Speaker, I think I can adequately describe the resignation of my Honourable predecessor in this Chair when it was announced in August, 1979, as something that caused profound shock, bewilderment and I think to a certain extent, dismay among a great number of people in Gibraltar both on this side of the House and I am sure on the other side and supporters of all sides of the House. I think it is appropriate that I should move this motion and I should ask the House to record its appreciation to Mr Maurice Xiberras because I think he is one of those possibly few people who gave up everything to go into public service, into public life, at a period of time when politicians were very, very badly paid, if I may put it that way, they still are some people seem to think, but, anyway, were very badly paid, his coming into public life involved his resignation as a teacher, as a Government employee, a graduate teacher with good prospects and with no guarantee at the time that he would be elected into Government. He gave up a lot, I think, to serve the people of Gibraltar and some will think that he gave up perhaps a little too much but, anyway, Maurice Xiberras has worked in public life for some ten years and during that time he received a salary less than an unskilled labourer, throughout these ten years. I think his contribution to the people of Gibraltar was substantial in those ten years. If I may just briefly say where I think he has left his mark in Gibraltar, I could just itemise just a few points, as a pioneer of the original IWPB for the "British We Are, British We Stay" "No Concessions to Spain" way back in 1964/65 and when he was elected he made a very great contribution, among others, of course, but he made a great contribution to the solid stand that has resulted by the people of Gibraltar on the question of British sovereignty over Gibraltar. There can be no doubt that Maurice Xiberras has been one of the great champions of the principle of no concessions on sovereignty, on the principle of a British Gibraltar. He has been inflexible in his defence of this principle, not alone, and I would say that if people in Gibraltar were to be asked what was his big contribution, the main answer would be, his inflexible stand on maintaining Gibraltar British. Then in the short time that he was in Government he proved himself to be an extremely efficient Minister of Labour and Minister for Housing. During that difficult time he did a great deal to raise the living standards of working men and women in Gibraltar to whom he was completely dedicated. I think he was a champion of the principle of parity and think that whilst not in any way denigrating the efforts of others, because everybody in Gibraltar has to play his part in helping

and contributing to the peace without denigrating from the efforts of others I would say that he deserves a niche in the history of Gibraltar in the question of parity and in bringing it about. Then the other great contribution that he made again during difficult times, I think his part in what I would call the bi-partisan approach to foreign affairs as far as Gibraltar's foreign affairs are concerned. It is extremely important that he elected leaders of the people of Gibraltar, on matters affecting the future and status of the people should, as far as possible, without giving in to each other completely, be bi-partisan and united and therefore it means that politicians themselves must be prepared in this sort of situation to not expect the other side to do everything exactly as they would want to do it and to have a bit of give-and-take and in the Strasbourg process Maurice Xiberras made his own contribution and had his own part to play.

Mr Speaker, I think those are the main areas where he contributed to Gibraltar and his contribution is something that is permanent. During a difficult period of growth, as it were, of Gibraltar, he played his part and ensured certain permanence to them. He was, as we all know, a great fighter for the question of proper paid members of the House, for relaxation of rules relating to standing for election and the question of declaration of interests. I will not go into that, we have heard him speak enough of that in this House for many years. But the principle was right, Mr Speaker, that in a democratic society representation should be as wide as possible and that a House of Assembly should represent broadly the people they have to represent. Only yesterday I was reading an article by the ex-Labour Minister Shirley Williams about the House of Commons. She was complaining that it was not as representative, mainly because there were only 16 women among 600 members. She said that as a representative institution the composition of the House should bear some broad relation to the composition of the population as a whole. I think that describes exactly what Maurice Xiberras said in this House time and time again and it is true and we will have not solved that problem and I think the greatest tribute we could pay to his work is to try and sort it out. I think it is important, the question that people in this House should be broadly representative of the people that we represent. In Gibraltar we have this tremendous problem that a good 60% of the population is working for Official Employers and somehow or other we should try and get round that and I think that certainly he has convinced me, as I am sure other members of the House, that there is a need to link pay with eligibility to stand and to represent.

Finally, Mr Speaker, his integrity in public life was completely unquestioned. I think that the way he was always ready to listen to people and to speak on their behalf, some of us might think a little too long in this House, but nevertheless

he took up everybody's cause, he was prepared to give all of his time to his public duties and that, of course, I am sure in no small measure contributed to his early retirement from public life. He possibly spent too much time on his public duties and not enough time with his family and in his home and that is unfortunate. I do hope, in moving this motion, that the House will agree that Maurice Xiberras was a good thing, it was a good thing he came through Gibraltar, it was a good thing he spent ten years in this House, he has left his mark, there is no question about it, and it is fair to say and I do not think anybody will question it, that in his public and political life self-interest took a very, very low place and by no stretch of the imagination could anybody have at any time during his ten years, accused Maurice Xiberras of self-interest.

Mr Speaker, I hope the House will support this motion and that the passing of it will be some sort of consolation to Maurice Xiberras for the part he has played in the developing life of Gibraltar and a reminder to him that politicians do not come and go and are forgotten, that those of us who stay behind do appreciate somebody who has done a good job while he has been here. I, accordingly, commend the motion to the House.

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

HON CHIEF MINISTER:

Mr Speaker, I have no hesitation in supporting the motion but I would not like to go into a panegyric because I do not think that this should be an obituary session. Maurice Xiberras is a relatively young man with a good career prospect in front of him and we should thank him for what he has done but I do not think we should try and make this a very auspicious occasion because I am sure he may be still in the future able to give good service either to Gibraltar or wherever it is that he is. I had a very friendly letter from him dated 22 October where I will just quote one phrase which supports my approach to this: "A future is now beginning to open itself up before us", so that in fact we are happy to see that he is making his way through and we hope that the reasons that made him withdraw from public life will bring about other happiness to him which must have been a change for a great sacrifice in what he loved dearly, which was politics. But as I say, he is young and I do not think we should talk about him as something of the past, but something of the present that has left Gibraltar because in my recollection since 1950 in this House, we have said goodbye to people and we have paid tribute to Albert Isola, to Albert Risso, to Sol Serruya and many other people but of course, the facility about that was that they were here and they said they were going but unfortunately the conditions

under which Maurice went did not make that possible.

In so far as the question of sacrifice is concerned, I fully appreciate that. I have a colleague next to me who gave up the Deputy Headmastership of the Grammar School in order to enter politics and gave up everything, also at great sacrifice, but he felt that the call of politics was so important that he made that sacrifice as well. Maurice was a great fighter and he is a great fighter and it was good to have a good fight with him because he fought a good fight and in so far as the latter part of my association with him in the Strasbourg Process, I will say that he made a very substantial and valuable contribution and that it would have had no strength if we hadn't gone together. It would have had no strength if he had gone alone, it would have had no strength if I had gone alone. It was the fact that we were both there, speaking for all parties in Gibraltar that made the mark of what I think was the beginning of possibly a recognition by the neighbours across the frontier of the identity of the people of Gibraltar. I am very glad that there is this opportunity to pay tribute to him in his absence and I am sure he will gather strength from the fact that he knows that both sides of the House are appreciative of the work that he has done for the people of Gibraltar.

HON MAJOR R J PELIZA:

Mr Speaker, having been with Maurice Xiberras since he took up politics and this goes back to soon after he ceased being a student, when he showed that he was very interested in matters to do with the welfare of the people of Gibraltar, I feel to some extent responsible for having got him so involved in politics in Gibraltar I certainly do not regret having played that part and I think by the tributes that are being paid here today it shows that he made an excellent contribution to public life in Gibraltar. Of course, we are not talking in the past tense in the sense that he is finished, far from it. I am very pleased to say that I know he has got a permanent job in England in a very good Grammar school, he has got a house and therefore he is away on a new life as I think he said to the Chief Minister in his letter and I do not believe we have heard the end of Maurice Xiberras since, of course, he has it in his blood and this is a kind of infection that is very difficult to get rid of. I do not believe, however, unfortunately, that we shall see him around for some time to come, so it is very appropriate in this House that full recognition should be given to what he has given to the people of Gibraltar absolutely without any form of self-interest. I was very close to him so I know literally the hardship that he and his family went through for the sake of giving totally his life to the cause of Gibraltar. It was a total give-away as far as he was concerned. At the beginning he was a copy-book Socialist to the extent that he felt so strongly about education being Government education that he

was not even prepared to help himself by giving private lessons. I say this because this may give you an insight of the kind of man that Maurice is. In the process of time he saw the practicality of life and whilst never giving up his ideals of benefitting particularly the working classes he understood as time went by that there was more than just a text-book. And I think in his public life he put this into practice soon after he was elected to this House and very effectively, as the Minister for Labour, changed the social way of life in Gibraltar. I know how hard he pressed for the kind of control of labour that we now have in Gibraltar. That was an extremely difficult task when we took over. The frontier had been closed, Gibraltar found itself depleted of the Spanish labour that kept the economy going, a considerable number of immigrants from other places arrived in Gibraltar and the labour market in Gibraltar was chaotic at the time and it fell upon his shoulders, against very difficult odds, to get it organised and there were pressures from many quarters as to a reluctance to see the introduction of the labour system that we have now which has benefitted so much our society to the extent that the withdrawal of labour instead of having the effect that the Spanish Government thought it would have, it had the very opposite effect of enabling people of Gibraltar, both men and women, to take up jobs and kept the economy going as we can see today, most effectively. Therefore, if someone deserves praise for the way that we have overcombed the effects of the withdrawal of labour with all its consequences, which is purely economics, it is Maurice Xiberras. I will not go over the ground that my Honourable Friend has covered but I should point out another thing that Maurice played a great part in and that was the preamble to the Constitution. As far back as the Constitutional days when he, together with our colleagues, at great odds because he was a schoolteacher then and he was not allowed in those days to participate in politics and against terrific pressure, he had the courage to come forward with the delegation and together we managed to get that very famous Preamble to the Constitution.

HON CHIEF MINISTER:

I am sorry, but this is becoming too dramatic. If we are going to talk about the Preamble of the Constitution, we will have to talk about who said what. We do not want to hear what the whole of the IWBP did in two years.

HON MAJOR R J PELIZA:

I am not talking about the IWBP, I am talking about Mr Xiberras. I am sorry to upset the Chief Minister so much. I am not saying he did not play his part.

I think I have given two very important aspects of his contribution. As I do not wish to offend anybody else, perhaps, Mr Speaker, I had better not carry on because this was not my intention, to offend anybody here. Mr Xiberras very willingly took over from me when unfortunately for strong personal reasons I had to live partly in Gibraltar and partly in the United Kingdom and he very willingly and very ably took over the leadership of the Party and then became the leader of the Opposition. During that time, Mr Speaker, he was a tower of strength in this House. A person very single-minded in his approach, very forceful in trying to get his point of view understood. As far as he was concerned it was important to stress the point by whatever means it was required to do so and on many occasions he managed to have his point of view even accepted by the Government which I think is a great tribute to him too.

Lastly, I would like to add that I do not think he found it easy at all to leave Gibraltar. He had to do it for very strong personal reasons which compelled him to do so. Behind, as my Hon Friend said before, he left an inspiration from the point of view of integrity as to how a politician should always bear that in mind that above all whatever his views it is integrity that in the end is going to count in public life and without any shadow of doubt that was by far what was most striking in Maurice Xiberras and for what he will always be remembered by those who know him. His work was very much appreciated by the public generally as one can see by the number of votes that he got at the last election as an Independent member and although he must have created many political foes, because of his strength and determination, by and large he was respected by all. I do hope, Mr Speaker, that what he has done for Gibraltar does not go unnoticed and that some kind of official recognition is given to the great work that he has done for Gibraltar.

