

GIBRALTAR

HOUSE OF ASSEMBLY



HANSARD

4 NOVEMBER 1980

REPORT OF THE PROCEEDINGS OF THE HOUSE OF ASSEMBLY

The Fourth Meeting of the First Session of the Fourth House of Assembly held in the Assembly Chamber on Tuesday the 4th November, 1980, 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 Economic Development, Trade and Labour and Social Security
The Hon M K Featherstone - Minister for Public Works
The Hon I Abecasis - Minister for Tourism and Postal Services
The Hon H J Zammit - Minister for Housing and Sport
The Hon Major F J Dellipiani, ED - Minister for Education
The Hon Dr R G Valarino - Minister for Municipal Services
The Hon J b Perez - Minister for Medical and Health Services
The Hon D Hull QC - Attorney-General
The Hon R J Wallace, CMG, OBE - Financial and Development Secretary

OPPOSITION:

The Hon P J Isola, OBE - Leader of the Opposition
The Hon G T Restano
The Hon Major R J Peliza
The Hon W T Scott
The Hon A T Loddio
The Hon A J Haynes

The Hon J Bossano

IN ATTENDANCE:

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

PRAYER

Mr Speaker recited the prayer.

CONFIRMATION OF MINUTES

The Minutes of the Meeting held on the 17th July, 1980, having been previously circulated, were taken as read and confirmed.

MR SPEAKER:

Before we start the proceedings I think I am expressing the feelings of everyone in this House when I say to our Colleague, the Hon Mr Isaac Abecasis, how delighted we are to see him back amongst us and I am sure that in the near future he will be making a full contribution to the proceedings of this House.

HON I ABECASIS:

I am very grateful to you Mr Speaker, to Sir Joshua Hassan the Chief Minister, to Mr Isola the Leader of the Opposition and to every Hon Member on both sides of the House for your very kind words. Thank you very much.

DOCUMENTS LAID

The Hon the Chief Minister laid on the table the following documents:

- (1) Principal Auditor's Report on the Annual Accounts of the Gibraltar Broadcasting Corporation for the year ended 31st March, 1979.
- (2) The Elections (Variations of Dates) Order, 1980.
- (3) The Register of Electors (1980 Supplement) Order, 1980.

Ordered to lie.

The Hon the Minister for Economic Development, Trade and Labour and Social Security laid on the table the following documents:

- (1) The Colonial Prison Service Medal Regulations, 1980.
- (2) The Employment Injuries Insurance (Occupational Diseases) (Amendment) Regulations, 1980.
- (3) The Register of Members' Interests.
- (4) The Employment Survey Report - April, 1980.

Ordered to lie.

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

The Gibraltar Quarry Company Limited Balance Sheet as at 29th February, 1980.

Ordered to lie.

The Hon the Minister for Housing and Sport laid on the table the following documents:

- (1) The Gibraltar Museum Accounts for the years ended 31st March, 1979, and 31st March, 1980.
- (2) The British Commonwealth and Foreign Parcel Post (Amendment) Regulations, 1980.
- (3) The British Commonwealth and Foreign Post (Amendment) Regulations, 1980.
- (4) The Local Post (Amendment) Regulations, 1980.
- (5) The Wireless Telegraphy (Amendment) Regulations, 1980.

Ordered to lie.

The Hon the Minister for Municipal Services laid on the table the following document:

The International Trunk Calls Charges Regulations, 1980.

Ordered to lie.

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

The Street Traders and Pedlars (Amendment) Rules, 1980.

Ordered to lie.

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

- (1) The Supreme Court (Barristers and Solicitors) Rules, 1980.
- (2) The Supreme Court (Amendment) (No. 2) Rules, 1980.
- (3) The Pensions (Amendment) Regulations, 1980.

Ordered to lie.

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

- (1) Supplementary Estimates Consolidated Fund (No 2 of 1980/81).
- (2) Supplementary Estimates Improvement and Development Fund (No 2 of 1980/81).
- (3) Statement of Consolidated Fund Re-Allocations approved by the Financial and Development Secretary (No 2 of 1980/81).

- (4) Statement of Consolidated Fund Re-Allocations approved by the Financial and Development Secretary (No 3 of 1980/81).
- (5) Statement of Improvement and Development Fund Re-Allocations approved by the Financial and Development Secretary (No 2 of 1980/81).

Ordered to lie.

REPORTS OF COMMITTEES

The For T Restano laid on the table the following document:

The First Report of the First Session (1980) of the Public Accounts Committee.

Ordered to lie.

ANSWERS TO QUESTIONS

MR SPEAKER:

Gentlemen, it is my duty to advise on the Standing Orders and practice. The position as to the questions which have been called and have not been asked is dealt with under Standing Order No. 16 which reads as follows: "A question shall be answered by laying a written answer on the table of the Assembly unless the Member asking the question shall in the notice of question state that he requires an oral answer. When the Member has so stated an oral answer shall be given". And then the second proviso is: "If any question remains unanswered when the Council adjourns on the last day of a meeting, a written answer shall be sent to the Member who put the question: Provided that where the question has been set down for oral answer the Member who put the question may within three days, exclusive of Sundays and public holidays, next after the adjournment of the Assembly require in writing that the question be postponed to a day at the next meeting of the Assembly. Where a request for postponement of the question is made a written answer shall not be sent as provided in the previous paragraph but such question shall be set down for oral answer at the next meeting of the Council". In other words, gentlemen, unless I receive within three days of the adjournment notice in writing for each particular question, the written answer will be given.

THE ORDER OF THE DAY:

MINISTERIAL STATEMENTS

MR SPEAKER:

The Hon the Chief Minister has given notice that he wishes to

make three different statements. The Hon the Minister for Economic Development, Trade and Labour and Social Security, the Hon the Minister for Public Works and the Hon the Attorney-General also wish to make statements. I will therefore now call on the Chief Minister to make his first statement.

HON CHIEF MINISTER:

Mr Speaker, in accordance with established practice, I rise to make a statement on the affairs of the Gibraltar Regiment. This statement covers two training years, from 1 April 1978 to 31 March 1980.

The establishment of the Volunteer Reserve is 14 Officers and 177 Other Ranks, making a total of 191 men. The Reserve was two below strength on 31 March 1979 and 3 below on 31 March this year.

In addition to the 8 training camps which were held in Gibraltar (4 in each training year) members of the Infantry Company, the Light Air Defence Troop and the Light Troop carried out annual camps in the United Kingdom. As is now customary for the Light Air Defence Troop and the Light Troop, training was carried out at Manorbier and Larkhill respectively. The Infantry Company trained at St Martin's Plain Camp, Cinque Ports Training Area, in June 1978 and at Wrethams Camp, Stanford Training Area, in July 1979. For the first time, 13 Other Ranks from the Corps of Drums carried out their annual camp with the Queen's Regiment at Bassingbourne during September 1979. 2 Officers and 10 Other Ranks also undertook a fortnight's Adventure Training in Bavaria during August last year. Weekend and evening training continued to be held in the usual way and the Regiment organised its own recall and deployment exercises. A number of the Regular members of the Regiment and Volunteers successfully attended courses both locally and in the United Kingdom. The Corps of Drums continued to receive instructions from the Drum Major of the resident Battalion and performed in public on a number of occasions.

The Regiment performed the Ceremony of the Keys and carried out the ceremonial mounting of the Convent Guard. A number of Guards of Honour were provided as well as the usual ground holding party for the wreath laying ceremony by His Worship the Mayor at the lobby of the House of Assembly on Remembrance Sunday. On 16 June 1979 the Regiment trooped the Queen's Colours during Her Majesty's Birthday Parade for the first time ever in what I am sure was a most memorable event not only for the members of the Regiment but for Gibraltar as a whole. All Ceremonial Salutes were fired by the Regiment.

The House will be glad to note that the Regiment participated in most sports and continued to assist Youth Clubs and Youth Organisations, as well as participants in the Duke of Edinburgh Award Schemes. At this juncture, Mr Speaker, I am sure the House will wish to congratulate Mrs Marie Carmen Reyes for winning the .22 Small Bore British Individual Women's Championship a great achievement. I would also like, Mr Speaker, to

deny the rumours circulating that Mrs Reyes is to take on a permanent appointment as weapons instructor with the Regiment.

On a more serious note, Mr Speaker, a team from the Ministry of Defence visited the Regiment in 1978 and rates of pay for the Regiment were subsequently revised. A Job Evaluation Team from the Ministry of Defence also visited the Regiment during 1979 in order to assimilate the pay of the Gibraltar Regiment to that of the British Army.

Mr Speaker, should any member wish to have copies of the detailed Reports I will only be too pleased to make these available to him.

Although this statement relates to a period ending on 31 March this year, I would like to mention two other more recent items which will be of interest to the House. The first is that Lieutenant Francis Brancato is now back in Gibraltar after having participated in a land phase expedition under Operation Drake in Kenya. As Members are no doubt aware Operation Drake is a world-wide exploration expedition which has been going on for two years under the direction of Lt Col John Blashford-Snell, RE. The expedition's brigantine 'Eye of the Wind' is at present in Gibraltar undergoing maintenance before sailing on to Plymouth.

Secondly, the Gibraltar Regiment did particularly well this year in Small Bore Shooting in the United Kingdom. Major Britto came 11th in Class A Shots in the TAVR Long Range Small Bore individual championships. Among the Class B Shots, Captain Danino came 3rd and Staff Sergeant Garcia came 4th. Major Britto came 9th in the 'News of the World' match at the British National Small Bore Meeting.

In conclusion, Mr Speaker, I am sure all members of this House will wish to join me in expressing our best wishes to the Regiment for their continued success.

HON P J ISOLA:

Mr Speaker, we welcome that statement. This side of the House supports fully the Gibraltar Regiment. We are most interested with the report on the progress of the Regiment given to the House and, of course, we pledge our continued support to the ideals and good work done by the Gibraltar Regiment for the community.

HON MAJOR R J PELIZA:

Mr Speaker, would the Chief Minister kindly oblige by forwarding copy of the report that he mentioned.

HON CHIEF MINISTER:

Of the two reports, yes, Sir.

MR SPEAKER:

I will then call on the Chief Minister again.

HON CHIEF MINISTER:

Mr Speaker, at the last meeting of this House I announced that the Government had decided to institute a programme to investigate the level of efficiency in the execution of departmental responsibilities and that the largest-spending department - the Public Works Department - would be the first to be looked at. I also informed the House that Sir Howard Davis had kindly agreed to chair the Committee which would carry out this work and that the composition and terms of reference of the Committee were being considered.

His Excellency the Acting Governor has now formally appointed the Committee. It will consist of the Chairman, two members who will also be specialist advisers on the financial aspects of the Department's work and on the technical aspects, respectively, and Mr Albert Gareze, a former Accountant-General in the Gibraltar Government who will also act as Secretary to the Committee.

The members with specialist experience are Mr D Snell, the Finance Director of the Royal Mint, and Mr T A Heatley, the Chief Engineer of North Tyreside Metropolitan Borough Council, whose services have kindly been made available by the Deputy Master of the Mint and the Chief Executive of the Borough Council respectively.

The terms of reference of the Committee are:

"To inquire into the role, structure and organisation of the Public Works Department and to advise on the most appropriate, efficient and economical arrangements for carrying out the functions at present laid on the Department."

The Chairman and Mr Gareze started on the preparatory work of the Committee this week and Messrs Snell and Heatley will be arriving in Gibraltar on Friday for a 10-day visit. Further visits will probably take place either later this year or early next year. As I indicated in my previous statement, the Committee will be inviting representations or views from all interested parties and the relevant Staff Associations will be consulted during the course of the Committee's work.

HON P J ISOLA:

Mr Speaker, can I ask the Hon and Learned Chief Minister the reasons for the appointment of a member from a Borough Council in the United Kingdom and somebody from the Bank of England, is there any particular reason for these appointments?

HON CHIEF MINISTER:

It wasn't the Bank of England, it was the Mint. The reason was that the Department is so far-reaching and wide-ranging that it was necessary to have advice on the technical and financial aspects of them for the commission to be able to work. The idea is that the Chairman who, of course, will be living in Gibraltar, will be carrying on with his work, that these two gentlemen will come for a few days, do work here, take away papers, have matters inquired into, prepare questionnaires and come back again. It was thought that it was necessary, if the inquiry was going to be effective, that we should have the best advice possible on the technical aspects of the matter on which the Chairman is hardly qualified, and on the financial aspects of the matter and which, thanks to the Financial and Development Secretary, we were able to get Mr Snell, the Finance Director of the Royal Mint. The Royal Mint carries out works of a nature comparable in size to the Public Works Department and that is one reason why we wanted somebody who dealt with finance of a similar size and who would be able to give us advice. We feel that if this in-depth inquiry is going to have the effect that we all want for the better working of the Department which, I should remind Members, has never had a very thorough investigation since the merger with the City Council in 1969 when it absorbed the old City Engineer's Department and it is necessary to have a real good look at the matter.

HON P J ISOLA:

Mr Speaker, I wish the Committee well in its task. The only problem, as I see it, is that if one is looking into the efficiency of a Department and how it should work, would not the Chief Minister agree that it might have been better to have had at least one technical expert from industry, from the private sector? It seems to me that these two gentlemen, I'm sure they are excellent gentlemen but they are both public servants and I would have thought that there would have been some merit in bringing somebody outside the public service into the investigative committee because that would have enabled them to have brought what I would call a breath of fresh air into the inquiry.

HON CHIEF MINISTER:

You could say that of any composition that there would always be somebody else that might help but the idea is that they are going to invite representations and no doubt the people who have been dealing with the Department can easily make representations. I am afraid that we have taken a considerable amount of time and trouble in ensuring the best possible and I hope that this will give the results desired.

MR SPEAKER:

I will then call on the Chief Minister to make his last statement.

HON CHIEF MINISTER:

Mr Speaker, Sir, much valuable work has been done in the past by the Government Departments concerned in keeping Gibraltar clean and embellishing and enhancing the general appearance of the City. The situation now calls for a further intensive effort to be made along these lines and the Government has concluded that the best approach would be to appoint a Committee consisting of representatives of all the Departments concerned - that is to say, Public Works, Education, Police, Tourism and Environmental Health - under the Chairmanship of Mr Aurelio Montegriffo, a former member of this House and a person with wide experience of Government administration over a long period, who has kindly agreed to take on this task.

The Committee's terms of reference are threefold. First of all, it will coordinate the work of, and foster the greatest possible cooperation among, all the Government Departments concerned; secondly, the Committee will consider what additional measures might be taken to improve the general cleanliness of Gibraltar; and thirdly, the Committee will explore what might be done to beautify the City. The Committee will implement administratively, through the appropriate department or departments represented on it, any measures which do not require a Government policy decision or the provision of additional funds. Other matters will be referred to the appropriate Minister or Ministers with the Committee's recommendations. The Committee will co-opt other Government officials and representatives of public bodies as may be necessary from time to time in order to achieve the maximum cooperation and coordination.

After a number of preliminary discussions between the Chairman and officials, the Committee met for the first time on 23 October and considered, in the first instance, a number of recommendations some of which were prepared by a previous Committee chaired by the Director of Medical and Health Services. These include the launching of a public relations campaign, improved methods of disposal and collection of domestic, trade and building refuse, improvements in the street flushing arrangements, proposals for new legislation with considerably increased fines and requiring greater control of pets by their owners, and a more stringent enforcement of the law.

I would stress that the Government has done, is doing and will continue to do everything it can to deal with this problem. Coordination of effort and law enforcement are two very important prerequisites of success. There is a third one. If everyone in Gibraltar, individuals and public bodies alike, were to make their own special effort and do everything possible to support and cooperate with the Committee, the results would soon become apparent and, furthermore, the need to devote public funds - at present running at over £200,000 per annum - for this purpose would not be as great. The Government hopes that the public at large will cooperate fully and that, in the very near future, we, and the tourists who visit us, shall see around us a cleaner and more attractive City.

HON P J ISOLA:

Mr Speaker, I am glad the Chief Minister in his statement has identified the departments that are responsible, I suppose, for the state of untidiness of Gibraltar. Is the Chief Minister satisfied that any Committee that is set up on an important matter such as this should be chaired by somebody outside this House and not by a Minister to ensure that appropriate action is taken? Is the appointment of this Committee an indication of the Chief Minister's dissatisfaction with the Department at the way that they have failed to get Gibraltar clean and tidy? I notice, Mr Speaker, there is little in the statement about law enforcement and is not some of the reasons or a substantial reason for the failure to keep Gibraltar tidy or our City to be kept clean, isn't it very substantially due to lack of law enforcement by the Police and the Environmental Health Department and how does the Chief Minister feel that this Committee, sitting together, is going to make any difference to the situation and let these departments ensure by normal, reasonable law enforcement that the laws relating to litter and untidiness and uncleanness are observed? There is provision in the law, why is this not being observed and why is there such little law enforcement of this aspect of Gibraltar life?

HON CHIEF MINISTER:

Mr Speaker, I think that the Hon Member's long diatribe is less than charitable to the attempts that are being made by everybody concerned. The efforts that are being made to collect refuse are tremendous and I happened to be driving behind the midday lorry that collects the refuse, not the house refuse but the refuse that is left at corners throughout the day, and the excellent work that they do but this happens at, say, between 2 and 4 and by half past five or 6 the place is full of rubbish. No department can every be said to be working fully satisfactorily. It is much more difficult when many departments are concerned, I do not think, with the greatest respect, that the Minister who administers the Department should chair the Committee to deal with this matter which requires continuation and a real enthusiastic effort to go into that and not related to all other considerations that the Minister has in his days work and if I may say so, with respect, I think Mr Montegriffo, if I know him well, will do the job properly and, in fact, I know that before that he has already been driving one of the refuse lorries to see where the problems are which have to be identified and I think that there has been all this call for concerted effort, we are trying to do that precisely to get a concerted effort and at the same time, above everything else, calling upon other people to help the people concerned because however much enforcement, however much machinery you have, if the people don't cooperate in a prosperous society which produces a lot of refuse, we will never be able to control it.