HON A J CANEPA:

Mr Speaker, as a member of the generation nearer to Maurice Xiberras' generation and as someone who was associated with him teaching in the Grammar School for 6 or 7 years and then later on here in the House, though on opposite sides, I am very happy to be able to associate myself unreservedly with the sentiments contained in the motion. Mr Speaker, Gibraltar cannot really afford to continue to export to the United Kingdom and to other countries, men of the calibre of Maurice Xiberras. I can think of far too many friends of mine who are now living in the United Kingdom and making a very important contribution there and their gain is, indeed, our loss. The place in the history of Gibraltar public affairs which Maurice Xiberras occupies is already a safe place, it is already assured in the same way as the Honourable the Leader of the Opposition is associated with the Chief Minister, during those stirring

days when our cause had to be fought in the forum of the United Nations, so more latterly the name of Maurice Xiberras will be linked with that of Sir Joshua Hassan in respect of the two trail-blazing meetings that took place with the Spanish Foreign Minister. That is a fact of history and something that nothing can change. All in all, I have no doubt that in that field Maurice made a very, very significant contribution indeed to the general welfare of the people of Gibraltar. During the three years that he was Minister for Labour I think the policies that he followed in the labour field were sound policies, particularly in respect of the control of labour and in respect of the question of the need to train people to acquire greater skills and I think that those policies have stood the test of time. From a personal point of view, though we did have numerous differences here in the House and we crossed swords on many occasions, what is for me the greatest cause for personal satisfaction is the fact that that never cut across in any way or impinged on our personal friendship. Many were the occasions when we were able to meet informally and talk very intimately, quite unreservedly, as we had been able to do during those seven or eight years when we were teaching in the Grammar School and working in the Gibraltar Teachers' Association. As I said at the time when the announcement was made that Maurice was leaving, it has been for me a matter of great regret and I am very happy to be able to associate myself and support the motion unstintingly.

HON G T RESTANO:

I certainly did not know Maurice for as many years as the last four members who have spoken. My association with him only goes back two years but certainly in those two years that I was closely associated with Maurice, the impact that he made with me was very great indeed. His hallmarks have been highlighted by my Honourable Friend the Leader of the Opposition and his achievements have been highlighted by everybody. One thing which has not been said, one of the achievements that can be laid at his door, is of course the Public Accounts Committee which is a very good thing for Gibraltar and which in fact he had been campaigning for many years and I think it was a great satisfaction for him when this was achieved. What I would like to say is to wish him well and wish him every success in his new career. I am sure he will do well because he has the qualities to make success wherever he goes. I would also, Mr Speaker, like to take this opportunity of welcoming and congratulating Mr Peter Isola on his succeeding Maurice Xiberras as Leader of the Opposition.

HON MAJOR F J DELLIPIANI:

Mr Speaker, I am even closer to Maurice Xiberras than my colleague Adolfo Canepa because we were both in the same

classroom, about two feet away from each other and we also lived in the same building. I have always had a great admiration for him for the work he has done in Gibraltar in the political field. I think however we have really over-dramatised the situation as the Chief Minister has rightly pointed out. I have more admiration for the people who stay behind. It just looks to me in my short life in politics that I keep seeing people from the opposite side of the House who leave Gibraltar, and give up. There are people on my side of the House who have gone through a lot of very intimate personal problems and have stuck it out and they are still here. My admiration is for the people who remain behind. Though I do not wish to demerit the great contribution that Maurice Xiberras made to the House and to Gibraltar as a whole. My admiration is for the people who stay behind.

HON A P MONTEGRIFFO:

Mr Speaker, I am going to be rather brief because in joining unreservedly the chorus of praise, it is rather difficult to find anything new to say when one is the sixth speaker. I can say, of course, that I have known Maurice Xiberras for much longer than any member of the House for the very simple reason that we lived within the same house for very many years. I am not by that implying that the qualities which we are ascribing to him now he learned under that roof which he shared with me. I am sure he had qualities of his own which have been outstanding and which we are here recognising. The best tribute and the best way of showing our affection to him is to pray and wish that wherever he may be his problems will be resolved to his satisfaction and that he will enjoy all the happiness, if not as a reward for what he has done in politics, as a reward for a married man and a family man. This is my parting remark in this statement I am making, that he will enjoy with his wife and his children all the happiness that we wish for ourselves.

HON P J ISOLA:

Mr Speaker, I am grateful to Hon Member for supporting the motion and supporting it in the way that it has been done. Normally I was going to say nothing more but I must say something about the remarks of the Honourable Minister for Education, I do not know whether they were intended to be friendly or not but they did not sound terribly friendly to me. Let me tell him for one quick moment that it is not a question of having admiration for the people who stay behind. The people who stay behind are the lucky people, not the people who go away. There is no question in my mind that for Maurice Xiberras it was a sacrifice to go away. I have no doubt he went because he had no choice. His heart is very much here, I do not think that it is a sacrifice to be living

in Gibraltar I am quite happy here and I am sure all Hon Members are quite happy to be living in what perhaps is an exciting period of the history of Gibraltar when we are asserting our identity and our rights. But let me not get controversial, Mr Speaker, I thank all Hon Members for everything they have said and I am glad that in the records of this House it will appear that this House appreciates the service of one of its ex-members when it has been good. I think it is appropriate that I should just end my motion by thanking all members on behalf of our departed brother.

MR SPEAKER:

I would not dream of trying to enumerate the number of years I have known Mr Xiberras but I will say that I would like to associate myself with everything that has been said on his behalf. I would also like to take this opportunity to welcome the new Leader of the Opposition. I thought this would be the appropriate time and not before.

Mr Speaker then put the question which was unanimously resolved in the affirmative and the motion was accordingly carried.

HON G T RESTANO:

Mr Speaker, I beg to move the motion standing in my name: "That this House considers that immediate steps should be taken to implement a full-time paediatric service in Gibraltar." Mr Speaker, the question of the paediatric service in Gibraltar has, of course, come up in the House on a number of occasions and it has also come up in public correspondence on even more occasions but if I may I would like to go very briefly over the history of the question of the paediatric service. In September of 1978 the Society for Handicapped Children brought out a paediatrician who was a consultant at the Charing Cross Hospital to review the question of the need that the Society felt for a paediatric service in Gibraltar and a report was subsequently given to the Society by a paediatrician concerned where he said that he felt that a full-time paediatrician should be employed in Gibraltar. Subsequent to this, the Minister for Medical and Health Services sought the advice of paediatricians from another hospital in London, from King's College and they sent out a consultant to review the situation and gave the advice to Government that the catchment area of children in Gibraltar was not sufficiently large to warrant a full-time paediatrician but that rather than engaging a full-time paediatrician Government should wait a year whilst the King's College Hospital provided a service of sending four different paediatricians once each four times a year to Gibraltar and after the end of the year there would be a review of the situation. As far as the

question being raised in the House is concerned, this has happened on two occasions, in February and June of this year. On both occasions I raised the matter and on the first occasion the Minister gave me his answer of what advice he had received from Professor Stroud and in June I asked him to reconsider his decision and to employ a full-time paediatrician straightaway and in June of this year the Minister refused to reconsider his decision and said that the advice that he had been given and which he accepted was that one needed 100,000 children to warrant having a full-time paediatrician. Subsequent to that, of course, there has been numerous correspondence which have all been made public between myself and the Minister for Medical and Health Services and the Chief Minister and I would like to refer now to the penultimate letter which I received from the Chief Minister on the subject when I was pleased, as well as surprised, to see that the Government seemed to have changed its policy slightly on the matter and said that "consideration has already been given by the Government to the steps that would need to be taken should we in fact be advised that a full-time appointment is desirable." He said: "It will thus be possible to take immediate action if and when such advice is received." I was pleased with that reply because it meant that the Government were already thinking of engaging a full-time paediatrician and on 9 October I wrote back to the Chief Minister asking for specific answers to the questions I put to him as a result of the letter that he had sent to me and I will go into those in a moment but I would just like to say that he said that those replies he would not give to me at the time and that he would answer in this debate because I had already given notice that I would be putting forward a motion on the subject. I would like to remind the Government of the questions that I did ask and which were not answered and I hope that they will have answers for us today. What I asked was when this new consideration was given by the Government in view of the fact that right from the very word go the Minister had said that he would not reconsider his decision and that since this reconsideration was in direct contradiction to the statement by the Minister for Medical and Health Services when he categorically refused to reconsider his decision is the reason for the Government's new position the overwhelming public opinion on the matter and has the Minister's own policy been overruled by the Government and of course I think that it is an appropriate time to say that there has been a tremendous amount of public opinion on the subject and it is not very often that one gets on a particular subject letters from a whole host of associations written to the press and this has happened on this occasion. We have had the Housewives Association, the Youth Association, the Tenants Association, the Transport and General Workers Union, they have all written, apart from a lot of individuals who have themselves written to the press supporting the need to have a full-time paediatric service. I also asked the Chief Minister in that letter and I quote: "You furthermore state

that should advice be received that a full-time appointment is desirable, it will be possible to take immediate action if and when such advice is received. I presume that what you mean is that contact has already been made with a paediatrician who has presumably accepted to take up the post immediately. Your confirmation of this point would be appreciated and also the date of such acceptance." I am presuming but I hope that the Chief Minister will be able to confirm one way or the other whether this is the case and, lastly, I asked what are the conditions for such an appointment and what action would the Government contemplate taking if the advice received was against the appointment of such a post. That, Mr Speaker, deals with the correspondence and the questions that have come up in the House. There have been two reasons, which I have heard from the Government against having a paediatrician. The first one I have already mentioned is that the catchment area of children in Gibraltar is not large enough to warrant a paediatrician but I ask the Government, with a population of 25,000 is the catchment area big enough to have a television service, is it big enough to have a radio service, is it big enough to have a gynaecologist? Even the Minister for Medical and Health Services said that Gibraltar's population did not really warrant a gynaecologist. Of course we must have a gynaecologist in the same way as we must have a paediatrician. It is odious to compare catchment areas required for a consultant in the United Kingdom with the Gibraltar situation. In the United Kingdom you may have a small town of 25,000 and it may be the policy where if it is only 25,000 you do not need paediatricians, gynaecologists etc, but why? Because you only have to go twenty miles away and you find a big city where there is a gynaecologist, a paediatrician and all the other services. But in Gibraltar, of course we are in a completely different situation. Here we cannot just go 20 miles away and find the necessary services that we want, we have a frontier problem, so therefore we have to provide the services that we require within Gibraltar and that is why it is stupid and ridiculous to say that we do not have a catchment area for a paediatric service in Gibraltar. In fact the children population of Gibraltar according to the survey report of the Medical and Health Services is that it is one quarter of the population and I think that deserves to have the sort of medical person to look after all the different cases that obviously there are. The other reason that I also heard is that originally the consultant from the King's Cross Hospital had been asked to wait for one year before making their report and it would be to go over their heads if the Government were to have taken a decision. I am afraid I do not really agree with that, Mr Speaker, I think that of course they have given great service and I hope they will be able to continue giving the same service that they are giving at the moment and we are very grateful for the service but on the other hand I do not think that that particular reason should be taken by the Government for not taking a decision on this matter. What

is required is that if there is one child or if there are a number of children and especially we are talking about the handicapped children, if there are a few children whose lot could really be improved by having a paediatric service full-time in Gibraltar, then the Government should not stint and fail to employ that person. It is, after all, the children of Gibraltar that we are talking about and certainly those in most cases who are under great difficulty so I hope that the Government will consider taking immediate action to employ a paediatrician. I think it would be welcomed by the whole of the community, I think most people would want it and people would be quite prepared to see Government spending money on that sort of appointment. What the conditions of that paediatrician would be were he to be employed, I would prefer that such an appointment should not be a full-time appointment with Government. I would like to see that person being able to do community service. I would like him, possibly, to be allowed to perhaps do some private practice as well. I am sure that there would be time for that but, anyway, that, of course, are the conditions and that would have to be in the Conditions of Service under which he would be employed. One reason why that man must be employed immediately is when I remember what happened when we did not have an eye specialist and the time for recruitment went into months and months and we are told by the Government that it takes a long time between the moment that they actually advertise the post and the time that they can interview individuals. Therefore, it has to be done straightaway otherwise we will be months and months without a paediatrician and it is a necessary service that we should have in Gibraltar.