HON P J ISOLA:

Mr Speaker, the Hon and Learned Chief Minister has identified

the Public Works as the object of my diatribe and it was not that at all. I did not mention the Public Works and I agree that the Public Works Department does a very good job of collection, I've seen it and observed it. What I was identifying is when these rubbish piles build up again, it is known to the Environmental Health Department and it is known to the Police where they build up and what I am saying is that it may not need a Committee as much as simple law enforcement by the authorities who know the sources of areas where rubbish mounts up but do not appear to use the powers given to them by law to enforce it and it is not so much the Public Works Department and in fact not at all the Public Works Department, I haven't mentioned them at all because I do know they do a good job of clearing rubbish as far as their capability goes. It is with the support groups of the Environmental Health and the Police who don't seem to be terribly concerned with this aspect of their statutory duties vested in them by law.

MR SPEAKER:

I think I am being very liberal now but we must not debate the matter.

HON P J ISOLA:

Can I ask, will the new Chairman of the Committee have any executive powers at all since he is not an elected Member of the House or a Minister of the Government?

HON CHIEF MINISTER:

But it doesn't matter, what you want is somebody really active and prepared to work. He will have to that extent power in the fact that he can order the matters to be done to the Committee and if these are not done he will always have access to the Ministers concerned. I think it is a very good effort. Education is one Department that has never been brought into this directly but it will be brought in now and this is very important and also the Police and Tourism. The Government thinks that it is a good idea and we will put it to the test.

HON P J ISOLA:

The Committee will have then purely and simply advisory powers, it won't have any executive powers?

HON CHIEF MINISTER:

They will have the executive power that is in their power to carry out and to make sure that somebody makes them do it.

HON P J ISOLA:

May I ask, Mr Speaker, what is the executive power the Committee will have? Will the Committee be able to tell the Minister for Education or the Minister for Public Works or the Commissioner of Police; "You will do this because we think this is a good thing"?

HON CHIEF MINISTER:

The Commissioner of Police and the Director of Education will be in the Committee and if something is decided in the Committee that it is up to that Department to do, the Chairman will make sure that it does and if it doesn't he will report to the Minister concerned. This is the purpose and I'm sure that it will succeed.

HON G T RESTANO:

Mr Speaker, I do not think the question has been answered about law enforcement. What does the Chief Minister have to say on the law enforcement or perhaps the lack of it?

HON CHIEF MINISTER:

These are the things that the Committee will be doing. It will include the launching as I said of a public relations campaign. We have to give people a chance. It is no use neglecting law enforcement and suddenly coming down like a ton of bricks on it. We've got to give them time to make sure that there is going to be stricter law enforcement. Improved methods of disposal and collection we have already spoken about and improvement in street flushing. Proposals for new legislation will considerably increase fines and require greater control of pets by their owners. This will be reflected in advice that they will be giving which I have asked them to give as to what weaknesses there are in the law enforcement of the matter that require looking into.

HON A J HAYNES:

How will the powers of the Chairman of this Committee differ from those of a Minister?

HON CHIEF MINISTER:

The Chairman will be chairing a Committee and will be seeing that things are done with his influence and his knowledge and if they are not done he will have access to those who appointed him to say; "I am getting no cooperation from this Department. I am frustrated I'm getting no cooperation from the other Department", and if the Minister himself who is concerned with that Department or if there is no Minister as such, then it will be a matter for me or for the Council of Ministers to

decide. He is going to coordinate the effort and put into these departments this coordinated sense of urgency that everybody has been clamouring for.

MR SPEAKER:-

No more questions, we must not fall into the temptation of debating the statement. We can only have questions seeking clarification of anything which has not been understood within the statement.

HON A J HAYNES:

Mr Speaker, can the Minister therefore say that there is now a new Ministry for litter?

MR SPEAKER:

No. I will call the Minister for Economic Development, Trade and Labour and Social Security.

HON A J CANEPA:

Mr Speaker, Hon Members will recall that the Report of the Select Committee on the Declaration of Members' Interests was laid on the table at the Meeting of the House on the 31st October, 1979, and its recommendations approved at that same Meeting.

At the first working meeting of the new House on the 25th March this year, the House passed two motions.

- (1) "that a Permanent Select Committee on Members' Interests consisting of four Members, two from each side of the House, irrespective of the number of Members as between Government and Opposition, be appointed with the following terms of reference:

To examine the arrangements made for the compilation, maintenance and accessibility of the Register of Members' Interests, to consider any proposals made by Members as to the form and contents of the Register, to consider any specific complaints made in relation to the registering or declaring of interests; and to report on these and any other matters relating to Members' Interests", and

- (2) that the following Members should be nominated to the Permanent Select Committee on Members' Interests, Mr Abecasis, Mr Restano, Mr Scott and myself.

Sir, the Committee elected me to be their Chairman.

The Clerk of the House, who is the Registrar of Members' Interests, sent all Members a copy of the form, agreed by the House, for the register of interests and following the return of these forms by all Hon Members, he has prepared the Register, the format of which has been approved by the Committee. Earlier in these proceedings, this Register was laid on the table and it will now be kept in the House and shall be available for public inspection by appointment with the Registrar.

HON G T RESTANO:

Mr Speaker, I would just like to say that this report, of course, is a follow-up to the previous Committee and I would like to record from this side my thanks for the cooperation of all the previous Members of the Committee and this one too, Mr Montegriffo, Major Peliza, Major Dellipiani, Mr Canepa.

MR SPEAKER:

I will then call on the Minister for Public Works to make his statement.

HON M K FEATHERSTONE:

Sir, at the last meeting of the House, in reply to a question from the Honourable Gerald Restano, I referred to the Government's projected plans for solving the rainwater penetration problem at the Tower Blocks. I am now able to say that, following preliminary investigations, and in consultation with the Building Research Establishment both locally and in the United Kingdom, Messrs Hinton Consultancy Ltd, have been appointed by the Government to carry out an in-depth survey and to submit proposals towards the long-term and permanent solution of the problem. The Senior Architect and Engineer of the firm are expected to arrive on Thursday 6 November 1980 to commence investigations.

The exploratory investigation by the consultants should reveal the state of the fabric of the buildings and any deficiencies and contribute towards arriving at the best and most effective method of treating or cladding the Tower Blocks in order to eliminate the rain penetration problems being experienced at present.

After a clear picture of viable solutions has emerged, the second stage of the investigation will follow as soon as weather conditions permit. This second stage will consist of cladding or treating externally four flats in the two top floors of one of the Tower Blocks. The test areas are expected to be completed by September 1981, and full advantage will be taken between October 1981 and October 1982 to study

the effects of the remedial work on the test areas and ascertain its effectiveness.

In the event of the tests being successful, funds will be sought in order to carry out the full remedial work on both Tower Blocks.

Another of the problems presently affecting the Tower Blocks is the intermittent supply of salt water being experienced under certain conditions. The remedial action being taken is to replace the Solway valves by ordinary W.C. cisterns and to provide booster pumps which will operate in the event of low pressure in the salt water system. These booster pumps are now on order and are expected to be installed during 1981.

MR SPEAKER:

Gentlemen, there is one more statement to be made by the Hon the Attorney-General. Due to the fact that we have accelerated the business of the House, question time has not taken as long as it should have, he is not in a position to make the statement until 3 o'clock. In order not to alter the Order of the Day, I think we should recess now until 3.15 this afternoon when we will continue with statements.

The House recessed at 12.50 pm.

The House resumed at 3.35 pm.

HON CHIEF MINISTER:

Mr Speaker, referring to the earlier proceedings when there was a slight difference of approach between the government and the Opposition, there was a report on Radio that you had ruled something out of order. My recollection is that you made no such ruling and that the point was that you had reminded Members that if the Minister didn't want to answer the question that was up to him. I would like to say that the advice I gave, I don't want to go into the matter, was on the basis of the general rule against anticipation of which there is some of authority in the Encyclopedia of Parliament and in Brekine May, subject to anything that can be said, but that is not the point now, the point is that my understanding of the proceedings is that there was no ruling on the matter by you, Sir, in respect of the proceedings this morning other than to indicate the procedures that could be followed.

MR SPEAKER:

That is completely and utterly correct, I think all Members will accept that I have not made any ruling and there is no reason why I should have made a ruling this morning. I did explain the procedures as to the asking and the reply to questions and

the responsibilities of each side and the consequences.

HON CHIEF MINISTER:

It is very difficult to know what you hear at lunchtime, not because the radio is bad but because it is something that you hear and you may be mistaken.

MR SPEAKER:

I will most certainly make it my business to get a transcript of what was broadcast and if the proceedings of the House have been misquoted I will most certainly ask for a correction.

HON G T REBANO:

Mr Speaker, I have a feeling that when the Minister got up to answer the question in point, he said he would answer this question during the debate and if my recollection is right you stated to him that that was out of order because he could have replied to questions in statements but not necessarily in motions.

MR SPEAKER:

I will most certainly make myself completely and utterly clear. I had no reason to rule anyone out of order because no one did anything he should not have done. I most certainly explained to the Minister that what he proposed to do was not in accordance with the rules of procedure.

HON P J ISOLA:

That he was out of order.

MR SPEAKER:

No, with due respect. Someone is ruled out of order if he is conducting himself in a manner which is not in accordance with the rules. What I said was that the rules of procedure required in the case of a matter such as was raised at question time that if he wished to answer the question he could do so but he could not hide behind the fact that a motion was being moved later on in the proceedings. I will listen to what was said over the radio and then I will come back to the House on this.

HON P J ISOLA:

Mr Speaker, listening to what you have just said and having heard myself the broadcast in question, I would not think that

what happened in the House has been misrepresented. The best way to clarify these matters, of course, is for the proceedings of the House to be broadcast.

MR SPEAKER:

Order.

HON P J ISOLA:

Mr Speaker, on the other point the Chief Minister has raised about the rules of anticipation, of course, that is irrelevant and a red herring.

MR SPEAKER:

Order, Mr Isola. The Chief Minister has said that there could have been a matter related to anticipation. If there had been I would have ruled on it. No one made an issue of it and therefore there is no need to make a ruling.

HON CHIEF MINISTER:

Mr Speaker, there has been a remark by you, Mr Speaker, that you have not ruled anybody out of order so that if that is what the report said, it is wrong. If by now saying; "Order" it is said that you have ruled the Leader of the Opposition out of order, that is wrong too.

HON P J ISOLA:

No, because I think on this particular point if what the Minister for Municipal Services said, which is what he said, really; "No, I will answer this question in the debate", I think you quite rightly told him that he could not do that because you can answer a question in a statement that you make but not, obviously, in a debate and therefore to that extent he was not acting in accordance with the rules of procedure.

MR SPEAKER:

No, Mr Isola, I will not counterence any argument on this. I am the person to decide whether I have ruled anyone out of order or not. All I have done at this particular juncture was to call the Minister's attention as to what the Standing Rules required him to do. We will leave the matter as it stands until I have had an opportunity to listen to the transcript of the GBC broadcast.

HON G T RESTANO:

Mr Speaker, may I just ask one question and that is, Members of the Opposition do put in questions, we are restricted to certain limitations of time and we do put

MR SPEAKER:

Not of time, of relevancy.

HON G T RESTANO:

Yes, and we do put these questions in, I think, with a certain amount of forethought. Is this the first time, perhaps in your Speakership, if I can put it that way, that any question has been refused to be answered by the Government?

MR SPEAKER:

No, it has happened very often.

HON G T RESTANO:

We get questions which we put where the answer is 'No, Sir', but this is the first time, certainly, that I have ever heard of any question in any Commonwealth Parliament being refused an answer.

If the Chief Minister wants to get up and speak he can wait until I have sat down but I am asking whether this is the first time, certainly in this House of Assembly, and whether it has ever happened before in other Commonwealth Parliaments?

MR SPEAKER:

There have been occasions during my eleven years as Speaker when Ministers have either hedged or have refused to give the answer that has been asked, most certainly.

HON P J ISOLA:

Mr Speaker, I think you will agree certainly it is the first time in my experience that a government Minister has refused to answer a question actually put down on the Order Paper.

MR SPEAKER:

In any event, whether it is the first time or whether it is the last time or whether it has ever happened before or is going to happen again, it is a Minister's prerogative to refuse to answer a question if he so wishes.

HON P J ISOLA:

I hope it won't happen again, Mr Speaker, for the sake of democracy in Gibraltar.

MR SPEAKER:

We are not going to debate the matter.

HON G T RESTANO:

Mr Speaker, may I ask a question?

MR SPEAKER:

Yes, but it must be a very explicit one otherwise I will rule you out of order this time.

HON G T RESTANO:

Mr Speaker, do I take it that this is a precedent?

MR SPEAKER:

I think I made myself completely and utterly clear this morning when I said that the manner in which a question is answered by a Minister or whether it is answered by a Minister or not is his own responsibility and that the Opposition has the right to comment and to act in accordance with the demeanour and the behaviour of the Minister.

HON G T RESTANO:

But is it a precedent for a Minister to say, "I will refuse to answer three questions"?

MR SPEAKER:

It is not a question of a precedent it is a question of a right.

HON H J ZAMMITT:

Mr Speaker, Sir, is it not a question that it may be the first time certainly in my experience in the House that we have had 4 or 5 or 6 questions followed by equal motions on that particular question?

HON J BOSSANO:

Mr Speaker, may I point out that in fact I have on more than one occasion had my questions not answered.

HON P J ISOLA:

From this Government, I presume.

HON J BOSSANO:

Yes, not only from this Government but with the full support of the Opposition whenever I have asked questions about what has been going on between Britain and Spain. I have been told it was confidential and that I would not be told.

HON G T RESTANO:

Mr Speaker, I take Mr Bossano's point entirely but he had the right to ask supplementary questions.

MR SPEAKER:

Order, we are not going to debate this matter, I now call the Attorney-General to make his statement.

HON ATTORNEY-GENERAL:

Mr Speaker, first of all thank you for your consideration this morning on this matter.

Mr Speaker, I wish to make a statement on the legal position concerning the defects at the Varyl Begg Estate.

For some 17 months, the Government has been pursuing a specific course of action towards the resolution of this problem. I am now able to inform the House of the outcome of that course of action.

This is a major matter. I intend to state for the information of the House the salient points of the terms of agreements that have been reached with the contractor and the consultant architect respectively. Before doing so, I also wish to describe the considerations which gave rise to the course of action that has resulted in these agreements. It is not at this point of time appropriate and therefore I do not intend to speak on the details of the agreements. Their implementation is a matter on which work continues. It will require further time. In due course, the House will be informed in detail of the terms of settlement.

Honourable Members are already aware that in 1977, the Government proposed to its consultant architect and to the contractor

that the matters in issue concerning the estate should be submitted to a tripartite arbitration. This proposal was not in the event taken up. The House is also aware that subsequently in 1977 the Government engaged a firm of consulting engineers to investigate and report to it on the roofing leakages in the estate. These engineers submitted 3 reports. The final report was received in May, 1979.

After identifying what they considered to be causes of the roofing leaks, the engineers proposed in essence three alternative remedial solutions. The first was to undertake repairs to the existing roofs. The second was to erect a further floor. The third, was to construct pitched roofs over the existing roofs. In August, 1978, Ministers and officials formed the view that the possibility of a pitched roof solution should be pursued. This was referred to in the debate on this matter in the House in October 1978. Therein lies the genesis of the course of action that was in the event taken, though a final decision was not reached until a subsequent date.

When I myself first considered the Varyl Begg Estate problem, I came to the view it raised issues of design, supervision, and compliance with specifications. The first could raise issues as between the Government and its consultants, the second could raise issues between the Government and its consultants, and also between the Government and the contractor, and the third would involve issues between the Government and the contractor. I also formed the view that although the parties were in discussion, there was a need to restore normal relationships between the Government and its consultants, and between the Government and the contractor respectively. Although the roof leakages were the major issue, there were also other outstanding matters to be dealt with. The Government ought to deal with the contractor through the consultant with a view to pursuing a comprehensive resolution. Relatively speaking, the issue of compliance with specification was of its nature less problematical than issues of supervision and design, and in any event an issue of supervision as between the Government and its consultant did not exclude the possibility of an issue of supervision as between the Government and the contractor. With these considerations in mind, I subsequently advised the Government that it should re-establish its respective relationships with its consultant and the contractor, it should take up its differences with the contractor through the consultant, and to the extent that it might ultimately be shown that the contractor was not liable, it should reserve its rights against the consultants. This advice was accepted. I should add, although it does not qualify my advice, that both the Director of Public Works and the engineer engaged to report on the roofs were of the same view.

Prior to submitting his third report, the engineer came to Gibraltar in May 1979 to discuss the situation. In the course of those discussions, he suggested as an avenue for the resolution of the matter the possibility of seeking an acceptable contribution from the contractor, and the provision of architectural services by the consultant towards the construction of pitched roofs, the Government making itself a contribution

towards the element of betterment involved in the proposal for pitched roofs. At that stage, a figure of £1,000,000 was mentioned as the approximate cost of pitched roofs and a figure of £650,000 for the repair of the existing roofs.

After considering the engineer's third report, I formed a view as to liability, on the evidence available to the Government, and advised accordingly.

Having been advised on these considerations, and having regard also to the practical consideration of remedying the defects at the Estate as quickly as reasonably possible, the Government made a decision to pursue discussions with the consultant and the contractor in order to see whether a negotiated settlement could be achieved along the lines I have indicated. Accordingly, in August 1979, the Director of Public Works and I went to London. We first proposed to the architect that we should proceed on this basis. He indicated his readiness to do so. Thereafter we put the proposal to the contractor which also indicated its willingness to enter into negotiations to that end.