Mr Speaker, I commend the motion to the House.

Mr Speaker proposed the question in the terms of the Hon G T Restano's motion.

HON A P MONTEGRIFFO:

Mr Speaker, in the first place I am sorry to disappoint the Hon Member who has moved the motion. The Government has not changed its policy neither does it intend to change its policy. The Hon Member has given me one more reason why we should not. He has been talking about employing a paediatrician and his conditions of service, should he do community medicine, should he do private practice, should he do both, so neither the Hon Member nor myself, as layman, know whether we do need a paediatrician and, if so, what type and requirements that paediatrician needs to meet the situation in Gibraltar. He has completely confused the whole issue. I am going to delve a little bit in the history of paediatrics in Gibraltar, too, and I am going to go back to Professor Jolly's recommendation. It was because of that recommendation in that report that I

immediately started sounding different friends and contacts in the United Kingdom as to whether we could get a paediatrician for Gibraltar because in my own ignorance I thought that what we needed was a paediatrician and I have learned a little bit since then. There are different types of paediatricians that meet the requirements of certain communities and others which are not suitable for that particular community. That I have learned since I have been dealing with this particular unit which is the King's College Paediatric Research Unit. Fortunately we came across this particular unit and when Professor Stroud came to Gibraltar I brought him specially to request him to send over a paediatrician because we have got a paediatrician in our establishment, we have not got to come to the House for one, so if we want to recruit one it is there. Then he said: "I do not think the catchment area in Gibraltar warrants a full-time paediatrician because he may grow stale and ultimately either he may involve himself in a lot of private practice which will bring him a lot of money looking after the mothers rather than after the health of the children of Gibraltar. Why not send four different types of special paediatricians to Gibraltar, why don't they look at child behaviour in Gibraltar, at pollution and what relationship that has with any diseases children may have in Gibraltar requirements of handicapped children, requirements of your maternity services, etc, and, generally, what type of diseases occur more widely among children and if we then decide that you need a paediatrician then we shall tell you what type of paediatrician, what function is required and whether you need one." We have never said, neither has the King's College Paediatric Unit said that we were not going to get a paediatrician. We may not in the end but what Professor Stroud said and the answer I gave to the Hon Member in February was: "During the recent visit of Professor Stroud of King's College to Gibraltar he thought that the catchments area of children did not justify a full-time paediatrician but suggested it would be wiser at this stage to engage visiting consultants four times a year and after a year's trial a further assessment would be made." The Hon Member, if I can use my best or worse Latin, sat down and said nothing more which to me meant nemine contradicente and I thought he was quite happy with the statement I had made. But I have a feeling that he thought he might be bored during the summer and therefore he asked me in June that I should go to arbitration and bring somebody from the United Kingdom to try and arbitrate between Professor Jolly's recommendation about a paediatrician and the advice that was being given by the King's College Paediatrician Unit.

Mr Speaker, when he said that I really felt we needed a paediatrician in Gibraltar because of the infantile approach the Hon Member was taking. Isn't it ludicrous, Mr Speaker, that when you have got two conflicting opinions of two paediatricians, one engaged by the Government and another one who gave an unsolicited viewpoint, that we should bring

another paediatrician? This is worse than law, you get three lawyers and you get into a terrible mess because they all give you different opinions. I think the Government has taken a reasonable attitude but the Hon Member not being satisfied I gave him in June, thought of keeping the pot stirring during the summer. I wrote to him telling him what the Government position was on the matter and therefore I thought there would be no need for any further correspondence. I wrote to him saying the door had not been closed, no one had closed the door to the possibility of getting a paediatrician, the policy is to wait for the report and to find out if we do need one what type of paediatrician we need.

Mr Speaker, the four paediatricians that were mentioned have already come, the last one came on 16 July and let me tell you it was mighty difficult to find children for him to have some patients. We circularised doctors, we advertised in the press and it was mighty difficult. We must be careful how to go about things because we do not want to bring people or equipment to Gibraltar that is then left idle in the hospital because no one can use it because if they use it once a year you are not going to get very good results from whoever is using it only on that occasion. Mr Speaker, I think the attitude of the Government has been reasonable, it has been a reasoned approach, I am expecting a report some time in November because when Dr Price came here he said: "You may be getting a report sometime during the first fortnight of November," and if the answer is "Yes, you can employ a paediatrician", because one thing that he said would be important is the isolation of Gibraltar but he wanted to have a look first and I think they have had the best look ever in child care in Gibraltar that we would have ever expected and they have also told us that if they were to recommend a paediatrician, their services and their facilities, which they have been offering free to the people of Gibraltar, would carry on and if we need their paediatricians in different specialities to come over to help out in cases where, if they recommend a paediatrician that is not available, they would do so at no charge to the Government. What has made the Hon Member feel that we have changed our view or that the Minister has been overridden in this matter the fact that we have said that we have taken some action, that we have told the administration that there is a possibility that we may get a recommendation to employ some type of paediatrician? We told the Administration as far back as June or July; "There may be a possibility, you better start trying tentatively to find a house in case we get a recommendation." As to having contact with any particular person to employ him as a paediatrician, that is not the function of politicians. If there is going to be a paediatrician the post will be advertised with the conditions, if there are any conditions attached recommended by this Unit, and that will be done if I were to get the report within a couple of weeks. Otherwise, nothing has changed except that almost a year has gone by, the four visits have already been completed

and the report is being awaited within a couple of weeks. The Hon Member asked a hypothetical question: "Supposing they say no?" To that question I give no answer.

HON MAJOR R J PELIZA:

I am afraid that the Minister seems to me to be blinded by science and he has blinded me too. I really could not follow his argument. At one moment I think he said that the Government had not changed its mind and that the door was closed but my friend was infantile in his attitude. I would like the Hon Member to clarify that.

HON A P MONTEGRIFFO:

You are away from Gibraltar and you do not read the correspondence.

HON MAJOR R J PELIZA:

It is not what was said in the correspondence, it was what was said in this House.

HON A P MONTEGRIFFO:

In my first answer to this House in February the Opposition were very pleased with my answer. They did not query it at all and then in July the Hon Mr Restano wrote to me and

HON G T RESTANO:

If the Hon Member will give way. There was another question in between where there were a lot of supplementary questions.

HON A P MONTEGRIFFO:

Mr Speaker, the Hon Member apart from a paediatrician needs someone to look at his ears. I said that in February he put a question, I answered it and then he wrote in July, after another question here in June.

HON G T RESTANO:

That is different to what he said before.

HON MAJOR R J PELIZA:

So therefore the suggestion made by my Hon Friend is not so stupid as the Minister was trying to make believe when he started speaking in that in fact he is still giving some consideration to the suggestion made by my Hon Friend. Quite frankly, I think that his remarks about infantility and all the rest of it were quite unnecessary if he still thinks that the suggestion made by Hon Friend is valid. If he does not I think he should come out and say so. I am not going to go through all this rigmarole of the specialised type of paediatrician that should come to Gibraltar. The question of speciality about pollution, the degree of diseases and all the rest to me are very complicated and that of course I imagine is the sort of thing that should be done by a Consultant. I am looking more at the attitude of the people of Gibraltar, this is what I am looking at, and what the average mother and father in Gibraltar expects. Because, after all, we are living in a society and our medical services should give a service, this is what the people really want. One characteristic of the Gibraltarian is that we are slightly more demonstratively emotional about our children than other people are. We are very close to our children and if anything happens to one of our children we act immediately and we expect immediate action in return. So, therefore, looking at the mentality of the Gibraltarian, doesn't the Minister think that whatever technical advice he may be given, for the satisfaction of the parents of Gibraltar, wouldn't it be a good idea to have a permanent paediatrician here, of a general kind, I am not saying a specialist. I do not think a specialist would be of all that use in a population of 25,000, God knows, there might be only five or six of that kind of specialist in the whole of Britain if not in the whole of Europe. I believe that the Minister even said that that was available free of charge, so if it is available free of charge, now and again when we think that a study has got to be made in that particular section, perhaps, the specialist could be called out and carry out an investigation or whatever it is that is required. But I think from the day-to-day approach, Gibraltar is very much in need of a paediatrician and I really cannot understand why the Minister is so obstinate against the idea. He has not produced, to my manner of thinking, a valid reason why this is not so.

HON A P MONTEGRIFFO:

I have not said we do not need a paediatrician, I have said that we are waiting for a report from experts to find out if we need one.

HON MAJOR R J PELIZA:

Like everything else, Mr Speaker, he has been thinking about this for one year. If, perhaps, there had been no pressure from my Hon Friend on my left, he would have left things as they are, but because there is pressure and he just cannot make up his mind, he keeps postponing the decision and when one confronts him as we are doing now in this House with a yes or no, he will neither give a yes or a no and this is the general attitude of this Government, a Government of total inactivity. To me it is obvious that the Minister should make up his mind once and for all, possibly before the election, I hope, because that would be a very good matter to discuss publicly since I think it touches very close to the heart of the parents of Gibraltar and if he cannot make up his mind now I hope that by the time he writes the manifesto he will come out one way or the other because this will be very much an election issue and before that I do hope the Minister, for the sake of the parents of Gibraltar, for the sake of putting them at ease, that he makes a decision. Of course, if he brings a paediatrician overnight there are no children to be seen because they do not want to bring the children at a particular time, they want to have the service of a paediatrician when the child is ill. They do not want to have to wait three months to have the children seen to but I can assure the Minister that if we had a paediatrician every parent every time the child is ill will take him to the paediatrician and this to me is what is required, this is what the parents of Gibraltar want and this is the kind of service that we should provide because that is what the people want.

HON CHIEF MINISTER:

Mr Speaker, I undertook to reply to a number of questions which were put in a letter to me because I was not prepared to answer some of the silly questions in correspondence, I thought this was a better venue to answer silly questions. The Hon Mr Restano asked whether we had overruled the Minister because I told him that in anticipation of a favourable reply or a reply of the nature that he would think was favourable, ie, for the appointment of a paediatrician, precisely in order that we would not have the delay that we had in the filling up of the post of ophthalmologist, we thought we would be prepared this time and if the advice is favourable then we have done all the spadework, we have not got to start again from scratch and therefore it will be easier to do it because in fact the element of the whole problem as the Minister has rightly described, is that the consultants who were coming here wanted time in which to make up their minds. It is not that we have lost a year, we have won a year because whatever advice is given now would be the advice with the benefit of an important unit which has had

consultants here, have seen the problem, and have seen what it is. But the emotional side which is so easy to boost up which is that if you have a paediatrician every father will take his child to the paediatrician, well, in that case he would not be a paediatrician he would be a general practitioner. Because if you are a consultant paediatrician you are there to deal with the cases that the ordinary general practitioner cannot deal with and that is what medicine in my simple way of looking at it is all about. If it had happened in Gibraltar that there have been consultants who, because of the number of years that they have been in practice before they came into the medical system, have been available as General Practitioners, that is something that in a properly organised medical service is not seen with good eyes not only by the General Practitioners because in that way it might be said that they lose the catchment area for their own work, but by the Consultants themselves. No Consultant would like to be faced with a consultation of children with earache or simple things that any ordinary but necessarily good general practitioner would be able to diagnose. What will happen then with the paediatrician when the child requires to be seen at home because he has a cold or because he has a temperature or because he has a rash or because he has something which a General Practitioner is eminently competent to decide? Is it going to be that we are going to the paediatrician running around all the houses of Gibraltar? It is ridiculous. This is not what a paediatrician is for and the way in which the Mover has referred to the fact that he could do general practice and so on shows his utter ignorance of the problem.

HON G T RESTANO:

I never said he should do general practice. I said community service.

HON CHIEF MINISTER:

No, you said private practice and private practice for a consultant means seeing children referred to him by private practitioners. In fact if he is a consultant, he would be compelled under the terms of his appointment, to see all cases referred to him whether they were by private practitioners or whether they were by doctors in the Government service. The Minister has not been overruled, the only point is that in anticipation of a possible favourable reply, we were making the preparations in order to shorten the period for recruitment. As the Minister has said, we have it on the establishment, we did not have to come to this House for it so it was easy to prepare the papers for it and it would not have been the case of having to come first here and not being able to do anything because we had no authority. We have the authority and that is why I said we were getting on with it. When was

this consideration given? It was given at the same time as the Minister was speaking in the House. Then Mr Pestano says: "Since this consideration is in direct contradiction to the statement made by the Minister," It is not in fact the Minister saw the letter, the Minister vetted it because it had to be in accordance with his policy because it is his department and therefore there was no question of overruling the Minister. Mr Restano also says: "You furthermore state that should advice be received that a full-time appointment is desirable, it will be possible to take immediate action." Well, I have explained that. Then he goes on to say: "I presume that what you mean is that contact has already been made with a paediatrician who has presumably accepted to take up the post immediately," The answer to that is no, you are wrong in your presumption. I will tell you very clearly why, because if there is an appointment it has to be advertised, it has to go to the Public Service Commission. Politicians are certainly not entitled to appoint people to the public service. If people show interest, that is taken note of by the professional head of the department. Lastly, the Hon Mr Restano says in his letter: "Should such an acceptance have already been intrusted," which it has not and therefore the question does not arise, "What are the conditions of such an appointment of such a post?" I copy the answer given by my Hon Colleague that we do not reply to hypothetical questions. The Hon Mover, of course, throughout the summer has spent his time writing letters and keeping the pot boiling in that and other respects but the policy of the Government is clear, we must act not on emotion, not on what is popular at a particular time but what is medically sound. Finally, I understand that the Hon Mover invited Members of the British Medical Association to go into this matter but he has not told us anything about it nor has he said what advice he has received from the British Medical Association. In voting against the motion we are not saying that Gibraltar may not need a paediatrician which the Government is fully prepared to employ, but we will only act on medical advice and not on the advice of a letter-writer.

HON P J ISOLA:

The Hon Mr Brian Perez wrote a letter to a newspaper and referred to some complaint by a DPMG member about the Generating Station, as electioneering. Well, if what I have heard today is not electioneering, Mr Speaker, on the part of the Government, I just cannot imagine. I have great admiration for the Minister for Medical Services, he is an extremely shrewd politician as, of course, is the Chief Minister. All I can say to my Hon Friend the Mover of the Motion is to congratulate him on his success because although the Motion will be defeated, I can assure the House that we will have a paediatric service announced by the Government with or without a favourable report before the

election in January. I can assure the public so anybody who has worries need have no fear. Mr Speaker, why do I say this? It is perfectly simple. The Hon Mr Montegriffo has said it and the Hon Chief Minister has said it. The former makes a speech in which he tells the House what he answered in February and he tells the House they are waiting for all these medical reports and when they arrive then they will act and if the medical report advises against a paediatrician I took note of his words, we shall see. The Hon and Learned the Chief Minister says if the report is against, well, that is a hypothetical question. If we are waiting a year for a medical report, what I would have expected the Government to say, if they are acting on medical advice only and not on the social needs of the community and what people are demanding, I would expect their answer to be: "If the medical advice we get is you do not need a paediatrician we will not have a paediatrician. I am convinced that we will have a paediatric service and I am convinced, equally, that I think that my Hon Friend is to be congratulated on the campaign that he has run in the newspapers and meeting associations

HON CHIEF MINISTER:

Aren't you electioneering now?

HON P J ISOLA:

Yes, I am not afraid of saying it, because an election is to get the people to elect you to do the things that you think should be done and one of the things that we think should be done is to have a full paediatric service in Gibraltar and we think it is necessary in a community that is small, in the same way as we require a Ear, Nose and Throat Specialist and we require a Heart Specialist and a whole set of specialist services and if I may say so, respectfully, to the Minister, he has done a lot of work for the medical services in Gibraltar and I would not wish to denigrate from it but I think where he has failed is that he has not set up a full range of specialist services and that the specialist services that we have are fast dying away because unfortunately a number of our specialists in the hospital are all extremely elderly people and we do not see the substitutes, but that is another issue, Mr Speaker. When the Hon Minister is surprised by the remarks of the Hon Mover that the paediatrician should be able to do private practice as if one of the deadly sins was being committed, I can only remind the Minister that I do not think he has got a single specialist in Government service today that does not do private practice.

HON A P MONTEGRIFFO:

Only two out of five.

HON P J ISOLA:

And if they have to do private practice in order to have a paediatric service I would say, have it, if that is what we need. Mr Speaker, as far as the Hon Mover is concerned, I think the Government, by their answer, it is obvious to me that they agree. I think that the Government accept and acknowledge that there is a lot of concern in Gibraltar not just by my Hon Friend who has spear-headed the campaign to get something done, I hope we are all going in the same direction and we all want the same thing, a proper service, if it is necessary and if it is required. My Hon Friend has spear-headed the campaign and that has brought out people who are interested in this service, associations, unions, etc, have come out with the need for a paediatric service and it is a fact, is it not, that a great number of people in Gibraltar feel obliged to go outside Gibraltar for a certain number of specialist services and paediatric service is one of them. I congratulate the Mover because I think that even though the Motion may be defeated I think we will have the service and I think the Government just want the official stamp to push them to it. I think they must have realised that there is genuine concern in Gibraltar about having a paediatric service. I think they have also realised that responsible associations are clamouring for it. They also realise that there is a certain amount of medical opinion in its favour as well. The Minister said lawyers never agree, but I would respectfully add that doctors never agree either and this is true and that therefore they must make a judgement not just on medical advice but on all advice available to them and on what are the social needs of the population. Prima facie, Mr Speaker, there is an obvious need to have a specialist for the welfare of children when we have got such a great number of children in Gibraltar and, thank God, the numbers are growing and not reducing. On the face of it it would appear that it is sensible to have a paediatrician in Gibraltar, equally, from the Government's own admission, they have got provision in their establishments for a paediatrician, so why don't they engage one? Finally, Mr Speaker, I would welcome some sort of remarks from somebody in the Government benches whether there is not already some paediatrician who is interested in the job.

HON CHIEF MINISTER:

I have already said so. There have been people who have shown interest but that is not a matter for us, it is a matter for the Public Service Commission.

HON P J ISOLA:

I am very glad to hear that because then, possibly, we will have the whole thing moving before the end of the year.

HON G T RESTANO:

Mr Speaker, it is obvious that the Government is going to vote against this motion for quite the wrong reasons. It is of course merely because the suggestion has come from this side of the House and I think the Government is too petty to realise or to agree that other people have ideas better than their own. One of the things which the Minister for Medical Services said in his contribution was that in June I had asked for arbitration. In fact, Mr Speaker, let us get our facts right because I know that the Minister for Medical and Health Services always likes to say half truths and not the whole truth, so let us get the whole truth and when he makes any allusions to what I say, I think he should really say it all and not just part of it. What I asked him in June of this year was to reconsider his decision and what he said was that he would not reconsider his decision and I asked him that in the light of there being two different opinions from two eminent paediatricians would he then not consider taking the opinion, and I never said arbitration, taking the opinion of a third party. That is no arbitration, that is taking an opinion and I am sure the Minister for Labour should know that. The Minister for Medical Services mentioned the different types of paediatricians that there are. This is precisely why we need general service paediatrician, not a specialised paediatrician. That service is being provided very efficiently by the King's College Research Unit. We do not have for example, in Gibraltar surgeons who specialise in the liver or the heart, we have a general service surgeon and that is the sort of paediatrician that we need and the whole point of wanting a full-time paediatric service rather than these visits four times a year is that you do get, as the Minister has quite rightly said, one paediatrician who comes out specialised let us say, in lung conditions and then four months later you get one who is specialised in stomach problems, so that the child who is seen by the first one in January is not seen again by that same specialist until a year later because he does not come until a year later and therefore what we need is the continuing process of looking after the children and seeing whether the treatment that has been prescribed is taking effect or not. I am surprised that the Minister should say that if we were to have a full-time paediatrician he would grow stale. I hope that by implication he is not saying that all our doctors are stale because they are in Gibraltar. The Chief Minister said that the difference between the case in hand now and that at the time of the Ophthalmologist was that we were going to start from scratch and we will not have the delay. If I remember correctly there

was a certain delay between the time of it being announced that the previous occupant was going to vacate the post and the time when the post was advertised but then the real delay came afterwards, the real delay came after the advert had been placed and it took about a year, if not more, to recruit somebody. When the Chief Minister gives the impression that the consideration that has been taken by the Government now is to put in motion the advertising of the post and to advertise should there be a favourable report now from Professor Stroud, that does not mean to say that we are going to have a paediatrician straightaway. We could well be faced with the same problems that we were faced with the Ophthalmologist. The Chief Minister also said that we had not lost a year but we had won a year. That really is a silly statement. We certainly have lost a year because for a whole year Gibraltar has not had a paediatrician. He made reference about private practice and private practice, as my Hon Friend on my right has said, is in fact carried out by quite a number of consultants who are in Gibraltar already and it may well be that by giving the opportunity to somebody who will take up this post to do a little bit of private practice, it will be an additional incentive for him to come out here and to get a more highly qualified paediatrician. I am sorry that the Government has not really given any explanation as to why there should be provision in the establishment for a paediatrician and yet it has not thought fit to employ one. I have not yet received one single explanation to that effect and it shows that if it is on the establishment, it is not by this Government today but certainly by Governments in the past it must have been considered that a paediatrician was essential and was a necessity, otherwise it would not have been on the establishment. I just do not know how it is that the Government can possibly say that they are not prepared to take steps to employ a full-time paediatrician.

HON A P MONTEGRIFFO:

If the Hon Member will give way. We have a paediatrician in the establishment because at the time we had a paediatrician cum physician and the advice I have been getting all the time is the advice he got from the British Medical Association in Gibraltar who advised them that we did not need a full-time paediatrician. I do not say that I agree with that. I will agree with whatever Professor Stroud says but the fact is that he got the advice when he was trying to get a third opinion and he got it from the local British Medical Association and I know what they told him.

HON G T RESTANO:

It seems a great pity, Mr Speaker, that in fact the Minister for Medical Services does not seem to have any opinion at all,

no policy. I think that it will be very wrong for the Government to vote against this motion because it is a service which is required and people want it and I think the Government on an issue of this sort, should certainly take immediate steps to have the service implemented.

Mr Speaker then put the question and on a decision being taken the following Hon Members voted in favour:

The Hon P J Isola
The Hon Major R J Peliza
The Hon G T Restano

The following Hon Members voted against:

The Hon I Abecasis
The Hon A J Canepa
The Hon Major F J Dellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon A P Montegriffo
The Hon J B Perez
The Hon A W Serfaty
The Hon Dr R G Valarino
The Hon H J Zammitt
The Hon D Hull
The Hon R J Wallace

The following Hon Member was absent from the Chamber:

The Hon J Bossano

The motion was accordingly defeated.

The House recessed at 5.30 pm
The House resumed at 6.00 pm

HON P J ISOLA:

I have the honour to move the motion standing in my name which reads: "This House urges the Government to take, without any further delay, the following action in relation to the Varyl Begg Estate:-

- a. To issue proceedings against any firms or companies that the Government considers could be responsible for the situation in the Estate so that the matter can be determined judicially as soon as possible;
- b. To implement remedial measures and effect all the necessary repairs required in the Estate immediately."