I should make it clear that the proposals were without prejudice. If acceptable and comprehensive terms could not be agreed, then there was on the Government's part an option open to go out to tender on the construction of the roofs and to resolve its differences with the contractor by litigation. The Government's position against the consultant would in that event be reserved.

In October 1979, through the consultant architect, the Government therefore opened negotiations with the contractor. In January 1980, the consultant came to Gibraltar to discuss the preparation of drawings and the manner in which negotiations should proceed. In the same month, the Council of Ministers formally approved the proposals to erect pitched roofs and the proposed timetable, on which it had been advised. This allowed for the costing of the proposals by the contractor, the examination of the costed proposals by the Government's quantity surveyors, a period for negotiation between the quantity surveyors and the contractor as to the costs, and the commencement of work by June 1980.

There was an element of slippage in progress, as the House is aware. In particular, the negotiations as to cost took longer than had been allowed for.

Meetings were held between the quantity surveyors and the contractors at which proposals and counter proposals were put forward. The Government considered that for the time being the negotiations should be pursued, as it was hopeful of being able to reach a mutually acceptable solution. By July, 1980, after consultation with the consultant architect, preliminary steps had been, without prejudice to our claims and to gain time, taken towards the ordering of the materials. Mr Speaker.

In July and August 1980, I had further discussions in London with the architects and the quantity surveyors. During the course of those discussions, they expressed their views as to

the basis on which we might eventually reach a solution.

Shortly afterwards, the consultants advised that they considered that having regard to the stage to which the negotiations had advanced, there was in effect room for only one further round of talks. In consequence of this, the quantity surveyor was asked to come to Gibraltar to discuss the matter, and it was proposed that the final round of negotiations should take place in Gibraltar that month with officials participating together with the consultants, I mean officials from Gibraltar. As it was not possible to arrange this, a team of officials led by myself and also including the Acting Financial and Development Secretary and the Director of Public Works, went instead to London in late September. Further negotiations were held, and a further proposal was put forward for consideration by the Government. On 2nd October 1980, the consultants and the contractors were informed that the proposal could not be accepted. Steps were then taken to protect the Government's position.

Later in October, representatives of the contractor came to Gibraltar and met with the Financial and Development Secretary, the Director of Public Works and myself. Although it was not possible for the consultant architect to come, the meetings were held with his concurrence and he was kept informed of the further progress that was made. As a result of this further round of talks, officials were able to put to the Government and to support a further proposal made by the contractor. The architect concurred in the proposal. I was also able to recommend to the Government, after consultation with officials, a basis for settlement with the architect himself. Both of these proposals were referred to and approved by the Council of Ministers and agreement was then reached with the contractor and the architect accordingly.

The terms of agreement reached between the Government and the contractor are as follows:

- (a) The contractor will undertake the construction of aluminium pitched roofs on all residential blocks at the Varyl Begg Estate. The price for this work is £1,025,000 as at May 1980. This will be subject to fluctuations thereafter for labour and materials. This price was negotiated by the quantity surveyors with the contractor. It includes elements agreed to by the quantity surveyors for preliminaries, measured works, and contingency allowance, and an element negotiated by them with the contractor for profit and overheads. The work will take approximately 18 months to complete. It will be undertaken on supplier finance terms. Under these terms it is proposed that 85 percent of the total value of the United Kingdom goods and services involved on the work, ie approximately £812,355, would be payable to the contractor, together with interest at the rate of 8 percentum per annum, in 10 equal half yearly instalments, the first

being due 6 months after the completion of the contract. The balance of the value of the United Kingdom goods and services, ie 15 per cent, would be payable by way of a sterling down payment on the signing of the documents covering the works. Payment for any goods and services not provided from the United Kingdom would be paid in full against the architect's certificates.

- (b) The contractor will pay by way of contribution to the Government, in settlement of its liability for existing roof and roof-related defects, a lump sum of £450,000. This is additional to the sum of £43,319 that the contractor has already spent on temporary repairs.
- (c) The contractor will also remedy under the existing contractual arrangements, the other outstanding defects for which it is liable. This will be a matter for processing between the contractor and the architect.
- (d) The contractor will come on to site to commence preparatory work within 2 weeks of 27 October 1980.
- (e) The outstanding claims against the Government by the contractor under the existing contract have been settled in the sum of £300,000. This amount includes an ex gratia element of £170,000 which we have been recommended by the architect to accept, having regard to United Kingdom local authority precedent. The outstanding claims are exclusive of money already certified under the existing contract.

Under the terms of agreement reached with the consultant architect, he will provide the architectural services relating to the design and supervision of the new pitched roofs free of charge. These include the services he has already provided in respect of the negotiations to which I have referred and it is estimated that they will be to the value of £74,600 under RIBA scales. In addition he will meet the costs incurred and to be incurred in design services provided by consulting engineers in respect of the roofs, estimated at £5500, and the costs of the quantity surveyors in the negotiations to date which are estimated at £5000. These two items will be paid by the Government out of the fees of the architect at present retained by the Government. The estimated value of the consultant architect's contribution is therefore £85,100.

In conjunction with the erection of the pitched roofs by the contractor, the electrical repair work at the estate caused by roof leakages will be put out to tender to a sub-contractor. Our estimated cost of this repair work is approximately £107,000.

Mr Speaker, as I have already indicated, this is the basis on which the terms of agreement have been reached with the contractor and the architect. I have at this stage sought to avoid commenting on the merits of the terms of the agreements. What I have done is to describe a course of action taken and the outcome. I expect that full details will in due course be supplied to the House. I may add, Mr Speaker, there are legal points I would in due course want to come back to the House on.

HON P J ISOLA:

Mr Speaker, the story that the Hon and Learned Attorney-General has just unfolded is indeed an unhappy one for the people of Gibraltar who apparently are going to foot, if I have heard his statement correctly, the majority or the largest share of the bill for putting right what the Chief Minister and the various Ministers in the Government side have been telling us for the last 4 years the Government was not at all to blame. Whilst the Chief Minister keeps saying no with his head, could I just ask the Hon and Learned Attorney-General if I am right in thinking that the Gibraltar Government or the public at large will pay for the majority of the cost in putting the Varyl Begg Estate right? In other words, am I right in thinking that the total liability of the contractor and the consultant is merely £450,000, as far as the contractors are concerned, and as far as the consultant architects are concerned are their free services for putting right what they did wrong originally and that the public of Gibraltar is going to meet a bill of £600,000. Am I right in saying that this is the net result of Government's efforts over the last 4 years?

HON ATTORNEY-GENERAL:

Mr Speaker, the proposal is a proposal to erect pitched roofs. There are two elements to the matter, there is the element of the actual remedial works that would have been required to restore the existing roofs as per the original specification and, of course, the remedial consequential loss that flowed from the leakages caused to those roofs and also other defects in the Estate. Mr Speaker, I will come to the point about the pitched roofs in a moment but if one looks at Varyl Begg and assesses the total damage that can be estimated, the total amount that it would cost to set it right as it was, Mr Speaker, I believe that that is in the order of between £1m and £1.1m and on that basis what has been recovered is altogether, I think, approximately 50%. It is true that pitched roofs are being erected, this is not a legal consideration but there is an element, it cannot be in a negotiation, but there is an element of betterment in pitched roofs. I also appreciate, of course, that the move to construct pitched roofs was partly brought about because of the circumstances in which the Government,....

MR SPEAKER:

We must not fall into the temptation of debating the statement. You have been asked a question which I think one can give an answer to or you cannot, I am not sure, it is up to you. You have been asked whether it is a fact that out of the £1,100,000 the Gibraltar Government is going to be responsible for £650,000 and if the builder is going to be responsible for £450,000, is that correct or not?

HON ATTORNEY-GENERAL:

If I may have the opportunity to do my sums, Mr Speaker. Mr Speaker, what I sought to clarify, I wasn't trying to debate the issue, what I sought to clarify was this, that one must look first at the total, if one forgot about pitched roofs, if I can express it in these terms, if one forgot about pitched roofs you would be looking at an Estate with flat roofs and what is to be measured is the total amount of loss that Government has suffered. If one looks at that situation to clarify what was asked, what the Government is recovering is £450,000 plus something which is estimated at £85,100 plus, I think, one has to say that £43,000 odd that the contractor has already spent and one is talking about something going up towards £600,000. So far as the pitched roofs are concerned they are a new element, there is an element of betterment in them. The point I sought to make clear and I wasn't trying to debate it I just wanted to make it clear, was that to some extent, of course, the situation of having pitched roofs has come about from the circumstances on which the Government has found itself.

HON P J ISOLA:

Yes, Mr Speaker, but I was only really asking for clarification because it seems to me that obviously the betterment issue is the escape route, may I put it that way, for the Government in justifying what is in fact a disastrous agreement for the people of Gibraltar. I want to ask the Hon and Learned Attorney-General what cash consideration there has been in relation to the rent that has been lost by the Government over these 4 years and interest on that rent? Has any specific cash provision been made for that in this agreement? The second thing; what has Government recovered in respect of other losses as a result of the work on the Estate? And the third thing; what is the contribution of the consultants for having designed in the first instance the wrong plans necessitating the construction of pitched roofs 4 years later as the only way of getting the Government out of the mess that these consultants who designed and did the whole work for the Varyl Begg Estate put the Government in? What is the cash equivalent of that, just doing new plans? In other words, is the position that the consultants designed the wrong set of plans and then said: "I am very sorry, even though it is going to cost you £600,000 and it has cost you so many thousands of pounds in suffering to people, in loss of rent to the Government, despite all that, my contribution is

going to be that I will do you a new set of plans for pitched roofs". And we must all turn round and say: "What marvellous chaps these consultants are". What is their contribution in terms of cash to the people of Gibraltar for the hardship that they have caused in this matter?

HON ATTORNEY-GENERAL:

Mr Speaker, before I answer that question may I ask the Hon and Learned Member to clarify the second aspect of it. He mentioned cash for the rents that have been lost and the Member then mentions other defects and I'm not clear what is meant by that?

HON P J ISOLA:

I was referring, Mr Speaker, to the suffering of people, to the inconvenience of people, to the inconvenience of the public, to the public funds that have been spent in trying to ameliorate this position over 4 years. Can I just ask one last thing and that is, this question of interest, when will it start running from and is Government getting any interest themselves on what they have lost and from the date that they have lost it?

HON ATTORNEY-GENERAL:

Mr Speaker, first of all on the point of the rents. The settlement that has been negotiated with the contractor is a lump sum settlement for all damage stemming from the roofs, that is, the damage to the roofs themselves and roof related damage which includes consequential damage caused by leakages. This includes damage to the electrical work, it includes damage to the flats and because those flats were damaged it wasn't possible for them to be occupied. It is a lump sum settlement and the lump sum settlement was negotiated taking into account the fact that part of the damages were made up of rent. On the second point, because I understand that the Hon Member is really making two points. The second point on the question of design. I understood the Hon and Learned Member to say, why is the consultant not putting up cash for roofs which he wrongly designed in the first place? It is not as simple as that. I cannot accept, and the evidence does not substantiate it, that it was quite so simple as the roofs being wrongly designed in the first place. There are elements of liability on the part of the consultants but beyond that I wouldn't go. Mr Speaker, there was also the question of interest mentioned. This proposal was a proposal to erect new pitched roofs and those roofs have to be financed and I was referring to the terms on which they will be financed by the Government in the course of their construction.

HON G T RESTANO:

Mr Speaker, can I just ask one point. We have been told all along for the last 4 years that the Government was taking

action or not taking action because they didn't know who was responsible for the faults in the roofs. May I ask now, who is responsible for the faults in the roofs at Varyl Begg? Is it the contractor, is it the consultant, or who is it?

HON ATTORNEY-GENERAL:

Mr Speaker, it is my view that the primary responsibility rests with the contractor and that there are elements of responsibility which rest with the consultant. In the case of the consultant, I think there were two aspects. There is the aspect of design and I think one also has to take into account supervision although that doesn't exonerate the contractor, which is contributing to the present leaks, there is evidence to this effect. There would also be the prospect of longer term design shortcomings but they have not contributed at this stage to the existing roof leaks.

HON G T RESTANO:

Mr Speaker, I take it then that it is the opinion of the Hon and Learned Attorney-General that the main part of the fault lies with the contractor. Can he also tell us how this view has been come by? Can he tell us how that opinion is based?

HON ATTORNEY-GENERAL:

Yes, Mr Speaker, it is based on the evidence that the Government was able to obtain from independent consultants.

HON G T RESTANO:

The next point, Mr Speaker, that I wanted to ask is that I see that in the Hon Member's statement he said that for some 17 months the Government has been pursuing a specific course. Of course, 17 months only takes us back to May, 1979. What happened between the time that the Government was handed the first block and very shortly afterwards, I believe, the faults were observed certainly by the tenants of the last floor flats, what happened between then and June 1979, that no action seems to have taken and it was only in June 1979 when Government took a specific course?

HON ATTORNEY-GENERAL:

Mr Speaker, I did think that my statement covered that. When I said 17 months and I think I emphasised as I said it, it is for 17 months that the specific course of action which had led to this outcome has been pursued. I did outline what happened before that. I have made the point, Mr Speaker, and I made the point deliberately. I was describing a course of action and I was describing an outcome. In due course one will be prepared to give a full account of the matter but I do think myself that my description and my statement of the previous events is

sufficient at this stage.

HON G T RESTANO:

In the context, Mr Speaker, of the Hon Attorney-General's assessment and statement, I agree, but he must accept that certainly since I have been in this House of Assembly, the Government has been accusing its predecessor of the faults of Varyl Begg. I just want to know what the present AACR Government has done between the moment they took office I think in 1972 until June 1979?

MR SPEAKER:

We are not going to debate the Varyl Begg issue. If you wish to ask questions in clarification of the statement you are free to do so.

HON G T RESTANO:

My question of clarification, Mr Speaker, is that the Government has taken a specific course according to the statement for some 17 months and that only takes us back to June 1979 but the Estate was first handed over or at least the first part of the Estate was handed over in 1972 and my question was what had Government done between 1972 or 1973 perhaps.....

HON A J CANEPA:

Mr Speaker, the building started in October, 1972.

HON G T RESTANO:

Well, between the time, if you like, of the first handing over until June 1979, that is what I am asking.

HON ATTORNEY-GENERAL

The matter was discussed after leaks had come to light between the contractor and the consultant and there came a point at which the Government, and I am not going to comment further at this stage, but there came a point at which the Government proposed to the contractor and the consultant, because I am sure Members know better than I do there was a difference between them as to what was the cause, there came a point at which a tripartite arbitration was proposed, an arbitration between the Government, the consultant and the contractor and that came to nothing. The Government then engaged, I think it was in December 1977, a firm of consulting engineers to investigate and find out what was causing the leaks and they reported as I said and the first two reports were in by 1978, the final report came in May, 1979, and we had

discussions with the engineer around June, 1979, and it was from that point that we followed a definite line of action which I have already outlined.

HON F J ISOLA:

Mr Speaker, it is very difficult to accept without question the statement that the contractors were mainly to blame because as I understand the position and perhaps the Hon and Learned Attorney-General will be able to confirm this to me, in August, 1977 when the Government proposed arbitration, within 12 days of receiving the letter the contractors accepted arbitration in August, 1977, and it was the consultants, who appear to be free from all blame, who refused the arbitration or refused to have the matter settled at a time which would then have resulted in things being done 3 years before or 4 years before they are being done and a lot of suffering and expense being avoided. The second point I would like to make on this question of the liability is that according to the statement that the Hon and Learned Attorney-General has made, in May, 1979, the estimated cost of repairing the existing roofs was set at £650,000, that was in May, 1979, but presumably in May, 1980, the estimated cost for repairing the roofs have had to be put up by 20% if one takes into account wages and all these things that go up annually. What reason can there be for the Gibraltar Government at least not getting a credit in the cost of putting pitched roofs at least of the amount that it would cost to repair the roofs today? In other words, the contractor, if they are to blame, should be paying at least £650,000 and not £450,000 or is the root of the problem that the contractor is saying "I'm going to pay what it would have cost to repair in 1977 if you had accepted my offer of arbitration".

MR SPEAKER:

Mr Isola, you are debating the issue.

HON F J ISOLA:

I want clarification of this point of liability of the contractor because it seems to me, Mr Speaker, that if the cost of repair was £650,000 the Government or the tax-payers because it is not the Government it is the tax-payers who are going for this, or the British Government, should not be made to pay a single penny more than the cost of putting right what was done wrong, never mind the betterment value, the cost of putting right what was done wrong.

HON ATTORNEY-GENERAL:

Mr Speaker, dealing first with the first point. I note what has been said about the attitude of the consultants when the tripartite arbitration was proposed. My view of the consultants liability as based on the evidence that was made available to

us by the consulting engineers who we subsequently engaged. I will comment at a later date on the significance of the consultant not accepting a tripartite arbitration. On the second point, I was careful to say this in my statement, the figure mentioned in May, 1979, of £650,000 and the figure mentioned of £1m were figures mentioned in discussion by the consultant engineer, they were not estimates in the considered sense, they were not estimates in the sense that implied that there was a considered formulation of the amount in the same way as a quantity surveyor would estimate them but they were figures which the consultant mentioned to us and when the negotiations took place this year between the quantity surveyors and the contractor, the quantity surveyor's assessment and I believe I am correct in saying in 1980 for the remedial cost of the roof, was £690,000. That was what the quantity surveyors were proceeding on as being the amount it would cost to restore all 18 roofs under the existing specification as at 1980. I am sure the Hon and Learned Leader of the Opposition knows this was a settlement and in a settlement there are elements of compromise. At this stage I propose to say no more about this.

HON P J ISOLA:

Which means, Mr Speaker, if I can ask for further clarification, it means that the Gibraltar tax payer or the Gibraltar public, whatever you like to call it, is being asked not just to pay for betterment value but to pay part of the cost of the bill which this Government has said and has given as its reason for not taking the contractors and consultants to court it would not have.

MR SPEAKER:

Mr Isola, that is not a matter of clarification. If they wish to do so the Opposition can debate the matter in a substantive motion but we are not going to go any further now on this matter.

HON MAJOR R J PELIZA:

Mr Speaker, on a point of clarification.

MR SPEAKER:

If it is a point of clarification, by all means.

HON MAJOR R J PELIZA:

The Hon and Learned Attorney-General has said that the defects are attributable to construction and not to design and that the contractors are prepared to make good up to a point. Why has

the Government agreed for the pitched roofs which apparently is a betterment, why have they agreed to that way of putting it right? Isn't there another way of putting it right and therefore saving the people of Gibraltar quite a large sum of money?

HON ATTORNEY-GENERAL:

Mr Speaker, I would like to be clear on this. I did not say that the contractor was at fault and the consultant was not at fault, but what I did not say was that the roofs were completely badly designed. My assessment, on the evidence which was given by the consulting engineer, was that the contractor was primarily at fault, he identified points of liability by the contractor and he identified points of liability by the consultant. My view of what he was saying was that the contractor was primarily responsible but I didn't say that there was no responsibility on the part of the architect, there was responsibility on the part of the architect as well, but the settlement in my view and I say that as a lawyer, he says that as an engineer and I appreciate that the settlement reflected that approach. Coming on to why were pitched roofs erected. As I said in my statement, the consulting engineer advanced three possible ways of remedying the matter; (a) one could restore the existing roofs; (b) one could build a new storey; (c) one could put a pitched roof across the top. He himself was of a view, of a view only as engineer, I am not trying to pass the legal assessment to the engineer, but he was of a view and the fact that pitched roofs were proposed, while it was considered that that would be a good solution, it was not implied that that was the only solution to the problem. What I am trying to say is it was not to be inferred from that, and certainly it was not his own view, that it was primarily a shortcoming in design. Now, I don't want to espouse this because I think it is really a separate issue and I don't think it is strictly an issue within the context of a legal dispute. In fact, I think it can be shown that over a longer period of time the pitched roofs are in fact a better investment.

HON MAJOR R J PELIZA:

Yes, but that is over a long period of time, Mr Speaker, and we are thinking of what is happening now. If there was no fault of design, or the designer were to some extent to blame, is the Attorney-General absolutely satisfied that the contribution being made, as my Hon Friend has said here before, and I think this question of the pitched roofs brings this point out very saliently, is he absolutely satisfied that the consultants are really contributing the amount that they should within the failure on their part?

MR SPEAKER:

With due respect, that is not a matter of clarification. I think we have gone as far as we can go on this one.

HON G T RESTANO:

I have two questions to ask, Mr Speaker, on clarification.

MR SPEAKER:

Put the first one and we will see.

HON G T RESTANO:

The first one is, in the past the Government has failed to collect revenue from the Estate because people refuse to pay their rents because of the bad conditions of their houses and I would like to know whether that money is going to be just forgotten.

MR SPEAKER:

No, that is completely out of order.

HON G T RESTANO:

Well, it is loss, Mr Speaker.

MR SPEAKER:

With due respect to you, it is completely out of order. You are entitled to ask any question for clarification of the statement. You are not entitled to debate the consequences of the Varyl Begg issue.

HON G T RESTANO:

Has any account been taken in the contribution by either the contractor or the consultant of the loss in revenue to Government by the non-payment of rents?

HON ATTORNEY-GENERAL:

I think I have answered.

MR SPEAKER:

I think you have answered that to Mr Isola no more than about a quarter of an hour ago. Perhaps you haven't got the answer you want but that is another matter. What is your second question?

HON G T RESTANO:

Yes, Mr Speaker, but that question has not been answered.

MR SPEAKER:

No, we are not going to labour the point any further but if you are in a position to put an end to it in a quicker way, yes, by all means answer.

HON ATTORNEY-GENERAL:

Thank you, Mr Speaker. In the amount that was negotiated that was a lump sum settlement and one of the factors that we took into account and presented in the negotiations was the consideration of rents.

HON P J ISOLA:

What was the figure for the loss of rent?

MR SPEAKER:

No, order.

HON P J ISOLA:

It may have been £450,000.

MR SPEAKER:

Mr Restano, you had another question.

HON G T RESTANO:

The second question, arising out of these investigations, is there any responsibility attributed to the Gibraltar Government for the faults in the roofs?

HON ATTORNEY-GENERAL:

There is no responsibility attributed to the Gibraltar Government for the design of this, they didn't design the roofs, but the view was expressed that the flat roof design is in itself not the best design and the view was expressed that it was designed to meet the needs of the client.

HON J BOSSANO:

Mr Speaker, in the estimates there was a figure retained of £852,900. Can the Hon and Learned Member say whether this is now being paid to the contractor or what is happening to that money?

HON ATTORNEY-GENERAL:

Mr Speaker, it hasn't, that figure was incorrect, I understand. I will say that when I learned of this it gave me a momentary palpitation because I thought we were sitting on their money but, in fact, we weren't.

HON J BOSSANO:

Can the Hon Member explain? I am afraid the fact that he says the figure was incorrect cannot be sufficient for us because this is in the printed estimates and we were told that the money was apparently something that the Government was sitting on, money owed to the contractor. In fact, if we didn't owe them the money how come we thought we did?

HON ATTORNEY-GENERAL:

Mr Speaker, I am sorry, I would like to help the Hon Member but I can't explain it that, in fact, that money was not owing to the contractor. I think I would rather say no more, I can't explain it.

HON J BOSSANO:

Can he say whether any money was owed to the contractor?

HON ATTORNEY-GENERAL:

What was owing to the contractor was a sum of £147,000 which wasn't paid.

HON P J ISOLA:

But in the statement the Hon Attorney-General referred to an ex gratia payment of £170,000.

HON ATTORNEY-GENERAL

That is a different matter altogether.

HON J BOSSANO:

Mr Speaker, I haven't finished. I take it, Mr Speaker, that the Hon and Learned Member is not able to give me an answer at this stage because the whole thing is not completely settled but that the information will be forthcoming at some stage, is that correct?

HON ATTORNEY-GENERAL:

Mr Speaker, yes that is what I intended to convey.

HON G T RESTANO:

Mr Speaker, I wasn't allowed to finish on the point I asked before.

MR SPEAKER:

Have you finished, Mr Bossano?

HON J BOSSANO:

No, Mr Speaker, the thing is I would rather carry on with one particular line than chop and change. On the amount of £107,000 for repair work, is that being met entirely by the Gibraltar Government?

HON ATTORNEY-GENERAL:

Mr Speaker, the amount which the contractor is contributing is around £450,000 lump sum, the repair work is a separate matter.

HON J BOSSANO:

I know it is a separate matter, Mr Speaker, it is a separate matter in his statement. What I am saying is, the £107,000 of electrical repair work being caused by roof leakages, is the contractor paying for that or is the Gibraltar Government paying those £107,000?

HON ATTORNEY-GENERAL:

Mr Speaker, I am not trying to misunderstand the Hon Member, is he saying that something which is going to be paid for in addition to the £450,000?

HON J BOSSANO:

Yes.

HON ATTORNEY-GENERAL:

The answer is no. The £450,000 is a lump sum.

HON J BOSSANO:

So that means that the £107,000 of electrical faults is being met by the Government itself and that, in fact, this package that the contractor has so successfully negotiated, takes account of the loss of rent, of £107,000, and of everything else and the Hon and Learned Member still thinks that that reflects a negotiation in which the major proportion of the blame is put on the contractor and not on the Government and yet the Government bears the major share of the costs?

HON ATTORNEY-GENERAL:

Mr Speaker, I think simply this, that what has been recovered in the settlement.....

MR SPEAKER:

We are not debating the quality of the settlement and that must be done in a substantive motion, not now.

HON J BOSSANO:

Mr Speaker, then on a point of clarification. Would the Hon Member agree that the statement that he has made indicates that the contractor is bearing something like 30% of the cost of putting the defects on the Estate right when they should have been right from the beginning, and that consequently if it is a fair settlement, it must indicate a situation where 30% of the fault is the contractors, 70% of the fault is the Government's and no fault at all for the consultant who is just doing a new set of plans. Would that be an accurate understanding of the statement and if not could it be clarified.

HON ATTORNEY-GENERAL:

It seems to me to come down to a question of calculations but I do not see how he gets the figure of 30%.

HON J BOSSANO:

Mr Speaker, if the Hon Member doesn't see how I arrive at the 30%, then I would point out that if the roofs alone are £1m and

that that is the initial cost subject to fluctuations, that if we are not shown the loss of rent or other incidental losses over the last 4 or 5 years, and if the electrical work alone is £107,000, it won't take us very far to arrive at a figure of £1.5m of which £450,000 is approximately 30%.

MR SPEAKER:

That may be so but again we are falling into the trap of debating the statement.

HON J BOSSANO:

I am asking him to clarify whether the contractor is putting 30% of the cost, is that correct or not?

HON ATTORNEY-GENERAL:

That is not correct.

HON J BOSSANO:

Can he say what percentage of the cost is being met by the contractor?

HON ATTORNEY-GENERAL:

Our estimate of the loss suffered by the Government of Gibraltar is between £1m and £1.1m and the contractor is paying £450,000 and while the temporary work may not have been to particular advantage or to anyone's ultimate benefit, he has in fact spent another £43,000 in doing temporary repairs.

HON G T RESTANO:

Mr Speaker, when I asked whether there was any responsibility on the part of the Government of Gibraltar, I got a few snide remarks from some Members of the Government and I would like to ask whether since the Government seems to be so confident of its own image in this whole business, would it now agree to what it refused to agree 2 or 3 years ago, to have a public inquiry?

MR SPEAKER:

Order, let us go on to the next matter on the agenda.

HON P J ISOLA:

As you have no doubt gathered from our questioning, this side

of the House is thoroughly dissatisfied with the surrender document that has been signed by the Government and I propose to raise this issue on the adjournment.

MR SPEAKER:

Most certainly.

MOTIONS

HON CHIEF MINISTER:

Mr Speaker, I have two motions in my name in the Order Paper but would rather deal with the more pleasant one first and deal with the other one later on. I have the honour to move the motion standing in my name which is that the Honorary Freedom of the City of Gibraltar be conferred upon the Royal Regiment of Artillery in recognition of its close association with Gibraltar over the past two and three quarter centuries and as an expression of the regard, esteem and friendship in which the Regiment is held by the people of Gibraltar.

Mr Speaker, shortly after the capture of Gibraltar in the summer of 1704, it was realised that a permanent artillery garrison would have to be provided if it was to be successfully defended against any future attack. Thus on the 3rd October of that year a Royal Warrant was issued authorising the establishment of a Train of Artillery for Gibraltar.

In 1716 the first two Companies of Royal Artillery were formed at Woolwich as part of the regular establishment of the Army. The Train of Artillery at Gibraltar and that at Minorca (then under British rule), I should remind Members, after expansion and reorganisation, were brought on to the regular establishment the following year as the third and fourth Companies of the Royal Artillery respectively. Five years later all four Companies, two at Woolwich and one each at Gibraltar and Minorca, were formed into the Royal Regiment of Artillery.

Thus the Gibraltar Train of Artillery was actually the oldest of the four original units of the Regiment, though it only became part of the Regiment in 1722.

The Company, after serving with great distinction during the defence of the Rock in 1727, was unfortunately disbanded at Woolwich on the 31st December 1770. It was then known as Captain G. Anderson's Company, 3rd Battalion R.A. The Company served in Gibraltar for 62 years from its formation in 1704 until 1766 when it was embarked for Woolwich. It is worthy of note that this Company was relieved, on leaving Gibraltar, by no less than four Companies, two more Companies being posted to the Rock in 1771..

These six Companies sailed for England in 1772 and were replaced

by five Companies of 2nd Battalion R.A. which today bear the Honour Title "Gibraltar 1779 - 83". Today these Honour Titles are held by 5, 19, 21, 22 and 23 Batteries Royal Artillery.

It was on these five artillery units that the main burden of the successful defence of Gibraltar rested during the Great Siege by the Spanish and French from 1779 to 1783. This achievement is rated as one of the most remarkable feats of arms in the history of the British Army.

Though Gibraltar was never seriously attacked after 1783, five or six Companies R.A. continued to be stationed here. Gunners from the garrison were engaged in other actions based on the fortress. Expeditions to Toulon and Corsica in 1793 - 1794 were based on this garrison. A handful of Gunners fought with Lord Nelson at Tenerife in 1797. One detachment helped re-capture Minorca in 1798. They also formed part of Abercromby's army in Egypt in 1801. In 1808 half a Company went to Sicily and others to Portugal and Ceuta in 1810. In this same year a raiding party from Gibraltar, assisting Spain during the period of Napoleon's invasion, attacked Fuengirola, that was before the Costa del Sol and all that, and an artillery detachment from the garrison took part in the gallant defence of Tarifa in 1811, another detachment taking part in the battle of Barrosa, which we see some of our resident Battalion from time to time celebrating.

Following the long period of peace after Waterloo Companies served for six or seven years on the Rock.

When there was trouble in Syria in 1840 a detachment was sent from the Companies serving here to Acre and Beirut. During the Crimean War the artillerymen in the Garrison ran a remount depot for horses and mules bought in Spain.

It was in 1859, with the introduction of the Brigade system, that a complete Garrison Brigade R.A. was stationed here and Gibraltar thus became one of the largest artillery overseas stations. It was during this period that defences progressively improved and Gibraltar's proverbial reputation as a Fortress was further enhanced.

During the First World War Gibraltar became a most important convoy post which was well protected by the gunners manning the many guns emplaced in the Batteries which deterred any would-be attackers.

The Second World War again saw the strengthening of the Fortress and many guns were mounted. These consisted mainly of Coast Defence and Anti-Aircraft Batteries and at the peak of this period the R.A. element consisted of no less than six regiments.

The Anti-Aircraft gunners of the Gibraltar Defence Force were fully trained before the outbreak of war by instructors of the Royal Regiment of Artillery and were therefore ready to man their guns when war was declared.

Detachments of Coast Defence gunners were trained during the first months of hostilities. These G.D.F. gunners served alongside their comrades of the Royal Artillery and manned both the 6" and 9.2" guns of 4 and 27 Heavy Coast Batteries whilst the Anti-aircraft element served in 19 and 256 H.A.A. Batteries until, eventually, in 1942, the Gibraltar Defence Force Heavy Anti-aircraft Battery was formed incorporating the Gibraltarian Gunners serving with the Royal Artillery batteries at the time. A Light Anti-aircraft Section was also formed in which I am proud to have made a very small contribution.

The Royal Artillery connection was sadly severed in 1958 when the last R.A. unit left the Rock and the only gunners remaining in the garrison were those of the Gibraltar Regiment, Heavy Troop. The present-day gunners of Thomson Battery, the Gibraltar Regiment, are the descendants of the B.D.F. gunners of World War II and still preserve their gunner traditions and some items of uniform such as the white lanyard which every man in the Gibraltar Regiment wears today whether he is an infantryman or gunner. Indeed the Gibraltar Regiment was authorised to have the grenade emblazoned in their Regimental Colour.

Today we are fortunate to have in the Garrison members of 8th Surveillance Troop RA who are doing splendid work in the best Gunner tradition and maintaining the link between the Royal Regiment of Artillery and Gibraltar.

For over two and three-quarter centuries our close connection with the Royal Regiment of Artillery and our debt for the part they have played in the defence of Gibraltar are indeed great, as is our deep affection for the heroism and ingenuity shown in the many attacks which our City has endured.

It is thus with a very special pleasure that I have the exceptional honour to move this motion to grant to the Royal Regiment of Artillery as a sign of our gratitude and friendship, the Freedom of the City of Gibraltar, a motion which I am confident will receive the warm and unanimous support of this House and which will be particularly welcomed by the people of Gibraltar. I am particularly glad that whilst this motion is being heard, the Deputy Director of the R.A., Brigadier Nagle is honouring our House with his presence in the Gallery.

The anniversary of the formation of the Gibraltar Defence Force falls on the 28th April. It is proposed that the Ceremony of the granting of the Freedom of the City should be held on a date as close as possible to this anniversary as it convenient to all concerned. The Ceremony will accordingly be held, if the motion is passed as I hope it will, on the 29th April, 1981.

Sir I commend the motion to the House.

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

HON P J ISOLA:

Mr Speaker, I think this is about the only motion, no, there is one other Government motion, that this side of the House will be supporting during the course of these sittings; but it is nevertheless with very great pleasure that we support the motion that the Hon and Learned Chief Minister has moved. We are only too aware, on this side of the House, of the close association of the Royal Artillery, that is how I used to know it a few years ago rather than the Royal Regiment of Artillery which is probably the right way of calling them, of the very close association and friendship that existed between the Royal Artillery and the people of Gibraltar. Indeed, I think for many years the Gibraltar Defence Force the Gibraltar Regiment's only association with the armed forces was in fact with the Royal Artillery. The infantry boys are a fairly recent acquisition of the Gibraltar Regiment and there are many of us, of course, who I do not say we have no truck with them but there are many of us who never had this particular experience. The Royal Regiment of Artillery, its association with Gibraltar, as the Hon and Learned Chief Minister has said, goes back many years but intimately so, of course, I would think from the time of the formation of the Gibraltar Volunteer Force at the outbreak of the First World War and it has been a very happy association, I think, during this century and therefore I think that the people of Gibraltar will welcome very much the opportunity of honouring this distinguished Regiment with the Freedom of the City of Gibraltar in April next year and I look very much forward to seeing the Royal Regiment of Artillery marching once more in our streets. Mr Speaker, we support this motion with enthusiasm and with gratitude.