Sir, I would like the House to look at this Motion as the last of a series of motions that have been moved on this side of the House in relation to the Varyl Begg Estate and to the situation there which borders on nothing short of scandalous at this stage. Mr Speaker, it is now I think some five years at least when the problems of the Varyl Begg Estate came to the notice of the Government and during that time we have asked for a number of things to be done and one of them was that we asked for a public inquiry, I think that is one and a half year's ago when we felt that enough time had gone by for somebody to determine who was to blame for what was happening and what measures should be taken. That motion for an enquiry because there were different points of view as to liability or as to who was to blame or as to what had to be done, or as to who should have done the building in the first place, or whether it was properly designed and there were a whole series of issues and we asked that there should be an inquiry to settle the matter once and for all. That motion was defeated. In recent times, as the situation got worse and worse because the longer it takes to effect any repairs the more expensive the repairs will be and, of course, the greater the amount of residual water that will be down at the bottom of the building which I understand creates dampness and which will take years and years to disappear or to remove. So the longer the delay the worse it will be for the permanent solution, apart from the cost involved.

Mr Speaker, we have heard in the past, arguments between the contractors and the consultants and the Gibraltar Government as to who was responsible. We think that enough is enough, we think that the Government, through its expertise in its Public Works Department and its whole range of technical officers, should and does know what is required to be done. We think that if the consultants and the contractors and the Government are not in agreement as to whose fault the whole situation is and as to what remedial measures should be taken, we believe and we think that the Government should say: "Enough is enough. We know what has to be done, we will execute the repairs", and at the same time, so that time is not wasted because legal proceedings always take a long time, issue legal proceedings against the party that they consider could be responsible and let the courts decide who pays the bill. If it is the Government who is responsible, the Government will have to pay the bill. Mr Speaker, these people in Varyl Begg Estate have been living under these conditions for a great number of years. It is inhuman to expect them to go on living in these conditions for an undetermined period of time whilst questions of liability are resolved by negotiation. You can give negotiation a certain amount of time, five years is too long. Some would think that a year is too long and that is why I am moving this in direct terms. I think the Government should now say: "We will do these repairs, we know what is wrong, we know what is to be done and we have confidence that we are

not to blame and we have confidence that the Courts will make one or the other pay so we are going to do it. The negotiations stage has now gone by, we have talked enough with you, we have spent enough money engaging independent consultants to convince you that you are responsible, we are now going to do it and the lot is going to fall on you or on you."

Mr Speaker, in another capacity I am a lawyer, I can see nothing wrong with that. It is a sort of situation that arises time and time again in this sort of situation and although you try and discuss and settle and talk there comes a time when enough is enough and when you have got the lives of people at stake as you have in Varyl Begg with these odd fires that come from water coming down electrical ducts and so forth, when you have got property at stake, when you have got people not having the same quality of life as others in Gibraltar have because of all these dangers and all the elements, then I think it is time for Government to move. Government has been too slow. We are not censuring the Government for this now, we are asking the Government to approve the motion and to show determination to get things put right and to start doing it. I cannot see if in the absence of the other side or the other parties just not coming to an agreement, I cannot see how Government can get recompense except through the Courts and that is why we say after four or five or six years, whatever the period may be concerned, the Government should say: "Enough is enough, we will implement the remedial measures and we are going to sue you", and do it and let the courts decide and let us abide by the decision of the Courts. It seems to me, Mr Speaker, that this is the only way we can get things done. The statement by the Chief Minister in question time that there was a meeting going on in London again between the consultants and the contractors, how much longer is this going to go on for? What sort of conditions are the contractors going to put, or the consultants going to put and are they going to agree in every detail or are they going to agree in some and not in others and is this going to go on and on. I say that the Government has been more than reasonable with these parties and the Government should move in and do it themselves and put an end to the misery of people who are entitled to live in decent conditions in Gibraltar.

Mr Speaker, I hope I am not controversial in what I have said, I am sure I have not been, and I would like this motion approved and let the people know that the Government means business and is going to get on with it.

I commend the motion to the House.

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

HON J B PEREZ:

Mr Speaker, the Varyl Begg problem is no newcomer to this House, since the matter has been debated on many occasions during the last few years. Furthermore, I think it has been made absolutely clear throughout all these debates that this Government is in no way at fault in respect of the present problem of Varyl Begg Estate. I would therefore very strongly urge members of this House not to attempt to make any political capital out of this unfortunate situation since I feel that by doing so it can only be detrimental to the people who are living in such conditions in Varyl Begg Estate.

Mr Speaker, apart from the Spanish restrictions, I feel that it is the biggest headache that this present Government has inherited and as in the case of the restrictions the present Government is in no way to blame for the present conditions of some flats at Varyl Begg Estate. This administration has had the Varyl Begg Estate problem at the top of its priority list for many years since, obviously, it does not wish to see people living in such conditions. I think it is completely on the contrary, and that this Government's record speaks for itself in particular with regard to the vast improvement in living standards and conditions which they have achieved for the people of Gibraltar throughout the years. The Varyl Begg Estate situation is indeed a very complex one and the Government must look not only to its Attorney-General for legal advice on the matter but must also look for a solution which will not burden the Gibraltar taxpayer, or the ODA for expenditure. The Hon Mover of the Motion asks the Government to issue proceedings against firms or companies that the Government considers could be responsible for the situation and also calls for Government to carry out immediate repairs in the Estate. I think, Mr Speaker, that this really calls for a close scrutiny and investigation into the whole history of the Varyl Begg Estate to see where the fault lies. I have attempted to go into this matter and I have carried out some research and I have found that the decision to launch the Varyl Begg Estate project was taken some time in April, 1972, by the then IWBP administration and it was taken only one month before the calling of a General Election which was in May, 1972. At that time, the then Minister for Public Works, Mr Caruana, announced publicly that he had just returned from the United Kingdom where in the offices of the consultants, namely Sir Hugh Wilson, he had personally handed over to the contractors, Taylor Woodrow, a letter of intent for the construction of the Varyl Begg project. The then Minister announced at the time that the project was in the region of £4.65m and 652 flats would be built which would in turn house 2,600 people. The Minister further stated that whilst in England he was shown around a development which Taylor Woodrow were carrying out at St Catherine's Docks which was under construction and the same method of construction which was being used there would be utilised in Gibraltar for the Varyl Begg project. The

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Minister at the time described this method of construction as revolutionary. I think members of the House will recall Mr Caruana making similar remarks about the VTB distiller. He also stated at the time publicly that this building method was considered to be highly rationalised so that the whole of the Varyl Begg project would be expected to be completed within 35 months and the first blocks ready for occupation by September, 1973. The Minister, Mr Caruana, at the time also stated that this project would break the back of the housing problem in Gibraltar. Mr Speaker, metaphorically speaking, the only backs broken have been those of the present administration who were the inheritors of this fiasco and, of course, of the tenants who deserve every sympathy and whose interest are foremost in the minds of this Government. The developments that subsequently took place and the faults that arose subsequently were dealt with at great length by my Hon Colleague, the Minister for Public Works, in the last meeting of this House on 25 June of this year so I do not intend to go over them again since it will clearly be fresh in the minds of members of the House. Also the policy that the Government had on the matter was clearly enunciated by the Hon and Learned the Chief Minister in the same meeting of the House.

Mr Speaker, this Government is today faced with a very complex situation. It has clear-cut policies on the matter and has a situation at the top of its priority list. However, we must not fall into a trap in taking steps which will subsequently be regretted and which can only result in a severe financial burden to taxpayers in Gibraltar or on the ODA for which neither the taxpayers of Gibraltar nor the ODA are responsible in that respect and that, I think, has been the main approach taken in this matter by the Government and it is one which has my full support.

HON ATTORNEY-GENERAL:

Mr Speaker, the first paragraph of this motion enjoins the Government to issue legal proceedings in respect of the situation at the Varyl Begg Estate. It is for the Government to decide at what stage to issue those proceedings to seek a legal remedy in respect of the defects and in doing so, of course, it does look to me to offer advice on the legal issues. The Hon Members opposite are entitled to comment on the way on which this issue was addressed but I must, however, myself give my advice according to my own judgement and I have got no doubt that the Government will do the same thing. Mr Speaker, as the matter stands, the Government has an Estate with defective roofs. The motion urges that legal proceedings be taken against the persons who could be responsible. Our first concern had to be to establish what was wrong, what the causes were and who was responsible. For that purpose the Government obtained a report. Such a report was, in my view, a necessary step to take. The final report on the roofs

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was received in May and it was considered and discussed with the authors and I think that is the point from which we must take it. If I can reiterate, we had to have that report, that report was a necessary basis for future action and that I think, if we are to adopt a constructive approach and I myself would welcome a constructive approach towards this serious problem, that is the point from which we now proceed. In the light of that report the next question was how to proceed. There were two avenues open. The Government, of course, has been advised by me on the question of liability, it had a view on the question of liability, I would like to be able to be more specific now but I am sure that Hon Members opposite and in particular the Leader of the Opposition will understand that I cannot go into detail as to what I consider the case for that liability to be, but we do have a clear view on it. As I say there were two avenues open, one is to institute proceedings now, that is an alternative which the Government has addressed its mind to from time to time and which it must continue to keep in mind, there is no doubt about that. The other is to see whether it is possible to resolve the matter without having to go to such recourse at this stage and the fact of the matter is that it is the second alternative which for the time being the Government has decided to pursue. At present there is a reasonable basis for supplying that this may be a fruitful avenue to pursue and it is hoped that we will be in a position shortly to report material progress on this.

Mr Speaker, the Government's objective is to procure the remedying of the defects and to sustain its legal rights. The motion proposes separate action on each head and I have to acknowledge that it may yet have to come to that and the point may arise very soon now where it must come to that. If, in my judgement I think that point has been reached I will so advise but it follows from what I have said earlier that at this point I am unable to arrive at that course of action and advise the Government accordingly. I think it is still, and I know the Leader of the Opposition is not going to agree with me on this, but I think it is still a little premature to reach that point. For this reason I cannot support the motion as it is worded, the difficulty I have with it is that it seeks to advise the Government to reach that decision now when I think even at this stage that it is more appropriate to leave it a little longer.

HON MAJOR R J PELIZA:

Mr Speaker, I think the intention of the Hon Mr Perez is to lay a very thick smokescreen about the real problem of the Varyl Begg Estate. I think I should try and blow that smoke away so that we can see the situation clearly as it is today and as it was when we obtained from ODA, you might almost say an open-ended commitment to as many houses as possible within

reasonable expenditure of course in the area that they have been built. It was a tremendously difficult task first of all to find a level place where you could construct speedily obviously those who are without houses cannot wait indefinitely to have a house and want it as soon as possible and that was the kind of priority that we attached to our Development Programme, and also the figure of 600+ flats was quite an achievement whatever the young Member of this House might think. If he looks at the record of the Government in which he is serving he will find that the number of houses built during the time that he has crossed the floor and joined them and even before he crossed the floor, are not all that many. If he compares with the 600 that was achieved within three months of our being in office, I think he will accept that at least the number of flats obtained from ODA was quite a reasonable number of flats for Gibraltar and we thought that with a few more years in Government, and this is why we said we had broken the back of the housing problem, because we think that if we had been in Government another 600 houses might have been built by now. Of course nothing has been done, I do not think this Government has got the shoulders to carry any real effective burden of productivity. They seem to be happy with seeing problems surrounding them and blaming other people for it. Excuses, excuses and this is just another excuse that has been produced by the Hon Mr Perez for the inactivity of the Government. The fact remains that when we obtained from ODA the undertaking of building these houses we were also given the name of the consultants. If it is not our money and if ODA suggest the consultants, who are we to tell ODA these are not the consultants we would like, we would like somebody else. Then we would have been rightfully blamed had we decided to go with somebody else. If we had looked for another consultant we should have been open now to criticism for having acted without any knowledge. Therefore, we quite rightly accepted the consultants. When the consultations were over and they produced what they thought should be built in Gibraltar we agreed with what they suggested, technically we could not know any better and we went ahead in the normal way of putting out a tender. The tender was granted to Taylor Woodrow, not by the Ministers, because quite rightly we should not interfere in that. The tender is given by the tender board or whatever authority decides on that but certainly not the Ministers involved. Taking the proper procedure, as we should, the tender was given to Taylor Woodrow. Unfortunately for Gibraltar, which is paying the price now, when we went to an election before our time, we were defeated, but by that time I doubt whether there was one brick on top of another laid on that site. It was very soon after they started laying the foundations that there was a change of Government and therefore what happened after that cannot be our responsibility. It was not our responsibility and I think that it was then up to the new administration to see how the construction was going on and as soon as the first block was ready, to have made a very thorough inspection

of that block before it was handed over and, subsequently, to have paid attention to the complaints that were coming from that block because the complaints were coming in fairly quickly after that. No notice was taken and more blocks were built in exactly the same as the original one. More complaints came in and all this you can see by the questions and answers that we have had in this House over the years and so, today, we find ourselves with a problem that need not be there if the Government at the time had taken appropriate action.