HON MAJOR R J PELIZA:

Mr Speaker, as an old gunner myself and having really lived with guns for 22 years of my life, not being a member of the Royal Regiment but certainly very closely associated with it through the Gibraltar Regiment, I feel very happy that this House is going to grant this great honour to this Regiment which I think has counted for so much in the history of our City. I think this joy will be extended to the people of Gibraltar, one can see the way that they precious try to safeguard the batteries which I think are monuments to the Regiment through the years that they have served here. Also, I think it is a sign of the respect and love that the people of Gibraltar have towards the many men who through the many years have been here in Gibraltar side by side with the Gibraltarians in defence of our territory as in fact they are doing today. All this, I think, in the same way as this honour was given to the Royal Engineers and now to the Royal Regiment, goes to prove how much the people of Gibraltar appreciate having the Forces with us here in Gibraltar and I fully and wholeheartedly support the motion of the Chief Minister which I am sure will be receiving the full support of the whole House.

MR SPEAKER:

Does the Hon Mover wish to reply?

HON CHIEF MINISTER:

Nothing to add, Mr Speaker.

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

HON CHIEF MINISTER:

Sir, I have to deal with another kind of fight, this is the appointment of a Select Committee to deal with the law of divorce. At the last meeting of this House after long debate it was resolved that a Select Committee should be appointed to inquire into the need, if any, to amend the Matrimonial Causes Ordinance. In order to give the text to this resolution I have given notice of two motions. One for the setting up of the Select Committee and the other providing for its membership and I move the first of these motions which is "That this House resolves that a Select Committee of this House to be known as the Select Committee on the Matrimonial Causes Ordinance be appointed to inquire as to the need, if any, to amend the Matrimonial Causes Ordinance". Mr Speaker, this follows very closely the motion passed after the long debate we had on another motion on this same subject at the last meeting.

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

MR SPEAKER:

Does the Leader of the Opposition or any Member wish to speak on it?

HON P J ISOLA:

Mr Speaker, I will be speaking on the next one.

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

HON CHIEF MINISTER:

Mr Speaker, I now move the second motion which is: "That this House resolves that the following Members should be nominated to the Select Committee on the Matrimonial Causes Ordinance: The Hon M K Featherstone, The Hon J B Perez, the Hon W T Scott,

the Hon J Bossano and the Hon D Hull, QC". Insofar as the Government Members proposed for the Committee are concerned our intention has been to provide a balance of views. It became evident during the last debate of the subject of divorce that one of the Ministers proposed fairness amendment to the Ordinance while the other is opposed to such amendment. The Hon Mr Scott has been nominated by the Leader of the Opposition and the Hon Mr Bossano is proposed as being the Member who raised the matter. All concerned have agreed that it is desirable that the Attorney-General should be a member. He will be in a position to advise the Committee in any legal points that may arise. The Chairman of the Select Committee is, of course, elected by the Members. I understand, however, that there is a general agreement that in this particular case it would be helpful for the Attorney-General to be so selected. Sir, I commend the motion.

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

HON P J ISOLA:

Mr Speaker, I have been consulted obviously on the terms of this motion and on the composition of the Committee. The attitude we have taken to the Select Committee on this particular bill is guided by the thought that the question of divorce has been very much a matter of conscience and a matter of a free vote for the House. There has been no party policy laid down on either side of the House, certainly not on my side of the House, and accordingly it was my view and the view of our colleagues that although the Select Committee should be representative of the House as a whole we did not want the Committee to be too large and this is why I have agreed that the Opposition, the official Opposition, is only having one Member on this Committee whereas in a normal Committee where party policy is laid down obviously we would insist on having our full complement of two but as this is purely and simply a matter of individual choice and opinion, if I may put it that way, we were quite content with the composition as it is before the House and readily agreed to it. I should say, however, to the Committee, if I may say so, that I hope that the Members in the Committee will try and achieve the object of the resolution of the House which was really an object to inquire into the need of change on the divorce law and that their main remit really from this House is to go into the matter quite deeply, try and take opinion from all sections of the community on this issue of divorce. We all know by looking at the names, who is in favour and who is not, in the Committee, and that I don't think is the purpose of the exercise. I don't think what the House wants is to hear what their views are because we have already had that in a substantive debate on a substantive motion. I think what this Committee has to do, if I may point out or suggest, is to go deeply into the question of divorce, to hear different points of views from the public and to report to the House on the results of their inquiry as well, of course, adding to it their obvious own views as a Committee on how the House

should set about on this issue which is an issue very much a matter of conscience for a lot of people and I think there are strong feelings, justly so and rightly so, on each aspect of the issue of divorce. I wish the Committee luck in their search for genuine opinion in Gibraltar on divorce and how we should deal with the matter and I certainly look forward very much to their report, I look forward to reading it with some pleasure. Thank you.

HON A J CANEPA:

Mr Speaker, whilst I agree with the Hon the Leader of the Opposition that every Member of the Select Committee regardless of what his own inclinations might be on a matter has a duty to look at the problem objectively, and so, as it were more so on this occasion to convey back to the House the feeling of public opinion in Gibraltar on this rather controversial issue, I don't agree with him and he himself has intimated that people will perforce look very carefully at the names of those proposed and people know how those individual Members feel on the issue, what views they take and that is bound to colour the attitude, I think, of the general public towards the Committee which this House is being asked to appoint. Mr Speaker, I am not going to oppose this motion but I am not going to support it because the matter is one, as the Leader of Opposition says, where there is freedom of conscience and there was no whip at the last meeting of the House when the whole issue was debated at some length. I am quite happy with two Government appointments because I think we have tried to achieve some balance but I don't think that as a result of the appointment that has been made on the other side of the House, I won't say from the Opposition, from the other side of the House, I don't think that as a result the Committee is well balanced. I would have liked to have seen more representation of those Members of the House who are well known to take an intransigent view on the whole issue of divorce. I think that there is a great deal of feeling in Gibraltar against the whole issue of divorce and I think that those people who feel very passionately about this would have been comforted to a far greater extent if they had seen more representation on this Committee of Members of the House who are entirely against any relaxation of the laws of divorce. I would have liked, therefore, to have seen a bigger Select Committee with two additional Members, one from the Government Side of the House, of somebody like my Hon Friend Major Dellipiani, and from the Opposition side I would, and I make no bones about it, I would have liked to have seen the Leader of the Opposition as a Member of the Select Committee. Unfortunately it seems to me that the attitude of Leaders of the Opposition is that they will not serve on any Select Committee of the House unless the Chief Minister Chairs that Select Committee, that is my experience since 1972. The Hon present Leader of the Opposition's predecessor, Mr Maurice Xiberras, did not serve on the Select Committee on the Declaration of Members' Interests even though he had been involved and had been campaigning on this matter for over a decade but he would not serve under a Minister as Chairman and now we seem to be getting a repetition from the present Leader of the Opposition, the same attitude. On one occasion though when the Chief Minister chaired a Constitution sub-committee, well, it wasn't a Select Committee

but it was tantamount, really, to a Select Committee, I think this was from 1974/76, the Chief Minister chaired that Committee and therefore both Mr Xiberras, who was then Leader of the Opposition and I remember Mr Isola also, were the two Members. I think it is unfortunate, this is the impression that I get, if I am wrong I will give way and the Leader of the Opposition can clarify whether he would serve on a Select Committee of the House of which the Chief Minister is not Chairman, but I think it is a pity that on this very crucial and very important issue there isn't a bigger Select Committee and if the appointments that I have suggested were to be made I think it would be a better Select Committee, it would be a well-balanced Select Committee and all shades of view on the issue of divorce in Gibraltar would feel that there was somebody there who would at least look after their interests and I think it is important and the House I think has a duty that that should be done. I would, just to conclude, Mr Speaker, mention that there is still time, through an amendment moved by some other Member of the House, there is still time to amend the Select Committee.

MR SPEAKER:

I am afraid that on a matter of procedure there would not be, time because to amend the persons to be nominated, at least to nominate a new Member, requires notice of motion. It could be adjourned, of course.

HON A J CANEPA:

Why cannot an amendment be moved, Mr Speaker, which would be tantamount to adding another two Members? Is this out of order under the Standing Rules of the House?

MR SPEAKER:

It requires notice. An amendment proposing the substitution of an alternative name to one of those in the list of proposed Members cannot be moved without notice. If it were a motion to add Members and make it larger, of course, it would be perfectly in order.

HON A J CANEPA:

That is what I am suggesting.

MR SPEAKER:

I thought I would clarify the position.

HON A J CANEPA:

I don't propose to do it myself but I think that I have expressed the views very forcibly and perhaps if my views carry any weight with the Members of the other side of the House they might consider making the necessary amendment.

HON J BOSSANO:

Mr Speaker, all I would like to say is that even those of us who are personally convinced that it is necessary and desirable, would have to make any recommendations back to the House on the evidence that is put before the Select Committee and I think the House can take it that all of us will try and be fair however entrenched in our own minds one may be one way or the other in assessing the evidence that is put before the Select Committee as to whether there is a need in Gibraltar which we have ignored until now.

MR SPEAKER:

Does the Hon Mover wish to reply?

HON CHIEF MINISTER:

No, Sir.

Mr Speaker then put the question which was resolved in the affirmative and the motion was accordingly passed. The Hon A J Canepa abstained on this motion.

MR SPEAKER:

I would like to say now that this Select Committee has been appointed that at the present moment we have three Select Committees. We have the Public Accounts Committee which sits practically every week, we have the Members' Interests Select Committee which does not sit very often and now the Select Committee on the Matrimonial Causes Ordinance and I am sure there will be others. This means an extra burden on the staff of the Speaker's office and I am sure that I will have the support of the House when I say that we will need extra staff to service these Committees. Before the Hon Minister for Economic Development, Trade and Labour and Social Security moves his motion, I would like to plead on his behalf and request that he should not be required to read the full text of his motion which has already been circulated to Members some time ago and which is terribly long.

HON A J CANEPA:

Thank you, Mr Speaker. I have the honour to move in the terms

of the first motion in my name which amends or seeks to amend the Social Insurance Ordinance. Once again, Sir, it is my duty to bring this motion in which I ask the House by Resolution to approve the order which will amend contribution and benefit rates under the Social Insurance Ordinance, for 1981. The contributions with effect from the 5th January, 1981, and the benefits with effect from the 30th December, 1980. Turning first to the benefits, Mr Speaker, as I have explained in previous years when presenting similar motions, the Social Insurance Ordinance, as amended in 1977, requires that when reviewing benefits annually, the level of old age pension for a married couple should be not less than 50% of the average weekly earnings of weekly paid full-time male employees in Gibraltar. Work on this review for 1981 has been going on for several months during which the latest available figure of average weekly earnings was £73.37 as revealed in the Employment Survey for October, 1979. However, because of the time lag and in anticipation of the effect that pending wage settlements during 1980 were likely to have on average earnings, it was decided to calculate the old age pension increase on a higher earning figure of about £80. On this basis and as proposed in paragraph 3 (a) and (b) of the table in paragraph 4 of the Order, which the House is being asked to approve, the old age pension for a married couple in 1981 was set at £41. As it happens, the latest Employment Survey for April, 1980, which I tabled earlier in these proceedings, shows that average earnings had risen to £81.64 so that the £41 pension will in fact be just over 50%. The cash increase of £6 represents an increase of 17% over the present figure of £35. This percentage increase is being applied to all other periodical benefits payable under the Ordinance as well as to increases thereto in respect of dependents. As a result, the old age pension for a single person goes up from £22.80 to £26.70 per week and likewise for widowed mothers' allowance and for widows pensions amongst others. It is worth observing, Sir, that whereas the level of these pensions is now rather 55% higher than in January, 1978 the increase in the index of retail prices during the same period has been of just over 40% so that their real value has risen by about 15% and with inflation currently running at about 9%, Mr Speaker, the higher pensions which are proposed for 1981 should represent a further increase in their real value over the past three years. With regard to the short term benefits, namely, maternity grant and death grant, for the second year running it is not proposed to increase them and I should add they are still considerably higher than in the United Kingdom. The additional expenditure which will result from the proposed increases in pensions is estimated to involve additional expenditure to the Social Insurance Fund of about £464,000 a year. To meet this extra liability it is intended to increase adult contributions both for men and women by 90p a week to £5.30 a week, the increase being shared equally between the employer and the employee, namely, 45p each. Increases for juveniles, Mr Speaker, will be proportionately less. Benefit expenditure is now estimated at £3.06m and this will exceed contribution income by about £112,000 but this relatively small shortfall which represents less than 4% of expenditure, can be met from the Fund's investment income of about £2m a year. We have been doing this

for the past 3 years notwithstanding which the fund has continued to grow from £5.04m in April, 1978, to the present £6m, in spite of shortfalls of £229,000 in 1978 and £113,000 in 1979 as between benefit expenditure and contribution income. Mr Speaker, in these estimates no regard has been had of the commitment which would have to be met upon the opening of the frontier when about 4,000 pensioners in the Campo Area would presumably come to Gibraltar to claim the pensions to which they are entitled. Sir, I hope that I have managed to convey to Hon Members of this House what it is that they are being asked to give their stamp of approval to this motion. If I have succeeded I shall be able to be much briefer when presenting the two other motions which although relating to different Ordinances are also part and parcel of one overall exercise. Sir, I commend the motion to the House.

Mr Speaker proposed the question in the terms of the Hon the Minister for Economic Development, Trade and Labour and Social Security's motion.

MR SPEAKER:

Are there any contributors?

HON P J ISOLA:

Mr Speaker, we support this motion. We have listened and understood what the Minister had to say. As far as the old age pension is concerned the increases in old age pension will come to about £5 or £6 a week for a couple and these, of course, are free of tax. I hope, and this is why I get up at this time, that this will be borne in mind by the Minister when moving the Elderly Persons (Amendment) Ordinance under which the benefits for elderly persons not entitled to Social Insurance pension are increased from £9 to £10.50, paying tax. I hope that the Government between now and the moving of that Bill will consider whether it is equitable in the circumstances to continue to make elderly persons in receipt of pensions under that Ordinance to be subject of tax. I will be moving an amendment to free them from tax but I hope that I have given warning of that in this particular motion.

MR SPEAKER:

Does the Minister wish to reply?

HON A J CANEPA:

No, Sir.

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

HON A J CANEPA:

Mr Speaker, with the leave of the House I would not like to have to read a motion which is even more complex than the previous one. I have the honour to move in the terms of the motion standing in my name which seeks on this occasion to amend the Employment Injuries Insurance Ordinance. Sir, when presenting my previous motion I explained how the new rates of old age pension under the Social Insurance Ordinance for 1981 had been arrived at and which represented an increase of 17% over the current rates. I also said that this percentage increase was being applied to all other benefits under the several enactments which make up our Social Insurance Scheme. The proposed order, which is the subject of this motion, and which the House is being asked to approve, runs into 5 pages and looks rather complicated, perhaps, in some cases even unintelligible. This is because it is an amending Order and therefore just a mass of figures. In fact, all it does is to increase the weekly contributions by 4p, 2p from the employer and 2p from the employee, and increase all benefits by 17% both as from the 1st January, 1981. Injury benefits will thus go up from £21.28 per week plus £5.32 for an adult dependent, to £24.85 with the corresponding figure for the adult dependent now being £6.23. Likewise, the gratuity on death or for 100% disablement, goes up from £5,980 to £7,000. The increase in contributions will, in fact, be the first since January 1978. The Employment Injuries Insurance Fund continues to be in quite a healthy state but it is felt that after 3 years during which benefits will have been increased by 62%, it is wise to raise the contributions by at least 4p a week to be shared equally by the employer and employee in order to maintain this healthy state. Besides, the Government is at present studying the possibility of increasing all disablement pensions and industrial death pensions which are payable at the rate prevailing at the time that the particular accident occurred. This matter was raised by the Hon Mr Bossano in question No. 95 earlier this year and if eventually it is decided that it is possible to pursue this matter, it is necessary to ensure that the funds will be able to meet the additional financial commitment involved which is estimated at about £23,000 per annum. I shall be keeping the Hon Mr Bossano, in view of his particular interest, informed of how this matter is progressing. Sir, I don't think there is any more I need say about this motion which I have much pleasure in commending to the House.

Mr Speaker proposed the question in the terms of the Hon the Minister for Economic Development, Trade and Labour and Social Security's motion.

HON J BOSSANO:

Mr Speaker, I welcome not only the increase in rates but in fact the expression of intent to see whether it is possible to meet the point that I raised in an earlier question for those groups that have had no increases in their disablement pension since the day the accident took place. I would like to take the

opportunity, in fact, to seek clarification from the Minister as to whether people who are insured as self-employed are, in fact, covered for injury and if not whether he will consider amending legislation at a future date to enable them to make this contribution and be covered. I feel that whereas self-employed people, perhaps, are excluded from the provisions of unemployment benefit for obvious reasons that they have control over their own employment, the same cannot be true of injury at work which must be a risk taken equally by somebody working for himself as it is for somebody working for an employer. I am not sure whether in fact under the current legislation they are covered or not but I have had cases of individuals coming to me who claim that they have been told that they cannot contribute to the industrial injury benefit because they are self-employed and I believe this to be an anomaly and I would like the Minister's views.

MR SPEAKER:

If there are no other contributors, I will ask the Minister to reply.

HON A J CANEPA:

I don't think, Mr Speaker, that this is in fact an anomaly at all. It is based on the practice elsewhere, certainly, in the United Kingdom, where self-employed people are not covered for injury benefit and for a rather good reason. Under the Employment Injuries Insurance Ordinance, the onus is on the employer when an accident occurs to one of his employees to report that accident to the Department immediately so that the matter can be thoroughly investigated with a view to assessing whether injury benefit should be paid. In the case of a self-employed person it is doubtful whether that procedure could be fully followed with the necessary degree of certainty as to whether the accident had in fact occurred at the place of work or outside the place of work. This I have always understood in the 12 years that I have been in the Department, is the fundamental objection to self-employed persons being covered by employment injuries and as I say, it is my understanding that it is the position in the United Kingdom and that that was the advice which was received 25 years ago at the time when our scheme which is essentially modelled on its basic principles on the United Kingdom scheme; that is the advice which was received and I have had no reason to think otherwise since then. This, is the advice, this is the view that continues to be held in the Department. If the Hon Member has good reasons as to why it should be otherwise and whether procedures can be adopted that would not lead to abuse, I am sure the Department would be prepared to consider them. I will give way to the Hon Member if he wishes to intervene.

HON J FOSSANO:

Mr Speaker, I understand that that might have been the thinking in the United Kingdom. I think, perhaps, in Gibraltar we are in

a better position to control any question of abuse because of the size of the place and because of the closeness of any accident or injury or anything like that taking place, it is not something that can be easily camouflaged but in any case I would point out to the Minister that presumably under existing legislation if one has somebody who is working, for example, as a craftsman doing jobs on his own, then he self-employed cannot be covered against an injury at work, nevertheless, presumably, if he incorporates his business and then calls himself an employer of the business of which he is the owner, then, presumably, he is covered, so it is possible to get around that loophole and it would seem to me that it requires looking into. I welcome the offer to look into the matter further if I take it up with him outside the House.

HON A J CANEPA:

I commend the motion to the House, Mr Speaker.

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

HON A J CANEPA:

Again, Sir, if I may dispense with reading which is, however a slightly shorter motion, I have the honour to move the motion standing in my name which in this case seeks to amend the Non-Contributory Social Insurance Benefit and Unemployment Insurance Ordinance. Sir, this third motion in the series standing in my name deals with proposed increases, again as from January, 1981, of the benefits which are payable under the Non-Contributory Social Insurance Benefit and Unemployment Insurance Ordinance and these benefits are two in particular, retirement pension and unemployment benefit. In both cases the intention is merely to apply the same 17% increase that is being applied under the other Ordinances thus maintaining the present relationship between all benefits. Insofar as retirement pension is concerned, the basic rate of £18.50 would be increased to £21.60 per week and the addition for the wife from £9.90 to £11.50 giving a married couple a pension of £33.10 instead of the present £28.40. This pension is paid to a relatively small group of about 70 quite elderly persons who were too old to benefit from the old age pension when this was introduced in 1955. I think I should explain, Mr Speaker, that transitional arrangements were made which have now been going on for 20 years, the pension was first paid in 1960. The retirement pensions are paid from the Consolidated Fund, not from the Social Insurance Fund but from general revenue, and the tentative provision which is being made in the approved estimates of the Department for the increase for the period January to March, 1981, should be sufficient without the need to seek additional funds. With regard to unemployment benefits, again a 17% increase will put up the basic weekly rate from £17.40 to £20.34 with additions for a wife or adult dependent and for children as shown in columns 3 and 4 of the table which is headed Part 1A on page 3 of the motion. The lower rates on page 2, Mr

Speaker, are only applicable to those who qualify for unemployment benefit but who since July 1970 have not been either ordinarily resident in Gibraltar or insured here for an aggregate of 2 years. Sir, I commend the motion to the House.

MR SPEAKER proposed the question in the terms of the Hon the Minister for Economic Development, Trade and Labour and Social Security's motion.

There being no response Mr Speaker then put the question which was resolved in the affirmative and the motion was accordingly passed.

The House recessed at 5.25pm.

The House resumed at 6.00 pm.

MR SPEAKER:

We are still on Government motions.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, Sir, I have the honour to move the motion standing in my name in the Order Paper which proposes the amendment of the Second Schedule of the Licensing and Fees Ordinance by replacing Item 3 of that schedule with the item which has been circulated to Members of the House.

MR SPEAKER:

I am sure that Hon Members do not wish the Hon Member to read the whole of the substitution.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, the Foreign and Commonwealth Office informed the Government earlier this year that the British Nationality Regulations were being amended to increase the fees for naturalisation, registration and other related services and this Government was invited to amend its regulations accordingly. I should draw the attention of the House to the fact that for the first time the registration fee provides for £25 for the registration of a minor both as a citizen under section 7 of the British Nationality Act and also under section 1 of the British Nationality Act No. 2 of 1948. It has been drawn to our attention that if more than one minor is registered at the same time the fee is still £25. This is brought out in the notice before the House. Mr Speaker, Sir, I commend the motion to the House.

Mr Speaker proposed the question in the terms of the Hon Financial and Development Secretary's motion.

HON J. BOSSANO:

Mr Speaker, I would like to raise the question of the decision making process involved in granting naturalisation and registration at this point. I think this was something that was raised in the House some time ago when in fact there was an amendment in our legislation on giving rights of residence in Gibraltar to people who are registered and naturalised in Gibraltar and it is also a question, I think, which is pertinent in the light of the proposals contained in the Green Paper on the new British Nationality Laws, where as I understand it, effectively, if there was a change in the concept of British nationality distinguishing between a UK British national and a national of a dependent territory, a British Subject that was a national of a dependent territory, persons naturalised and registered in Gibraltar would in fact acquire the same nationality as a Gibraltarian and not the same nationality as a UK citizen. In that context it seems to me that it isn't just a question of following the decisions that are taken in UK either in the question of the fees that we charge or, indeed, in accepting that the decision should be entirely in the hands of the Secretary of State in the United Kingdom if we are accepting the liability for guaranteeing residence in Gibraltar and for accepting someone as a citizen of Gibraltar in effective terms even if the concept at the moment is unclear in the light of the confusion surrounding the whole question of British Nationality. But I would like, perhaps, some explanation, given that we are going to be raising the fees, effectively, who decides whether somebody is entitled to use any of these clauses to register in Gibraltar and is it in fact the case that even if a decision is taken in the United Kingdom and we have no say in the matter, we assume the responsibility for that person as a citizen in Gibraltar.

HON CHIEF MINISTER:

Before the Attorney-General answers on the legal side, I would like to have some clarification of the remarks of the Hon Member. Is it that we ought to be more careful because we are now under the terms of the Treaty of Accession to Europe and on any changes that there may be we are going to have responsibility for those people? Is it that because of that we should discourage people to be registered? As I understand it, the matter is processed here and sent for approval by the United Kingdom, subject to anything the Attorney-General may have to say, because it is a discretion given under the British Act of Parliament which is exercised by Her Majesty's Government though the Governor is specifically delegated to accept registration of minors locally. Naturalisation certificates must be signed by the Secretary of State or by somebody on his behalf. The question of belonging is one which has been long though not in legal terms always understood that people who were naturalised in Gibraltar since the Immigration Act, certainly, were belongers and that therefore we would carry them as anybody else. If we don't want that then we could say

"We don't want to be burdened later on with the 20 or 30 people that you are going to authorise now". On the other hand, the thing goes very slowly and the people are very closely scrutinised before approval is granted, this is my practical experience in the last few years, it takes much longer and it is more difficult. Therefore one would like to know what is the feeling about this, is it that we should discourage people because eventually they will belong to Gibraltar together with rest? The number of people that are naturalised, to my understanding, is not more than about 5 or 8 or 10, at most, a year, may be the Attorney-General has got figures on that. It is interesting to know that because if in fact they are permitted to acquire British nationality, citizen of the United Kingdom and Colony, at this stage there is still no difference. Perhaps because of that they are not hurrying up the applications, in fact, they are normally very slow, but we have to take a stand on that. I presume that the Hon Member will say; "Well, if we have to carry these people we ought to decide whether we have them or not." I think that is a fair question. Let me say in respect of the fees that they are, strictly speaking, payable to the United Kingdom but strictly speaking they remain in Gibraltar.

HON J BOSSANO:

Mr Speaker, I am grateful that you have given me the opportunity to speak on this because in fact I was using, quite honestly, the reference to the fees as an excuse to raise a point which I thought it was appropriate to raise at this point because if the House will recall, when the law was amended I voted against the change giving the right of residence in Gibraltar to people naturalised here precisely on the argument that the Chief Minister was seeking clarification on whether that was my stand, it is indeed my stand that if we assume responsibility then I'm not saying we should be more restrictive or more liberal, I think on the whole Gibraltar's tradition has been of building up, one could say a multi-religious and multi-racial society where we have welcomed people from many parts of the world and assimilated them very quickly and very easily and I think it is a very proud record that we bear that once people settle here they become Gibraltarians almost within a generation and defend this place as their homeland and I think that is a good thing in a community but I still think that the responsibility that we carry is one that should not frighten us but we must seek the power that goes with responsibility and that consequently the right to become registered and naturalised in Gibraltar which carries with it a responsibility from the Government of Gibraltar for those future citizens, should be one that follows a process where it is the Government of Gibraltar's decision that really matters most and perhaps it should be a system where people are entitled to appeal against what they may consider to be an arbitrary or discriminatory decision. I would like to see that investigated now that the matter has come before the House and I am taking the opportunity of doing so and I am effectively using as an excuse that if we are going to be raising the fees and we are entitled to question the fees we are entitled to question everything else.

MR SPEAKER:

Are there any other contributors?

HON ATTORNEY-GENERAL:

I don't know whether in view of that the Hon Member requires me to say anything. I was quite prepared to say something about the law as it stands.

HON J BOSSANO:

I would welcome, Mr Speaker, some information just to be sure that I have got the right picture.

HON ATTORNEY-GENERAL:

As the law now stands, and you will appreciate that this is somewhat spontaneous but I think I am right, as the law now stands the process of naturalisation is a process which takes place and involves the Secretary of State and the Governor. It is a two-stage process and I think really it is a British responsibility, I think it is correct to say that, and as I understand the law it does not follow automatically from the process of naturalisation that a person is entitled to reside permanently in Gibraltar.

HON CHIEF MINISTER:

Yes, now it does.

HON ATTORNEY-GENERAL:

Well, as I said, I did preface my remark, Mr Speaker, by saying that they were somewhat spontaneous.

HON CHIEF MINISTER:

The terms of the Treaty of Accession is that European subjects, our subjects, who have been born in Gibraltar, registered or naturalised in Gibraltar and they have all been given the right of permanent residence.

HON J BOSSANO:

Mr Speaker, perhaps the Hon Member could expand on the question of registration, what is the difference basically between naturalisation and registration? He has mentioned naturalisation, is there a difference in the case of registration?

MR SPEAKER:

It is a matter of right, if you have a right to be registered then you are registered.

HON CHIEF MINISTER:

The registration I mentioned are mainly for minors. The registration of other Commonwealth subjects who are entitled to be registered if they are British subjects, governed by policy decision taken in the United Kingdom.

MR SPEAKER:

I will call on the Mover to reply if he so wishes.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, Sir, I am grateful to the Hon Member for raising this point. I have taken a note and the point that he has raised will be brought to the attention of those concerned in this matter. I beg to move.

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

HON G T RESTANO:

Mr Speaker, I have the honour to move the motion standing in my name which proposes that "This House approves the First Report of the First Session (1980) of the Public Accounts Committee". Mr Speaker, the Public Accounts Committee came into being following a motion on the 25th March, 1980, by the Chief Minister which proposed that a Select Committee be appointed to be designated the Select Committee of Public Accounts to examine the accounts showing the appropriation of the sums granted by the House to meet the public expenditure and such other accounts laid before the House as the Committee may think fit and to report from time to time and also that the Committee should consist of the Hon Major Dellipiani, the Hon Mr Perez, the Hon Mr Haynes and myself. Mr Speaker, it has been a fairly busy Committee, we have met virtually every week. At the first meeting I was elected the Chairman of the Committee and because it has been a fairly busy Committee the report is a long one and I propose to try and give as brief a resume as I can and highlight the salient points of the report. The report is divided into four parts. Part 1 is on the use of RYCA Supply Co Ltd by the Public Works Department. Part 2 is on the unallocated stores of the Public Works Department. Part 3 was the excess expenditure which was highlighted in the Principal Auditor's Report and Part 4 are the conclusions and recommendations that we have arrived at. Part 1 of the report deals with the use of RYCA Supply Co by the Public Works Department mainly. The reason why the Committee went into this

subject as its first priority was that after the election when the Public Accounts Committee came into being the Chief Minister during consultations with the Leader of the Opposition as to the constitution of the Public Accounts Committee, did say that he would like to see the Public Accounts Committee looking into this matter which at the time some two years ago led to many rumours in town dealing with all sorts of accusations as to what was happening with this item. As I say, the Public Accounts Committee has interviewed a number of persons in the Department and a number of persons connected with the use of RYCA as a supplier to the Public Works Department and we found that in early 1975 or rather either late 1974 or early 1975 a trial order was placed by the Public Works Department with RYCA and shortly after that the Company wrote to the Public Works Department making an offer as to how they could in the future supply the Public Works Department and the offer made, it is on page 3 of the report, was that for certain amounts of orders the Company would charge various commissions, e.g., for orders up to £1000 - 13% procurement charge, for orders from £1001 to £10,000 - 7½%, and on orders above £10,000 again 7½% for the first £10,000 and 2% for over this amount. This offer was made in a letter sent to the Department addressed, in fact, to the then Stores Officer and the Committee found that that offer was never either accepted or rejected by the Department. All the officers that we interviewed were asked repeatedly why an offer had been made which had neither been accepted or rejected whilst at the same time the Department continued purchasing and no explanation was ever given to us. Nobody seemed to know why that offer had had no reaction from the Government. Subsequently, the Department continued to purchase from this Company on a different basis, apparently, to what the offer was. The offer had been made, in writing, that the Company would supply the Government and invoicing the cost to them of whatever item was ordered plus freight charges and so on and then eventually the procurement charge for the Company but it appears, although no minutes were ever produced to the Committee, it appears that members of the Department instructed RYCA to include all the procurement charges and all the freight charges and all the transport charges in the individual price of items. However, no queries were ever made by the Department as to whether or not the procurement charges shown were higher than those that had originally been offered. One of the difficulties that we have had in going through this subject is that two senior officers of the Department at the time are no longer in Gibraltar. One is the Director of Public Works who came to the end of his term of office and who is no longer in Gibraltar and the second person was his Deputy who has since died, so we were given certain information but we could get no confirmation from the people who at the end of the day are responsible and that is either the Director or his Deputy. Another difficulty that we encountered was that no minutes of any meetings had ever been taken and as the officers who at the time took part in the negotiations are no longer here we could not corroborate what had been said to us. The Department continued to use RYCA increasingly and in fact in 1977/78, the purchase was for £2m from that Company and this represented about 65% of the total purchases during that year for the Public Works Department. Around that time, around 1977/78, the Electricity Department

discovered a serious overcharge and this is really what started all the rumours going around town. The Electricity Department discovered that some copper conductors that it had purchased from RYCA had been charged at £8,000 when the original estimates had been for £750. Immediately following this the Principal Auditor was requested to investigate, to make a full audit investigation, and at the same time, in fact, in February, 1978, RYCA were instructed by the Public Works Department, following the audit of the Principal Auditor, that in future they should invoice the Government in the way that they had originally offered to do so which was producing manufacturers' invoices and then putting on their own procurement charges. There were a series of memos at the time from the Principal Auditor to the Director of Public Works, from the Stores Officer to the Director of Public Works, from the Director of Public Works to the Financial and Development Secretary, from the Financial and Development Secretary to the Chief Minister and that particular one has been included in the report. I have to say at this point that the Director of Public Works was time and again asked to give his comments and for two years those comments were not forthcoming and in fact the Committee was presented with the report of the present Director of Public Works during the time when it was finalising this report. The crux of the matter with RYCA is that RYCA claims that during the period 1976 to February 1978 when they started their new procedures, they were acting as wholesalers and not as procurement agents and that as such, as wholesalers, they could charge whatever they wanted to Government. Another difficulty that the Committee encountered was that we could never substantiate, we could never find out exactly what charges RYCA had been charging between 1976/78 because the manufacturers invoices were not being produced. The Managing Director of the Company gave evidence to the Committee and when he came to give evidence he agreed that all those old manufacturers' invoices would be produced provided that they were not held to their original offer. Subsequently, and again during the compilation of the report, everything came in bits and pieces at the last moment, the Company wrote a letter saying that they had changed their minds and were not prepared to produce the manufacturers invoices for the period 1976/78. As I say, the crux of the matter was whether or not that Company was acting as wholesaler or procurement agent or buying agent. The Principal Auditor was asked by the Committee to obtain a legal opinion from the Attorney-General's Department and that legal opinion is in the Appendix to this report. The opinion of the Attorney-General is that from the inception of the relationship between Government and RYCA until February, 1978, when the new procedures came into being, they stood in the relations of principal and agent respectively so the legal opinion of the Attorney-General's Department is that RYCA were not wholesalers which is what they claim. During the course of the investigations of the Committee it became absolutely clear that there had been inefficiency within the Department. First of all an offer was made, an offer was not replied to and yet the Department continued to purchase without having come to a firm agreement. Secondly, it became absolutely clear that there had been a general failure to comply with Stores Regulations and this in fact is also included in the summing up of the then Financial and Development Secretary