MR SPEAKER:

We are not discussing that, we are discussing the steps to be taken as a result of what has happened.

HON MAJOR R J PELIZA:

The important issue is not just what technical remedial action should have been taken then but what action should have been taken by the Government when at a very late stage because they were not on the ball, at a very late stage, when it came to their notice, they did not even take appropriate action even then. As I have said in this House before the attitude and the policy of the Government should have been based on the following logic. If the houses had to be put right, as I think it is logical that they had to be put right, then the Government would have found out immediately what was wrong with these houses and started putting it right. As to who was to blame that can come later because as we can see the legal procedure is very long and if the situation is allowed to go on as it is today it will probably take another couple of years before a final decision is arrived at. In the meantime, three things are happening, the people of Gibraltar who are living in awful accommodation have not got the proper accommodation which was the intention in the first place in building the houses. Secondly, the houses themselves are deteriorating and, thirdly, the cost of putting it right is going to be much more than if they had been put right at the time that they should have been put right. If it was not prevented by altering the construction of the houses in time, then it had to be done at the time that the Government realised that something had to be done. Whatever legal arguments may be used, I still believe that this should have been the way to tackle the situation had it been my administration and I then would have allowed for the legal process to take its course but no one could have come at the end of the day and said: "Even you are not sure who was to blame and if you had taken the steps that a reasonable person would have taken, action would have been taken in time, the repairs had been carried out in time they would not have cost as much as they are going to cost today even if I am to blame because if you didn't let me know that I was to blame early in the day that

is not my problem, that is yours, you should have found out. When I handed over they were alright according to you, why should you come at this late hour and ask me to put it right and pay the inflation price as well?" All these arguments, I am sure, are going to come out. At the same time, because no action was taken in time, we have been losing the rent of all those houses. For all these reasons, Mr Speaker, I think that even if it is late in the day you might say that the same arguments that applied two or three years ago, apply today. As my Hon Friend said we are not in any way trying to create any controversy in this particular motion today, what we are trying to do as a responsible Opposition is to move the Government to taking some action to get the repairs under way, to make those flats available for the people of Gibraltar as soon as possible and to reduce the cost of putting them right by every possible means. That, I think, is the intention of the motion that we have brought to this House. It is a responsible approach and I hope the Government will take it in that way.

HON CHIEF MINISTER:

Mr Speaker, I think the two legs of the motion are very closely connected because it envisages the issuing of legal proceedings at the same time as doing all the major work so it is impossible, I am glad the Hon Mover agrees with this, it is impossible to accept the second even if one could, as it stands, and refuse the first which is necessary on the advice as explained by the Attorney-General. It is very difficult to split them and take a separate view of the second if you are against the first. For that reason and because there are elements in the second leg of the motion, part of which is already happening and we are prepared to continue to do it, and because the two are together, I am proposing an amendment to the motion as follows:-

- i. by the deletion of the whole of sub-paragraph (a);
- ii. by the deletion in sub-paragraph (b) of the following words: "implement remedial measures and" from the first line thereof and by the deletion of the words "the necessary" in the second line thereof and the substitution by the word "urgent".

The motion would then read: "That this House urges the Government to take without any further delay the following action in relation to the Varyl Begg Estate: to effect all urgent repairs required in the Estate immediately."

That we are already doing, in fact, we have been doing that all the time but more recently, shortly after the very heavy rains that came early this year, as a result of that, all the electrical installations of all the top floor flats in the Varyl Begg Estate have been, not restored, but we have had emergency installations installed in lieu of the other ones

through which the rain looks for its way out in the electricity conduits and therefore all the flats that are being affected by electricity severely have had that supply cut off and a supply with external water-proof cables apart from the fact that all the ring mains are still working but we have supplied that and we are also going to restore some of the cardboard partitions that have been rendered useless by the water because water happens, if it takes a little longer, we hope it will not, this people are entitled to have the houses reasonably restored before the final work is done in order to cover the roofs. As to how the matter is going to develop it is difficult to say, perhaps we will be able to say that in a couple of weeks' time. As the Attorney-General has said the matter is well in hand now and the Minister for Public Works said earlier in these proceedings that there were talks going on as a result of that report the last part of which as was pointed out by the Attorney-General was in May and that should be no reason why everything should not be done for those who are having to suffer the inconvenience of these leaks to have the part of the premises that have been damaged restored and the electricity repaired as is being done now. For that reason, Mr Speaker, I move the amendment.

Mr Speaker proposed the question in the terms of the Hon the Chief Minister's amendment.

HON P J ISOLA:

This is sweeping the main issues under the carpet. I think it is an insult to the people in Varyl Begg to come and move an amendment to the House saying you are going to execute urgent repairs. I should jolly well hope so, Mr Speaker. I would hope that urgent repairs were being effected as urgency occurred in the last seven years. If all I can achieve by bringing this motion is that the Government is going to do what is urgent, I really would not think myself very successful. I think it would have been better for the Government to have voted against this motion. We have no choice, the amendment will be carried, Mr Speaker, but I think it is sweeping under the carpet the real issues that face us in relation to Varyl Begg Estate, that face the taxpayers in Gibraltar, that face the ODA, that face the Contractors and the Consultants. We are trying to shelve it once more. Once more delay, once more prefabrication.

HON MAJOR R J PELIZA:

The amendment is so eloquent in itself for any discerning individual that what they are saying is: "We are going to carry on doing what we have been doing up to now and no more."

I do not know how much they have been doing up to now but it seems by the complaints coming from that Estate that they have not been doing very much unless it is self-critical of themselves of the urgent work that they should have been doing up to now and they have not been doing it but perhaps, if we have achieved that, something is better than nothing. The object of the motion, as the Chief Minister perfectly well knows, is much more than that and this is why he has introduced that amendment because he is prepared to carry on waiting and I think the Opposition would not like him to carry on waiting no more than the people in Varyl Begg. I think the people there would like to see some action and I am afraid that the Chief Minister has indicated very clearly by that amendment that he does not intend to do anything about it.

HON J B PEREZ:

I am rather surprised at the attitude which has been taken by members of the other side in particular after listening to the intervention by the Hon and Learned the Attorney-General.

HON ATTORNEY-GENERAL:

If I can speak to the amendment. I cannot agree that it follows that because the amendment has been proposed, that the original motion has been swept away under the carpet if what we have said before is taken by the members of the Opposition. We are not by this amendment indicating that we propose to do nothing, rather we are indicating that it is not an appropriate time to proceed with the motion in the terms in which it was drafted and presented by the Hon the Leader of the Opposition. That is the effect of the amendment, it is in no way at all intended to sweep this matter under the carpet and to let it lie.

HON CHIEF MINISTER:

I wish to reply to the amendment very shortly. I am glad for the intervention of the Attorney-General because that is exactly what I was going to say. There is no intention of sweeping the issue under the carpet. I think it must be unique in parliamentary history that an Opposition expects a Government to enter into litigation on a subject matter at the behest of the Opposition, without the Opposition knowing the situation and attempting to say: "Whoever may be to blame you carry on irrespective of the cost", when, in fact, the legal adviser to the Government is saying we have a pretty good chance, and in fairness to the Attorney-General I would like to say that since he has taken office he has given a considerable amount of attention to this matter which is of the utmost importance. He knows the priority,

he has been to London, he has seen the people concerned and he is really completely keyed up to the situation and, as he says, he has got a view but he has got to wait just a little longer to see whether it is possible to avoid litigation and, in fact, it would be also very dangerous before that is decided, to embark in litigation and embark in expenditure if there is a chance of the matter being settled out of court as in fact it is likely that it will be.

Mr Speaker then put the question and a vote being taken the following Hon Members voted in favour:

The Hon I Abecasis
The Hon A J Canepa
The Hon Major F J Dellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon A P Montegriffo
The Hon J B Perez
The Hon A W Serfaty
The Hon D Hull
The Hon R J Wallace

The following Hon Members abstained:

The Hon P J Isola
The Hon Major R J Peliza
The Hon G T Restano

The following Hon Members were absent from the Chamber:

The Hon J Bossano
The Hon Dr R G Valarino
The Hon H J Zammit

The amendment was accordingly carried.

MR SPEAKER:

I would remind the House that the motion, as amended, reads as follows:

"This House urges the Government to take without any further delay, the following action in relation to the Varyl Begg Estate:-

To effect all urgent repairs required in the Estate immediately."

Any Hon Member who has not exercised his right to speak to the original motion is now entitled to do so.

HON M K FEATHERSTONE:

There is very much to be said further in this debate. I think that the Hon Major Peliza, as usual, put forward his red herrings. He said: "We got this scheme going but almost immediately for some reason or other we went out of office and therefore it is no concern of ours what happened ever after that, it is the concern of the new Government." Of course, that is not exactly correct because they saddled us with a VTE distiller, it was already ordered by that Government, we had to accept it as it was, we could not cancel the order. The whole situation with Varyl Begg Estate was that whether we liked it or not we were saddled with Sir Hugh Wilson and we were also saddled with certain advice that I believe emanated from the IWPB Government which even Sir Hugh Wilson had not put in his original specifications and that was certain drying walls which apparently have given a considerable amount of trouble and I think this was done expressly at the wish of the IWPB Government. One thing the Hon Major Peliza said was: "They should have gone on with the job, they should have found out what was wrong." This is precisely what we did do, we did find out what was wrong by engaging a firm of consultants. We could not find out what was wrong by the normal process of applying to the builder or the architect because they were at loggerheads, one was saying that nothing was wrong with the design, the other was saying that it was the design, one was saying that it was the workmanship that was bad, the other was saying: "Alright, we accept that some of the workmanship is bad but even if we put it right it would still leak because the design is bad," and so we had to go to a third party to find out what was wrong and of course this unfortunately takes a certain amount of time. Now we do know what is wrong and we do know what is necessary to remedy the situation but if we were to follow the second suggestion or the second part of the motion, it would be very interesting to know how we were going to implement these remedial measures. The Public Works Department has neither got the capacity nor the staff to do this themselves and so I would assume it would have to go out to tender. It might be very interesting if Taylor Woodrow were the lowest tenderer in the whole thing. If it were not Taylor Woodrow but another party, we would now have three parties in the mess and the situation in litigation would be even more complicated still. The final thing I would say is that to some extent the whole motion is a little unnecessary

because we are already effecting urgent repairs as rapidly and as quickly as we are informed of them.

HON P J ISOLA:

Mr Speaker, I agree with the last sentence of the Minister for Public Works. There is no need for the amended motion. He says that they are already doing urgent repairs and my short answer was: "I should jolly well hope so." I agree with him that it was his side who proposed this amendment, this unconstructive amendment.

Mr Speaker, I am amazed that the Hon Mr Perez, the Minister for Public Works, and others, should go back and still flog that dead horse of the original design of the Varyl Begg Estate. The short answer to that is, if there was so much to blame and if the Hon Mr Joe Caruana should have been much cleverer about this and if that is a fact and that is a charge that can be laid home, why didn't the Government accept the motion moved by my Hon Predecessor in October, 1978, that there should be a full and public inquiry as to everything to do with the Varyl Begg Estate including the decision to appoint, by the ODA, Hugh Wilson and Partners, including the decision to give the contract to Taylor Woodrow and the letter of intent signed by the Minister, including what the Government did or did not do as soon as these faults appeared in the very first block or the second block. We repeat that offer and I would welcome an amendment to the Motion now, at this late stage, asking for a full inquiry and let us put the whole thing down to rest. Let us have an impartial judge deciding where fault lies. Let us have it, by all means, but I am not going to accept the Minister saying that Mr Caruana made a tremendous mistake in appointing Sir Hugh Wilson and Partners, as if Mr Caruana or anybody else in this Government knows anything about consultants or who should be or should not be appointed. Anyway, Mr Speaker, it has taken the Government seven years to find out what was wrong with the Varyl Begg Estate, so if it has taken them years, with a whole set of new consultants, with all the expertise of the Public Works Department and all the Ministers on that side, what did they think Mr Caruana was - God? Mr Speaker, all that is irrelevant to the issues that we are facing today. I am becoming very worried and I will say why. In May, 1979, we find out finally what is wrong, I will not ask why they have taken so long over it, we used to hear here that it was just the flat roofs. We have this problem and this is why I suspect that there is reluctance to issue legal proceedings, that a court may well decide if Government decides to do the remedial measures themselves, a court may well decide that you are entitled to recover the cost of putting things right at the time that you should have discovered they were wrong and at a reasonable time thereafter when you could have with due expedition put it right and that you cannot come round in 1980 and say: "We knew in 1974 that

the roofs were faulty, we knew what had to be done but we decided not to mitigate our damage, we decided to go on arguing and talking in the hope of peace." The Government might find itself in that situation and I suspect there may be a fear about that and if that is the situation then it is more serious than I thought. Mr Speaker, what is this reluctance to institute legal proceedings? I heard the Hon Mr Perez saying: "We do not want to spend the taxpayers' money." Of course we do not want to spend the taxpayers' money, no one has suggested that we should do that. The taxpayers' money is only going out on loan while liability is sorted out by a court since after seven years the parties themselves have not decided who is liable. Of course, we do not want the taxpayers to pay, no one is suggesting that, but what we are suggesting is that if we say: "You, contractor, are to blame", and the contractor says: "I'm not to blame, it is the consultant", and you go to the consultant and say: "You are to blame because the contractors says you are to blame", and the consultant says: "I am not to blame it is the contractor", what do we do? Do we go on doing this? Even with the independent report of consultants you are in exactly the same position if that happens and what I am saying is and what this motion seeks to do is to say: "Enough is enough, Gentlemen, you have had seven years to decide who is responsible. We know who is responsible and we are now going to sue you and, what is more important, we are going to implement measures to put the place right at our expense. We are going to ask the Court to get the money out of you or you or whoever is responsible." That is what we ask in the motion and the reason why I say that, Mr Speaker, is that this is not the same sort of case as, for example, when two ships collide and one ship goes down to the bottom of the ocean and you start discussing who is to blame between the two parties and one says: "I am not to blame" and the other says: "I am not to blame", and you go on discussing and then after three years, you say enough is enough and you sue. There is no hurry then, all that you are losing is money, all that you are losing is time but here there is a different consideration. There are people living in that place. You cannot afford to just wait until people decide that they will do the work and on what conditions.

HON ATTORNEY-GENERAL:

If the Hon Leader of the Opposition will give way. My intervention is a little late but he did refer to a reluctance to take action and I would like to correct that impression because there is not a reluctance to take action and I would like to make the point because it is important, I think, not only for the Government but for Gibraltar, that we do not give this impression. It is not a reluctance to take legal action, there is a belief that we may be able to do something without reaching that stage.

HON P J ISOLA:

Mr Speaker, I am very glad to get a formal assurance that there is no reluctance to take legal action and, accordingly, I hope that the decision will be made to take legal action without further delay. What I was trying to say before, Mr Speaker, that this is not a case where people can afford to wait while you talk, while you discuss, while you go to court to decide. There are people affected living in the Estate. This is the whole difference here, the Government has a responsibility there or if it is the Gibraltar Government or if it is the Ministry of Overseas Development. They have a responsibility, too, because they have given that money to help the social needs of the people of Gibraltar and there are people living in discomfort and in danger and have been living there for years and that is the difference and that is why this motion urges the Government to take the measures themselves. You have got your independent consultants, they have told you what is wrong, you have got your own people who have told you what is wrong, you do not have to keep the holes open for a judge to go and have a look at them. You block the holes at whatever it costs you to block them and then you make the contractor, or the consultant, or whoever the court holds to be responsible, to pay. That is why I started my motion, Mr Speaker, with the words: "Enough is enough". We believe that we have got to that stage, we have been arguing and we have been pressing the Government year in, year out and we have been doing it because we think it is a shame that this matter should continue to be unresolved after so many years, that the question of leaking roofs should continue to be unresolved if the Government has known for a number of years how to stop the roofs leaking, merely because they are trying and hoping to get the contractor and the consultant and the Government to come to an amicable settlement and whilst they are hoping for that, and whilst month after month goes by, the people inside that Estate are suffering discomfort, danger to property, risk to themselves. This is what is wrong and this is why we said: "Enough is enough" and this is why this motion was put in these forth-right terms. We have had enough, let us get on with it. Mr Speaker, if this motion has served to at least bring the Government to agree with us that enough is enough even though they cannot vote for the motion and if it has served at least to produce action in the form of legal action or a settlement of the problem, then something will have been achieved. We will vote for the amended motion because we cannot do anything else, Mr Speaker. We have no choice but to vote in favour but we cannot hide our dismay and our regret that the Government has not found itself able to go along with the spirit of this motion. Thank you, Mr Speaker.

Mr Speaker then put the question in the terms of the motion, as amended, and on a vote being taken the following Hon Members voted in favour:

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The Hon I Abecasis
The Hon A J Canepa
The Hon Major F J Dellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon P J Isola
The Hon A P Montegriffo
The Hon Major R J Peliza
The Hon J E Perez
The Hon G T Restano
The Hon A W Serfaty
The Hon Dr R G Valarino
The Hon D Hull
The Hon R J Wallace

The following Hon Members were absent from the Chamber:

The Hon J Bossano
The Hon H J Zammit

The motion was accordingly passed.

ADJOURNMENT

HON CHIEF MINISTER:

Mr Speaker, I propose that the House do adjourn sine die.

MR SPEAKER:

I now propose the question which is that this House do now adjourn sine die and in doing so I will call on the Hon and Gallant Major Peliza who has given notice that he wishes to raise on the adjournment matters in connection with the statement made by the Minister for Municipal Services on the Electricity Department.

HON MAJOR R J PELIZA:

Mr Speaker, there are two reasons why I have raised the matter, one is that the matter is of very serious concern to everybody in Gibraltar and to this House and requires a bit of airing, a bit more than were able to do and, secondly, that when a statement is made, as we all know, we can only ask questions on clarification and therefore it is very difficult at times to put a point of view across which might be of some use to the Government and also create a bit of interest too, as it should be in a democracy, create public debate. On matters of

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this substance it is perhaps a good idea that the public should be more aware of what is happening. I say more aware because in the present age most people cannot live without electricity any more. They do all their cooking with it, they certainly need the lights at night, they need heaters in winter, they need washing machines to be working and above all they must have their television without which life is very dull these days. But, of course, there are even more serious matters like lifts in high rise buildings like the Tower Blocks and elderly people who find that the lift is not working may find it impossible to go out since climbing up the steps and even coming down is something beyond their strength. Also, it is worrying by the way that power is switched off, anyone could be caught in the lift halfway between two floors and that, to me, is a very dangerous situation and perhaps things like that which could not be pointed out yesterday whilst clarifying the statement can be driven home today and this is why I have raised the matter. Apart from the fact that in the long term it might be useful to call attention to the Government of the very serious situation that may be faced by the community in the not too distant future unless something very drastic is done very quickly. Reading the statement, Mr Speaker made me indeed very worried. There are thirteen generators, a terrible number, it should have been either twelve or fourteen. It looks as if thirteen is a very unlucky number as far as the Station is concerned, at least, recently. I am not blaming anybody for the type of generators that we bought or for cracks in the foundations as I think the Government would have been doing if it had been the other way round. They would have said: "You bought those generators, you installed those generators, therefore if there are any crack in the foundations you did it, you are to blame."

With anything mechanical, sooner or later, faults can appear and this is going on all the time everywhere but the important thing is to be quick in putting things right and having enough vision to take the necessary precautions to have a reserve which can be used in situations such as this. This is, perhaps, where the Government has failed and where they can take quick remedial action, if possible, I just do not know whether it is not too late for that. I did not like the tone at all of the Minister yesterday. I do not think that it was through ignorance that he did not give a categorical reply as to what he thought might be the situation by 1981. Even the Chief Minister did not give a categorical reply. I do hope that they can make the position clearer tonight. I will certainly give them the time to do so but they did not do so yesterday and this, to me, was very worrying because if one looks at the report, Mr Speaker, and one sees the narrow margin that we have between light and darkness, it might be possible that we may have many more blackouts this winter and perhaps even next winter and the situation is getting worse as there are more and more houses and more and more families housed and therefore more appliances being used and the

consumption increased and not just because there are more houses, because people tend today to have more electrical appliances all the time and consequently the demand for electricity is going to increase progressively and perhaps very rapidly. I wish the Minister could give us a clear projection, if he has one and I hope he has, of the demand that he envisages within the next ten years or at least within the next five years because I understand it will take at least five years to instal a new generator so if we started installing it today, as far as my knowledge is concerned, and I hope I am wrong, because otherwise we would be in very serious difficulty, I hope I am wrong there, it will be in 1984. I understand, before we have another generator functioning. I would like the Minister to tell me (a) what is the projection for the next five years, how he sees consumption rising, and (b) how long it takes to instal a new generator. If we look at the state of affairs of our present engines it is certainly not a rosy picture. We have in what they call the old side of the Generating Station, eight engines which date back to the beginning of this century. One might think that some of them might have even started being driven by steam. They are certainly very old machines and I think I must congratulate the staff of the Generating Station because they have been kept them very well and made to last. I think we have really got value out of them but we cannot expect them to last for ever and at the moment they are in a pretty bad state, they are at the end of their life and I suppose not more valuable than for scrap. I believe that they are very expensive to run, they run on light and not heavy fuel which is more expensive. I believe, too, that they create certain problems with the filters because you have to use two types of oil, the heavy and light, and that affects the smooth running of the station. They also, obviously, take a lot of time for maintenance and therefore perhaps people who could be repairing and making sure that the maintenance of the good generators were up to date, have got to be engaged in patching up the old ones, so it is not just expense but also adequacy of maintenance for the new generators which are Nos 9 to 13 on the new side of the Generating Station. One can almost discount the eight old ones except, I believe, for No 8 which can be used and it comes in to give a helping hand now and then when the situation becomes critical. In fact, in his report, the Minister very clearly said so. He said: "The nameplate capacity is of 15,860 Kwm, so everything being perfect if they were really maintained and all working in perfect order the maximum we could get out of that is 15860Kw." He then goes on to say that, "the normal winter peaks which are of the order of 13,000/14,000," so if it is very, very cold, it might demand more.

HON DR R G VALARINO:

We have never had more than 14,000, this is as much as we have ever had.