in his memo to the Chief Minister. The only manufacturers' invoice for that period of time which RYCA were prepared to give sight of to the Committee was that of the £8,000 overcharge and I will talk about that in a moment. That is more or less the history of the Public Works Department purchases from RYCA. Part 2 of the report deals with the unallocated stores of the Government. The Committee visited most of the stores of the Public Works Department, the stores are spread out throughout various localities in Gibraltar and the Committee found that there was no adequate control, the Committee found that there was no gate control, the Committee found that the security of the stores was poor, stacking was poor as well, and the stores are at the moment full of obsolete stores and rubbish which merely clutter up and take up space. The Committee was further informed that Boards of Survey which are nominated from time to time to look into any stores that are obsolete and need to be thrown away or sold, first of all took a long time to get together and, secondly, that they were composed of very junior officers who really didn't know what they were looking for and had no technical knowledge of what they were supposed to be looking into. Part 3 of the report is on excess expenditure for the period in question. There was very little other than again the Public Works Department which had an excess expenditure of £143,916 but, of course, that has to be put against the token vote in the estimates of £100 which obviously was quite inadequate. Since then the £100 has been substituted by £100,000. Part 4 deals with the conclusions and recommendations. On the use of RYCA the Committee found that in its dealings with RYCA the Public Works Department had acted both inefficiently and negligently which conduct is to the detriment of the good name of the civil service and may have resulted in the loss of public funds. The Committee found that during the above mentioned period there was a widespread failure to observe Stores Regulations and to follow the normal procedure for checking invoices and the receipt of and payment of stores. The Committee found that the Public Works Department was inefficient and negligent in not putting its arrangements with RYCA on a clear and proper footing and by allowing this reprehensible departure from regulations to persist for three years. It was also a conclusion of the Committee that in its dealings with RYCA and other purchasing agents since 1978 and its implementation of Stores Regulations there has been an improvement but the position is still not satisfactory and in fact with the new procedures the Committee found certain discrepancies in orders made. The Committee noted that RYCA had consistently refused to reveal to the Committee certain manufacturers' invoices and the lack of cooperation has resulted in the Committee being unable to calculate the exact procurement charge made by RYCA in its dealings with the Public Works Department until early 1978. The last conclusion was on the overcharge of £8,000. In this instance the Company were prepared to let us have after a lot of asking, if I may say so, from the Committee, the Company did let us have a copy of the original invoice of the overcharge. It was clear, first of all, that the original overcharge had been a mistake by the manufacturer, they had wrongly invoiced their goods and RYCA had put their procurement charges over and above that original overcharge by the manufacturers but on that one invoice we were able to compare

what exactly the procurement charges were by RYCA on that one invoice and we found that the procurement charge was well above the procurement charge that they had originally offered and which the Public Works Department apparently thought they were being charged. In fact, on that invoice they were overcharging over and above their original offer by 10% to 15% and we go on to say that given the volume of the transactions between RYCA and the Public Works Department between 1975 and 1978, taking a 10% rather than 15%, Government may have been overcharged approximately £90,000. As far as malfeasance is concerned it was impossible for the Committee to come to any conclusions as to whether or not there had been any malfeasance. First of all, it was very much after the events and certainly there was no evidence produced to the Committee as to whether or not there had been any malfeasance. The recommendations of the Committee therefore on the use of RYCA and in fact on the use of any buying agent, is that the Committee recommends that in future cases when such an agent is to be employed on behalf of Government, a clear and concise agreement is entered into between the two parties before operations commence and that proper minutes are kept of meetings held leading up to the signing of such an agreement. In fact, no purchases at all should in the opinion of the Committee be made until a clear, concise and binding agreement has been signed by both parties. The Committee was surprised to note that although RYCA is still being used today, no formal agreement has even now been entered into. The Committee also felt, having gone through all the facts, that no useful purpose would be served by any further investigations or inquiry into the matter. The Committee were informed during the interviews with the Director of Public Works and his officers, that a new system had been introduced for dealing with indents and purchases made by the unallocated stores but the Committee noted the discrepancies on these procedures and it is apparent that they are still not satisfactory. Therefore, it has made certain recommendations which I will deal with under the recommendations of the unallocated stores. A further recommendation on the use of RYCA that the Committee has to make is that in the light of the Attorney-General's ruling, it is recommended that Government should consider whether or not to take legal action in order to recover any amounts that may have been overcharged. On unallocated stores of the Public Works Department, the conclusions were that the present condition of the Public Works Department, unallocated stores which amounts to a considerable proportion of public funds, is most unsatisfactory as regards economy, efficiency and security. The Committee found that a lack of centralisation in these stores is a major contributory factor to their present state of disarray. During the investigations of the Committee, the Committee was told and in fact this is something that was also included in the Principal Auditor's Report, that a Stores Control Committee had been set up some few years ago and had made certain recommendations. In order to assist the Committee in its work, a copy of that report was asked for but it was refused and the Committee regrets that that report was not disclosed to the Committee which could well have assisted it in its investigations. The Committee was also informed during the course of its meeting that an experienced Stores Officer from the United Kingdom is to be recruited and

the Committee welcomes this and hopes that the adviser will be appointed in the very near future. With regard to the recommendations on the Stores, the Committee strongly considers that these be centralised as soon as possible. This should be feasible when the present DOE store across the road from the present Ragged Staff Stores is handed over. To expedite this, the Committee recommends that Government makes an urgent and early request that this store should be handed over to the Gibraltar Government as soon as it is possible to do so. With this new store and the present one at Ragged Staff, the majority of the other stores could then be kept centralised in one of these locations. Use could also be made of the stores in Wellington Front which are also reasonably near to the main stores. The Committee considered that this centralisation was absolutely essential if proper control including gate control is to be instituted. The Committee further recommended that a Board of Survey, chaired by a Senior civil servant and to include a technical officer with knowledge of stores, be appointed without delay to recommend the action to be taken to dispose of the obsolete and other stores that are at present occupying these valuable storage spaces. If this were done the pressure for the space required for the unallocated stores would be less acute and therefore save public money. Lastly, the Committee recommend that procedures for both overseas and local purchases are revised and improved and the system laid down clearly and in detail in the new Stores Regulations when these are produced. Purchases should be made with value for money in mind and departments should ensure that this is done. Those are the recommendations on the unallocated stores. The last recommendation is that the excess expenditure totalling £145,547, be approved by a Supplementary Appropriation Ordinance for 1978/79. Mr Speaker, it is only left for me to say that first of all there was a Treasury Minute following the First report of the First Session (1979) of the Public Accounts Committee. This was produced in May of this year and the Committee was already dealing with the subject of the report and therefore it has not yet been able to go into this but this will be done immediately after it resumes. Other than that I would like to say, Mr Speaker, that it has been a pleasure to work and to Chair the Committee with the two Government Ministers, the Hon Major Dellipiani, the Hon Mr Perez and my friend on my right, the Hon Mr Haynes. I think we have developed a *modus operandi*, if I may call it that, and I think we have got on very well together and I think the characteristics of every individual has come forward and has blended well into one Committee. I also want to thank and commend and praise the two officials who assist the Committee, the Principal Auditor and when he was away, his Deputy, and also the Finance Officer and I cannot praise more highly or commend enough the work done by the Clerk of the Committee, the Clerk of the House. The work that he has put into this Committee is quite enormous, in fact, I have the file here and this is the work that has been done, these are transcripts which he has had to prepare himself of course and his staff, Mr Sanchez who has operated the recording equipment and of course the secretary who has produced the transcripts, but certainly there has been a tremendous amount of work done and I think that every praise should be given to the Clerk of the House.

Mr Speaker, I beg to move.

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

HON CHIEF MINISTER

Mr Speaker, I, too, would like to commend the Chairman and the Members of both sides of the House for their hard work. I hope the nature of their future tasks is less unpleasant than it must have been to unravel this difficult problem. I will only address myself to the point where the Government is called upon to do something and give a preliminary view of the matter. The Financial and Development Secretary will prepare his Treasury Minute which he hopes to table at the next meeting and that will be the subject, no doubt, of consideration. Looking through the report, there are six specific recommendations in the report which I think I should comment on. On paragraph 17, the question of the receipt of hospitality and so on and by certain members of the staff which they said was normal, I will have this matter investigated by the administration, it is rather a fine line to draw. Paragraph 43 is a specific recommendation about the future when an agent is to be employed. We can easily go along with that and we will see that that is implemented as a matter of Government policy. Paragraph 45, which recommends that the matter as to whether there is any course for legal action should be looked into, will be referred to the course for legal action should be looked into, will be referred to the Attorney-General by the Government for his advice. Paragraph 50, this is one which is quite easy to go along with, we have been doing a lot of work on the question of the acquisition of the DOE stores. The matter is in hand, there have been difficulties which have not all been cleared yet with regard to the question of tenure and so on but certainly it is very much in our minds and it has been in the mind of the Minister for Public Works to acquire those stores as soon as possible. Paragraph 51, about the Board of Survey. Again, we accept that and instructions will be given for that to be taken in hand and procedures for both overseas and local purchases to be revised and improved and laid down clearly. There is no difficulty on the part of the Government to follow that recommendation and to pass it on to the appropriate officers to carry on with it.

HON P J ISOLA:

Mr Speaker, I support the motion of my Hon Colleague that the report be approved and I, too, would like to say how much we appreciate the obvious amount of painstaking work of the Committee in investigating what must have been a very difficult matter especially so long after the event. This must have had an inhibiting factor in trying to get to the bottom of what happened three or four years ago. Mr Speaker, the number of meetings that the Committee have had, the number of minutes that have been prepared and so forth, highlight in a particular way, I suppose, the work of this particular department of the House.

With different Select Committee running now, with the Divorce Committee coming up and other Committees and this Committee still sitting, I think it must be putting quite a strain on the Staff and I do hope that the results of this strain will not affect the rapid production of Hansard of what goes on in this House and I do hope that you, Mr Speaker, will ensure that the appropriate representations are made to ensure that the production of Hansards for the House continues at a reasonable pace and that the work of all these Committees does not result in Members not being able to have Hansard within a reasonable time of debates in the House. Certainly, on this side of the House, we will be quite happy to vote any funds that might be required to ensure that the work of the House is not interrupted by the number of Committees that may be sitting and may require extra effort from the staff of the House. Mr Speaker, one of the things I must say I express some surprise is in the reaction at the time of the then, if I may say so, Financial and Development Secretary to the report that was made to him by the Principal Auditor in October, 1978, which is described in paragraph 12 of the report. I think that at that time what was uppermost in the mind of the Financial and Development Secretary of that time was evidence of malfeasance, was there any evidence of malfeasance, any evidence of corruption on which he could act and he himself in his report to the Chief Minister said that there was no evidence at all to support any allegation of malfeasance on the part of any officer. I notice the Committee, however, in their report are much more non-committal than the Financial and Development Secretary himself was at the time. They have investigated and I get the impression that they say; "There is no evidence, we cannot show there was malfeasance but on the other hand there is no evidence to show there was not malfeasance". What I think is worrying about what happened at that particular time was that there was evidence of wholesale failure to comply with Government Regulations by responsible Government officers; there was evidence that the Stores Regulations were not complied with, there was evidence to show at that time that invoices were not scrutinised or checked, in other words, the whole picture even at that time, presented to the Financial and Development Secretary when he investigated, showed a complete disregard by senior Government officers of the Regulations of the Government and a complete disregard for the public purse, if I may put it that way, and it does seem to me odd that nothing was done at the time because malfeasance or fraud or corruption, of course, would have probably resulted in a criminal prosecution, obviously, but one wasn't talking of that then, one was talking of general negligence and two years have gone by but I would have thought that there was apparently evidence enough for the Government to consider, administratively, disciplinary proceedings at least against officers and I think the fact that there wasn't, put it that way, must have resulted in the situation continuing so that the Committee still reports that the situation is not satisfactory and I hope that the Committee's report will be made available to the Committee that is investigating the Public Works Department and its efficiency because it seems to me that although the situation has improved, there are still major areas shown in the report where there could be considerable more improvement in the situation and I think that in 1980 it must surely be time for the Government to insist that the Regulations are observed

because that is meant for the protection of the public purse and that is a very important thing and I am glad the Committee has drawn attention to these matters. Of course on the question of RYCA, the situation revealed there is of course a very worrying one in the sense that apparently there was no contract at all with RYCA with the Government and there was a considerable amount of public money being paid over on unsatisfactory evidence and for a good period of time and I hope that at least one result of this report will be that that side of it is completely tightened up to ensure that Government's relationship with contractors are clearly defined because although I know that the report recommends that the Government consider action to recover any amount that may have been overpaid to RYCA, I cannot but help saying that the situation, and by the Government I don't mean the political Government if I may put it that way, but the situation in which the Government, that is the Public Works Department finds itself in, is really and entirely, it would seem to me, of its own making because the Director of Public Works at the time didn't put pen to paper. It would have been a comparatively simple letter to write agreeing the terms of the engagement and putting everything on a formal basis and acting accordingly, but it seems that this was not done and I think that is a lesson that the Government has to learn and by the Government again here I'm not talking of the political Government I'm talking of the Public Works Department, and to learn that such funds that have or may have been lost to the public have been lost almost entirely due to the negligent manner in which our affairs have been handled by that Department in relation to the ordering of stores from agents outside Gibraltar. I think that section of the report dominates these particular sittings of the Public Accounts Committee and I certainly endorse fully the recommendations and I am glad to note that the Government is taking up the recommendations that the Committee have made to ensure that this sort of thing does not happen again or that if it does happen it is minimised and that if it does happen, of course, officers who have not been acting in accordance with the Regulations set down by the Government for dealing with these matters, are disciplined because this is the only, I suppose, the only final, the only ultimate way in which the public purse can be protected is by officers realising and knowing that if they do not act in accordance with the Regulations, obviously action can and must be taken against them in defence of the public interest in these matters. There is a particular paragraph that the Chief Minister said they would take up and that is the question of contributions to staff parties in the Government. I think this is a very delicate matter but I think it is certainly a matter that ought to be considered, the extent to which presents can and ought to be received or allowed. I think things have been allowed possibly over the years to get a bit slack in this respect and I think there is a need to look at that and to give advice, put it that way, advice to different Government Departments as to how far they can accept hospitality from contractors to the Government, I would have thought that it is one thing contributing to a staff Christmas party, properly safeguarded, it is another thing for individual officers in the Government to accept hospitality from Government contractors. It seems to me to be slightly dangerous as far as the public interest is concerned.

I'm glad the Committee has dealt with this matter because I think it is a matter that had to be faced and it is a matter, I am sure, on which public officers would certainly like to have guidance from their masters. Mr Speaker, having made these remarks on the report of the Public Accounts Committee, I wish them the best in their future deliberations.

HON CHIEF MINISTER:

If the Hon Member will give way. The question of the Commission which I announced this morning, all these matters are very much in our minds because it is important that every avenue of the Department should be investigated and I should have mentioned that when I was speaking earlier.

HON P J ISOLA:

Mr Speaker, I was just finishing and I support the motion.

HON H J ZAMMITT:

Mr Speaker, may I just have a very short intervention and that is to say that I personally read this report with great interest and I commend the Select Committee on their production of the report. There is one operative word there and this is the word 'may' referring to the £90,000 that we may have been overcharged. I was wondering, Sir, if the Committee considered whether to call in someone in the private sector who is an agent for a particular range of items which the Public Works Department has been buying from RYCA who would willingly have provided, I feel, manufacturers' invoicing, who normally work on a distribution order which is as low as 2 1/2% by way of distribution and there may have been a more precise or more accurate finding if there has or there hasn't been any overcharging. The other factor which I feel has not been, may I say with respect, looked at, is that if there are agencies in Gibraltar that are prepared to work with the Public Works Department or any other Department on a distribution commission which is very low as we all know, it may be possible to find, and I see it is one of the recommendations, that it would be no where near 23% whether on wholesale commission or on a procurement commission. We must not forget that RYCA being a United Kingdom Company, the profit of RYCA does not remain within Gibraltar tax-wise and there are many firms in Gibraltar who have been left out completely from any form of commission because the item has been purchased by RYCA in United Kingdom and therefore the local agent is left out in the cold which is to the detriment of a Gibraltar company and subsequently, of course, to the economy of Gibraltar.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, Sir, I would like to associate myself with those other Members of the House in congratulating the Public Accounts Committee on this the first report of 1980. The substantive

Treasury Minute setting out the views of the Government will be tabled, it is our intention, at the next meeting of the House and I hadn't for that reason intended to rise today to speak. However, I do feel that I must speak on a point made by the Hon and Learned Leader of the Opposition regarding the finding of my predecessor on whether or not there had been malfeasance. Shortly after I came here I visited the Public Works Department extensively and went round the stores and I also looked very carefully at the papers on RYCA which I knew that my predecessor had wanted referred to the Public Accounts Committee. I think that he had hoped that the Public Accounts Committee would be able to get hold of the manufacturers' invoices and I share the disappointment of the Committee and I am sure the House as a whole that these were not forthcoming. However, when using the words that there is no evidence to support any allegation of malfeasance on the part of any officer, I think that this was on the evidence which my predecessor had before him and it is, in fact, a statement which I myself would have made having read the papers. One could always add: "But, of course, I haven't seen any evidence to the contrary." He didn't do so and I don't think that anyone in the House can blame him for not doing so. There was no evidence of this and he forebore making a comment. What he may have thought in his own mind is another matter but this is the evidence as he found it. I think what one should make quite clear that Mr Collings did go very carefully into this as is obvious from the quotations in this report of his report to the Chief Minister. That is all, Sir, I would like to say at this stage except one point and that is on contracts, generally. The Government is not satisfied with the way in which contracts are drawn up and entered into at the moment and I have had a remit from the Government to discuss with the Attorney-General ways and means in which these can be strengthened. Thank you, Mr Speaker.

MR SPEAKER:

I will then call on the Mover to reply if he so wishes.

HON G T RESTANO:

Yes, Mr Speaker. First of all I would like to go over some of the points that have been raised by Hon Members. I was very pleased to hear the preliminary comments of the Chief Minister in agreeing to most of the recommendations of the report and, if I may, I would urge upon the Government the urgency of some of the recommendations, particularly on the question of the centralisation of stores and there are certain areas where I think urgency is paramount. On the points raised by the Hon Mr Zammit, he says that the operative word in the recommendation is that the Government 'may' have been overcharged £90,000 and I think, perhaps, I ought to elaborate a little bit on that so that the Government sees how we came to that figure. The invoice that we were able to compare had about 10 different items and every single item had been costed at exactly 23% over and above the manufacturers' invoice so although, of course, we cannot say that for sure that Government has been overcharged by

any given figure, the fact that every single item had been overcharged by 23% gives, I think, a fairly clear indication of what the Government may have been overcharged. As far as the suggestions which were put forward by the Hon Mr Zammit about going to local agents and getting their distribution commissions, well, that of course, is not up to the Committee to go in and make any suggestions of that sort, that is for the Department concerned. The Committee is only there to investigate certain items and it is not there to recommend to a department who to buy from or who not to buy from, that is really up to the department. All that the Public Accounts Committee can do is to say that these procedures should be renegotiated or these procedures should be put up to date. If I can turn to the comments made by the Hon the Financial and Development Secretary. I think in paragraph 18 of the report, the Committee did say, in respect of the then Financial and Development Secretary, that further inquiries could well have elicited additional information in the matter, that is as far as we thought we should go. We felt that going into this sort of a subject three years later obviously inhibited the Committee considerably and we felt that, perhaps, if a further inquiry had been made as soon as the Principal Auditor's special audit was carried out then, possibly, if there was anything further that could have been found out which the Public Accounts Committee could not find out now, it might have been found out then and I am also pleased that the Hon Member is looking very seriously into ways and means of strengthening the purchasing procedures.