HON MAJOR R J PELIZA:

So, therefore, the worse situation then would be 14,000 but this is when all those engines are working well. Apart from the 15,000, as he said in his report, it is possible to keep 4,500 kW from the old station, from the engines that are costing us a lot and not producing as you can see all that much. So that we have eight engines which can only produce at its best 4500 kW but those engines are not very dependable as the Minister will agree. They are just there as a stand-by but they are not a very reliable stand-by. If we add that to the 15,000 we get just over 20,000, the demand is between 13000 and 14000 at its normal peak, the most so far is 14,000. It only needs, therefore, one or two serious faults and this appears to be the case now because some of the engines and some of the foundations are not all that reliable as we have seen from the report. If one looks at the report, Mr Speaker, we find that No 10 was out of commission for three years. It is a long time for an engine to be out of commission, something very serious must have happened. In fact, there are cracks in the foundations and we have to keep levelling them just to keep it going, so the situation, if one looks at the foundations, cracks in the structure of the engines, we find that No 10 is cracked in the engine column, No 11 is the one that I think is operating satisfactorily. This is the one that we cannot afford to stop because if something happens to that one then we can be in trouble. Let us keep our fingers crossed and let us hope that No 11 does not go. We go to No 12, again engine foundations, and No 13 is in full operation, I think, it was due for maintenance in October, he said that it would be ready for winter and I suppose it is going to be ready for winter. We find that in fact, as he explained in his report, not all are working at full capacity for the fear that if they were to make to work at full capacity they could develop other serious problems. The result is that the engines are derated and the voltage going out is lower than it should be. I am not a technical man but I am told that that can cause trouble with some appliances. I understand that the tubes of television sets might suddenly go if there are surges that you do not normally get in our very good station. I would like to know from the Minister if this is the case. I would like to know whether what I have said has any foundation whatsoever and also whether the supply in any way affects the reading of the meters, unit for unit. I would like to know whether it has any effect at all. If it has not all the better but these are the sort of questions that the ordinary man in the street quite rightly is putting to himself because the vast majority of the people of Gibraltar are not technicians, they are ordinary people and I am speaking here for the ordinary people. The Minister, of course, is not a technical man either but I think that in matters of this nature the Minister should have the information from his technical staff. After all, this is his responsibility it is not mine and these are the sort of things, Mr Speaker, that I believe the Minister should be given an opportunity to make clear to the public since the Government

has not been all that clear with what is going on. Happily, we have had something yesterday, a statement, which goes on to clarify the position but this statement, surely, is not the end of everything they have got to say. We cannot really place too much faith on the old engines, I certainly would not and one cannot say, with any degree of confidence, that one can rely all that much on the new engines so, consequently, when we look at the figures between 15,000 and 14,000, it is a very close 1,000. If we do away with the 4,500, which any reasonable person would do, we are left with a very small margin. When I hear the projection of the Minister, if he has one, as to what the demand is likely to be within the next three to four years which is the time, as I said before, that it will take to instal a new generator, then one can assume whether in the not too distant future developments like the one that is going on in the marina now, will be able to have the electricity that we expect anyone buying a new house in Gibraltar to get, and will get all the other facilities that a modern home requires and demands. I think, personally, that the Government has been very slow, Mr Speaker, in tackling this situation. I believe that the situation should never have got as critical as it is today. I do not believe there is an excuse because the figures produced in the statement clearly show that there was a very good reason some years back to go ahead and have more power available. That is very clear. I know that they can link up with the Dockyard in an emergency but sometimes the Dockyard, if they have their own naval vessels in the harbour, cannot afford to give it to us. I also understand that they are no longer prepared to give us part of what they are producing if they have to go into the use of a new generator just for us. I believe that up to now we have to acquire the full supply. If that is not the case, it will be very interesting to hear from the Minister. Whether it is so or not, I do not believe that Gibraltar should be dependent on anybody else. I have always felt extremely proud of our electricity service. It has been one of the things I have always said that in my living memory I have never remembered other than for proper maintenance with proper warning, having power cuts, except for strikes, but not through breakdowns of the nature that we are seeing now. Nor do I remember ever, in my living memory going without water. I know that I had to go with a couple of buckets to fetch it when I was a little boy because there was no supply to the house but I was very proud to say wherever I have been that Gibraltar has never been without water we have never had to ration water and Gibraltar has never been without electricity, notwithstanding the frontier blockade. I feel very sorry that I cannot say that any more. When we look at the report we read about consultants, going back to a number of years, and more consultants, and schemes with the Dockyard, etc. Surely, there must be a target date beyond which there should be no more consulting. Surely, the Government should have said: "At this point of time we have

to make a decision, we must acquire a new generating station, because by the year so and so we must have it installed because we have a Development Programme which is going to demand more because there are old engines which have got to be scrapped." But instead of making that decision at that particular time, we go on consulting, discussing, finding out if we can have another scheme and now at this very moment of time, when we have reached a very critical situation the Government does not even know where they are going to put the engine. How long is it going to take now to find a site? How much more consultation has got to go on before we actually acquire the very needed engine? It is a very sorry state of affairs and I really say this with all sincerity because I will never be able to say that we have never had a blackout in Gibraltar for lack of power supply. We had them already, what we have got to do is to see if we can prevent it. I hope it is not a very cold winter for more than one reason but, certainly, from the point of view of the electrical power supply because if we do have a bad winter it might reach the critical stage when there will be more blackouts and I do hope that the Almighty, who always seems to come to the aid of Gibraltar, will come to our aid this winter as well.

HON CHIEF MINISTER:

Mr Speaker, I am going to deal with one or two of the major items because it is a matter which I know a little about because of my experience in the City Council. One of the things that is most regrettable about this matter is how little knowledge there is about the intricacies of this matter because of the way that our constitution has developed since the City Council ceased to exist. These matters were always dealt with jointly by all Councillors, they knew all the details, they knew all the developments, and there was never any problem there and if there was everybody shared it because they knew what it was. Nowadays, members of the Opposition spend years and they never go anywhere near the Power Station, they do not know how the thing works, they do not know what the problems are, they do not know anything except, of course, to come here and criticise. Sometimes, it is fully justified, other times it is not justified. What I am saying is that there are many questions which were put both yesterday and today which a Minister cannot expect to be able to answer in detail justifiably unless he has got a Head of Department next to him. A Minister is responsible for the policy, he is not responsible for the detailed information that has been asked across the floor. It may be possible to do that in committee with people around. Even for a limited answer one has to be in consultation with the Heads of Department to be able to say what the position is. It is all very well to talk big in this way but the matter is a matter of great detail. For example,

yesterday one of the questions that remained unanswered was the question of why didn't we have 24 hours notice of power cuts. How easy it is to say that, and I specifically asked the City Electrical Engineer to report to me on this matter in order that I would be able to tell the House what the problems are. No Minister, nobody, unless he is the officer who is responsible himself, can expect to have at his elbow all this information. I have a long report here and I do not want to take a long time, but there are very serious technical objections to spreading the load, apart from the fact that the position at the Power Station at the time when it is wanted, this is when it is a critical period, that the position changes from moment to moment, the districts are not the same, the demand may be bigger, the demand is always bigger in any district after there has been a cut and there are all sorts of difficult technicalities in the matter and therefore it is very difficult. I am going to make a copy of this interesting report and I am going to circulate it to members because I think the more members know about these matters, when they make their criticisms, as they are fully justified to do, the more they will understand the problems which one has to live with. That is why I want to say one or two things before the Minister replies to some of the technical questions with which he may be more up to date. First of all, let me say, when I was in the Ante Room having a word with our City Electrical Engineer, I heard that the Hon and Gallant Member said that we were not going to have an engine until 1984. That is absolute nonsense, we hope that by eighteen months from now a five megawatt engine can be installed which is really what is wanted for the next three years. The new power station, which he dealt with in the second part of the report, is a different thing. I am not going to talk about that now because the motion on the adjournment is on the situation. In fact, a lot of ground work has been done on this, not only the question of taking consultants reports and so on, contacts have been made by the engineers with different possible supplies subject, of course, to tender. Next week we have the Managing Director of one of the big suppliers who comes to discuss possibilities. This has not arisen as a result of this question, this is a matter which has been laid on for some time and it takes time to do these things. I will not deal with the bigger ones, that will be discussed at a later stage and we will perhaps be making statements of progress, but I would like to assure the House and through the House the people of Gibraltar, that it has been a misfortune that a number of breakdowns have occurred in relatively new engines, this happens everywhere, the Palace of Westminster was in darkness the other night and the whole of the district was without light through technical difficulties for over three hours. Imagine what it is to have a sector like Westminster in England in darkness. We only had one very bad day, that was Thursday, that was really the worst days ever, as the Minister said in his statement, except for a major breakdown that we had some years' ago when

they were for hours at the Power Station and it took one of our technicians, who is now retired, who was able to discover what it was about. The Hon Member who has spoken on the adjournment has rightly started by referring to the great importance and reliance that the whole aspect of life has got on electricity. Offices don't work, electric typewriters do not work, the audio machines do not work, we are absolutely relying on electricity and therefore you cannot take it away. If you take away the water supply for 2 or 3 hours, you do not see the fact that the water is not there, you just do without but the electricity is vital and that is why it is so important that people should realise that sometimes there are technical misfortunes which no amount of foresight can prevent. It was a series of misfortunes that happened during those days, one on top of the other, when you got over one crisis something else came but it is also a matter of the necessity to keep these engines properly that sometimes we really cannot keep up with. Anyhow, all I say at this stage is that the question of the installation of an extra engine be it at King's Bastion, where I would not like to see it but where it may have to go in lieu of some of the old engines that will have to be scrapped, or be it somewhere else, a new engine of about 5 megawatts can be and will be, we hope, in operation within eighteen months at the most from about now.

HON P J ISOLA:

Mr Speaker, may I say I welcome that last statement. I am glad to hear that a five megawatt engine will be installed within eighteen months. I think that is progress from yesterday. A lot of misunderstanding might have been avoided if the Minister had announced this yesterday, if not in his seven-page statement, when he was answering questions.

HON DR R G VALARINO:

Mr Speaker, the Hon Member mentions serious concern. We all share this serious concern. I must remind him that the generators have been bought as power requirements have developed. A new generator can be installed, as the Chief Minister said, in eighteen months and this will be done. The other thing he talked about was the public. The public is fully aware of what is happening. We have made three statements in the House answered many questions and provided answers to press questions, and I have put out a long communique. There is not much else I can say except that as soon as firm decisions are taken I will immediately report to the House and I hope that with the Chief Minister's statement, my own statement which covered seven pages, and my brief interventions, the Members opposite are more in the light, so to speak.

HON CHIEF MINISTER:

There is one point that has been brought to my notice which I did not answer, which the Hon Member raised and that was the question of the lowering of the voltage. It is permissible to lower it up to 6% without damage or forcing anything and it has never been lowered, not even in this crisis, below 4½%, so it is within the safety margin.

HON P J ISOLA:

I understood there was going to be a statement made on Engineer House before the end of the meeting.

HON CHIEF MINISTER:

It is not very much more but I just wanted to confirm the legal position with regard to Engineer House.

First of all, under the terms of the licence, the Government took the premises back after legal action in 1974 but under the terms of the contract it is bound to put up the premises for sale in such conditions as it is considered reasonable, and the proceeds, less expenses, must be paid to the company. This would have been alright if we had wanted to dispose of the property by sale but by the time the property was taken over it is intended and it is desired that the property should be for public use by the Government for building there and for road widening and for putting up the area in a better condition, and of course, in those circumstances we cannot put it out for sale but we must try and come to terms with the owners. Discussion was taking place with the representative of the Company when, unfortunately, both members of the company that owned the concession died and then the company went bust and then there was nobody with whom to do business. Now there is a liquidator, the Legal Department is in touch with him and, hopefully, we can come to terms of acquiring, by agreement, rather than by having it put out for sale if only to test the value and be able to buy it at that price.

Mr Speaker then put the question which was resolved in the affirmative and the House adjourned sine die.

The adjournment of the House sine die was taken at 6.40 pm on Thursday the 1st November, 1979.