HON H J ZAMMITT:

If the Hon Member will give way, Sir. I am sorry if I did suggest that I expected the Public Accounts Committee to go round asking for costings from firms that do distribution orders. What I said was that it would have given, if we take an item, Brooke Bond Tea, for instance, and Public Works was buying that through RYCA, one could only find out if in fact they were charging 23% either as wholesalers or procurement agents if in fact Brooke Bond Tea locally could say that that item was worth X and that would have given and no doubt there must have been items in this very good report that the Public Accounts Committee could have established a more accurate figure. We don't know, we could be charged 7% for all we know and it is only there that I referred to the Committee trying to find out if in fact the charge was considered excessive or too little. That is what I meant by saying that the Committee may have thought and it is not for me to say, it may have thought of having asked particular firms for manufacturers' invoices and therefore you would have had a clearer picture and a more accurate assessment of the situation. I am not criticising in any way, Mr Speaker.

HON G T RESTANO:

The only thing I can say in reply to that, Mr Speaker, is that the Managing Director of the firm had promised the Committee that they would provide the manufacturers' invoices and it was only after the very first draft of this report had already been prepared that the Committee received a letter from the Company

saying that they were no longer prepared to let us have the manufacturers' invoices. All along we were expecting those invoices to arrive and in fact the Public Works Department sent a letter and two reminders to the Company. That is all, Sir.

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

The House recessed at 7.30 pm.

WEDNESDAY THE 5TH NOVEMBER, 1980

The House resumed at 10.45 am.

MR SPEAKER:

I would remind the House that we now move on to the First and Second Readings of Bills.

BILLS

FIRST AND SECOND READINGS

HON ATTORNEY-GENERAL:

Mr Speaker, a Bill stands on the Agenda in my name to amend the Public Health Ordinance. I ask your leave to withdraw it from the Agenda as I am not ready to proceed on it.

THE ELDERLY PERSONS (NON-CONTRIBUTORY) PENSIONS (AMENDMENT)
ORDINANCE, 1980

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.

SECOND READING

HON A J CANEPA:

Mr Speaker, I have the honour to move that the Bill be now read a second time. Sir, this very short Bill merely provides for an increase in the level of Elderly Persons Pension from the present £9 to £10.50 for a single person. The increase is of

17% and is therefore in line with the increases in the level of benefits which the House approved yesterday through three successive motions. The extra financial provision arising from this measure that will be required in a full financial year will be £70,000 but whether a supplementary will be required for the last quarter of this financial year will depend on whether there can be vicinments within the Head of Labour and Social Security. Mr Speaker, I commend the Bill to the House.

MR SPEAKER:

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

HON W T SCOTT:

Mr Speaker, we welcome, generally, the raising of the Elderly Persons Pension to bring it more into line, as the Hon Minister has said, with the motion that was passed yesterday but our policy is to make this Elderly Persons Pension, we have often stated particularly during the Election campaign, tax-free as indeed the Old Age Pension is tax free for the reasons that we have stated many times inside and outside of this House. On that basis I think the Leader of the Opposition will be moving an amendment at a later stage.

HON P J ISOLA:

Mr Speaker, if I could add just a few words to what my Hon Friend and Colleague has said. I think I am right and no doubt the Minister will be able to confirm in his reply, that not only the pension under the Social Insurance Ordinance is received by those who get it tax free but also the retirement pensions under the Non-Contributory Social Insurance (Benefit and Unemployment) Insurance Ordinance are also received tax free. It seems to me, as the Minister mentioned yesterday, there are about 70 people involved under that and it seems to me that those people who are involved under that who didn't come into the Social Insurance scheme are rightfully treated in receiving their pensions tax free but it seems to me that there is an anomaly and an unfair discrimination in respect of those people who get the smallest pension of all, the Elderly Persons Non-Contributory Pension, and still have to pay tax. I do hope that the Government can see its way to making the appropriate amendment themselves so that these pensions are received tax-free in the same way as the Social Insurance Pension and the Non-Contributory Retirement Pension.

HON J BOSSANO:

Mr Speaker, I think it would be useful to have in any case if one is considering this matter, an indication of what is the amount of tax involved if these pensions were made tax free but as I understand it the basic principle, in fact, where the

Government has not been willing to make this pension tax-free is that the Social Insurance Pension is funded by the employee and the employer out of their income. The retirement pension which involves 70 people may be, as the Hon Member says, tax-free because it has been the case in the past but when, in fact, the Elderly Persons Pension was introduced it was introduced regardless of income. Presumably the only people who pay tax on the Elderly Persons Pension are people who have got other income besides the Elderly Persons Pension which must be for a married couple taking into account the age allowance, in the region of £40 a week. I would say that if we are saying that somebody at 65 who has already got an income of £40 a week should then get an extra £10 a week pension and still not pay tax, then we should be considering that nobody on £50 a week should pay tax even if they are under 65.

HON P J ISOLA:

If the Hon Member would give way. Is the Hon Member suggesting then that the Government should levy tax on those in receipt of Social Insurance Pensions and Retirement Pensions if they are recipients of other income as well because if he is saying that he ought to say it for everybody and not just for this class of people.

HON J BOSSANO:

I think, Mr Speaker, the difference is that the person who is receiving an Old Age Pension, e.g., from his employer, and I know this because I happen to negotiate the wages of people in the public sector whose wage is arrived at net of a pension contribution, in fact, every public sector employee has got a notional 6% reduction in his wage as a contribution towards his pension which he is paying for himself. I think that that is taxed anyway, occupation pensions are taxed notwithstanding the fact that they are funded by the person receiving it himself. The point of principle, I think, that makes it different is that if the Elderly Persons Pension is coming out of general revenue without any contribution from the person that is paying it, then other people are being taxed in order to pay a pension to someone whose income may be higher than the person providing the money to pay that. I know that politically it may be more useful to say we do not want to tax these people, I accept that point entirely, but I think if we really want to look at it honestly to find out what is the fairest thing to do to everybody concerned, we should widen the thing and see if it is right that a person who may have an income of £10,000 a year gets an extra £500 tax free from the Government then I want to know where the £500 is coming from? If we are going to lose, say, £50,000 of revenue and that £50,000 of revenue is going to come out of people in the higher income bracket, then that's fine because we are talking about the same group anyway, but if it is going to come out of people who may have a family to support and a lower income then I think we should be very careful what we are doing. I think it is a valid point that there may be some of these people who are in fact worse off than

others who are getting a Social Insurance Pension and getting it tax-free but, on the other hand, there may be people who are better off than others with smaller income and paying tax. I do not think one can do a blanket thing because the group is not necessarily a homogeneous group, there may be some people who are very badly off in that group and some people who are very well off in that group.

HON MAJOR R J PELIZA:

Mr Speaker, I am very surprised to hear the Hon Mr Bossano thinking on the lines of having a sort of means test if that is the only way that we can put it right. I would have thought that following his philosophy in all other spheres, that he should apply the same criteria in this instance. I know perhaps there might be some people who might be better off but I think we must take notice of those who are going to be worse off.

MR SPEAKER:

I will then call on the Minister to reply.

HON A J CANEPA:

I can't help remarking, Sir, that I thought that socialists did, in fact, believe means testing. What is income tax all about if not that those who can afford to pay more should contribute more. Mr Isola, I think, Sir, has got the wrong end of the stick in respect of the Retirement Pensions. I know that they are paid under the Non-Contributory Social Insurance Ordinance and that they are paid out of general revenue but, in fact, the 70 people left affected by this, did contribute to the Social Insurance Scheme at its inception in 1955. The problem then was that these people constituted a group who were already aged 60 - between 60 and 65 - and therefore because they were below 65, they had to pay social insurance contributions between 1955 and 1960 and unless the Government of the day had made transitional arrangements for them, there would have been noway that they could have benefitted from those contributions and therefore the contribution condition exceptionally was lower for them, instead of being as it was up till 1974 or 1975, I think, 500 contributions, it was lowered transitionally to 250 contributions, but they did contribute over a period of five years into the Fund. Between 1955 and 1965 the Fund was growing and other than these transitional pensions no pensions were paid out of the Social Insurance Fund until 1965 and even up until 1974 or 1975, I forget exactly which year, part of the social insurance pension was being supplemented from general revenue because the Fund was not healthy enough over the years to withstand even a pension of about £2 or £3.50 which was the maximum until 1973 and therefore there was supplementation out of general revenue and for the same reason the transitional retirement pensions have continued to be paid over the years out of the Consolidated Fund because during the initial years the Social Insurance Fund would not have been able to withstand the burden of that. But let me stress that the

70 people involved did contribute to the Social Insurance Scheme and therefore they are in a separate category to the 900 persons in receipt of elderly persons pension. The figure involved if the elderly persons pension were to be made tax free, is at a guess estimate provided by the Commissioner of Income Tax when I asked him about it earlier in the year at the time when the matter was being debated during the election campaign, of the order of £50,000 and the Chief Minister asked and committed himself that the matter should be locked into in connection with the budget and this was done.

HON P J ISOLA:

If the Minister will give way. He did more than that at the elections.

HON A J CANEPA:

Yes, I know what you are going to say, that he nodded, he nodded his head in television. But the Chief Minister is not a dictator you know, he has one vote in Council of Ministers if we do take a vote. When we count heads he is one and there are other Ministers and, as a whole, Ministers, and I think the Chief Minister, fully supports that point of view, Ministers as a whole feel very strongly that there are objections in principle to this elderly persons pension being made tax free, by and large for the reasons that Mr Bossano has stated. It is not equitable, in my view, to give away 50,000 odd pounds to people who require it least of all, because the fact that they pay tax, that some tax is paid on the elderly persons pension, is from the group of people who are rather better off and it is not making the best use of money to give these £50,000 to this particular group of people. We have similar objections in connection with the first child for family allowances, because the benefit would be to the smaller family and proportionally less to the greater family so we prefer to disburse the money that becomes available in a more equitable way. There is a further constraint on this matter and that is that the minimum reduced old age pension arising from regulations that will be enacted following the motions approved yesterday, the minimum old age pension for a couple, reduced old age pension, is £18.60 a week whereas a couple in receipt of elderly persons pension would get £21 a week under the proposal of this Ordinance and if you take into account the fact that the £21 a week are taxable, £21 a week taxable as against £18.60 tax free is a reasonable relationship and that should not be disturbed very very lightly because the people in receipt of a reduced pension have at least got an average of 13 contributions so over the years they have been contributing to a lesser extent to the Social Insurance Fund and it is only right and proper that people who contribute to a scheme should not be worse off than those who have not been contributing. I realise, Mr Speaker, that the stand which the Government has taken on this matter and on the whole question of the 900 or so people who are outside the Social Insurance Scheme, is not a popular stand. I am fully aware that it has got me personally a certain amount of unpopularity with the

people affected but that is the price that you have to pay when you are in public office. It is rather more comfortable to make proposals and suggestions from the Opposition benches which are not practicable. In Government one has the responsibility, one has the duty to do precisely what one considers to be right and proper regardless of those consequences and a popular measure is not necessarily a good measure.

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 later in these proceedings and today, I would imagine.

This was agreed to.

HON ATTORNEY-GENERAL:

Sir, I have the honour to move that the suspension of Standing Orders Nos 29 and 30 in respect of the Public Utility Undertakings (Amendment) Ordinance, 1980.

This was agreed to.

THE PUBLIC UTILITY UNDERTAKINGS (AMENDMENT) ORDINANCE, 1980

HON ATTORNEY-GENERAL:

Sir, I have the honour to move that a Bill for an Ordinance to amend the Public Utility Undertakings Ordinance (Chapter 135) 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:

Mr Speaker, I have the honour to move that the Bill be now read a second time. Mr Speaker, this Bill refers to a very minor matter. In one way I apologise for having to bring it back before the House but I felt that I should properly do so because I do not believe the matter can correctly be dealt with by way of a corrigenda. When the Finance Bill was put to the House earlier in the session, the House passed it and the provisions which are contained in this Bill were contained in the Finance Bill and I regret to say that because of a proof reading error they were not carried forward. There may be a difference of opinion as to whether it is necessary to bring this Bill back to

the House but I myself feel that I should and I therefore move accordingly.

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 G T RESTANO:

We have no objection provided it is absolutely clear that only clerical errors are involved but on a point of principle we do rather object to Bills being presented to the House less than one hour before we are to debate the Bill. In principle, I hope that there is no recurrence of this.

MR SPEAKER:

If there are no other contributors does the Honourable Member wish to reply on that?

HON ATTORNEY-GENERAL:

Yes, Mr Speaker. I note the point of concern. I take the liberty of doing this because they are only clerical errors which are being corrected but I take the Hon Member's point.

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 of the meeting.

This was agreed to.

THE ESTATE DUTIES (AMENDMENT) ORDINANCE, 1980

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I have the honour to move that a Bill for an Ordinance to amend the Estate Duties Ordinance (Chapter 52) 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, there are two main purposes in the amending Bill before the House. The first is to make Gibraltar more attractive as a finance centre by the provision that deposits held in Banks, and Building Societies, by non-residents should be exempt from Estate Duty and the second is to increase the interest payable on unpaid estate duty and to bring it closer to current interest rates. On the first, Sir, in discussions which the Treasury have, from time to time, with the banks and members of the profession in the finance centre, it has been represented that quite considerable sums of money which could be deposited in institutions in Gibraltar do not come here because they fear that should the depositor who is non resident die, then the deposits will become liable to estate duty. In fact, by introducing this amendment and concession, we are not in fact losing anything in the way of estate duty, the money doesn't come here now. If we attract the money here then we shall be making some profit by higher income tax yield by the banks which get the money in. The second amendment is to increase the interest payable on estate duty due after expiration of six months from the date of death of the deceased. The present rate of interest of 4% was introduced when the Ordinance was enacted in 1934 and the object was to provide an incentive to get the estate duty paid promptly. At present 4% is well outside interest rates, generally, and experience has shown that every delaying tactic may be used in order to delay paying the amount required. Ideally, the rate ought to be consistent with the level of interest rates generally but this would mean constantly amending the Ordinance as interest rates fluctuate and in selecting an increase of 8% in respect of the first six months after which duty is paid and thereafter 12% by compound interest, the Government has tried to settle on a rate of interest which we hope will stand the test of time. 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 P J ISOLA:

Sir, we welcome this Bill. Although as I understand it, estate duty wasn't normally charged on people who died and had accounts in Gibraltar, I think it is right that they should be formalised and certainly if anything helps to make Gibraltar a finance centre we shall welcome it. As far as the interests rates on estates are concerned I think these are much more realistic and I think this does plug a hole in the legislation whereby it paid people not to pay estate duty and I think the rates that have now been set down are in fact quite high, I think they are high, but I think it is justified because I think interest rates will eventually come down and then 12% compound interest is a very

good rate. We agree and I think estates that have money should pay.

HON J BOSSANO:

Could I say that I think the Government should, perhaps, between now and the Budget be taking a very close look at the need for revising the level at which estate duty becomes payable. I think the situation is being reached now where gratuities payable on death, for example, in employment which are linked to pay, are going to create a situation where quite a lot of people are going to come into the estate duty net which have never been in it before with the level at which it is. In fact, the level in Gibraltar is considerably below that of the United Kingdom. I am not suggesting we bring it up to the United Kingdom level but I think, in arriving at the starting point, we should be taking into account that we do not want to find ourselves in a situation where the Government is taxing the widow of somebody who suddenly died in employment and where the main asset that the widow inherits is in fact the man's gratuity. I think we should look at that between now and the budget probably but I would like to mention it now that we are looking at estate duty.

HON CHIEF MINISTER:

We did the amount at which estate duty becomes payable not very long ago from I think it was £2,000 to £5000 and in practice that I think covers the bulk, in my experience, of the workers' gratuity. If he dies in service, the gratuity, unless of course it is a higher paid executive, the amount is about £5,000 and are not affected as far as I have been able to gather. I don't know what the Honourable Member said that we should raise that in order to make them exempt from estate duty but then of course if the money that can be lost with that will have to be added on to the level and the point about not putting up more estate duty is that more and more people will be driven to schemes, in fact, this is the case nowadays where more and more schemes are made in order that people will not pay estate duty. Whereas in the past I remember all Financial Secretaries at the time of the estimates putting the amount they expected to get from estate duty having regard to the health of particular wealthy members of the community who might die during the year. The late Mr John Hayward would say "Ah, yes, this fellow is on the waiting list". It is extraordinary how many wealthy people die and do not even have a return of estate duty because the affairs have been arranged in such a way beforehand that there are no assets available at the time of the death that call for estate duty. If you put them too high at one level to put them low at the other level, it has the opposite effect, people still die with £50,000 but when you get over that level there are all sorts of legal ways in which the matter with a little foresight can be arranged so that estate duty is not paid. The other point that might be considered in that connection when we look at that aspect is whether the 3 year rule should not be extended to the 7 year rule like in England. Nowadays, any transfer which is made more than 3 years before the death does not

warrant estate duty. In England it must be 7 years so the planning requires much more thought but we will look at the possibility to extending the period slightly. Last time, when we increased the amount at which no estate duty was payable, I asked for particulars of how much money we would lose on the average and in fact something like £800 a year was lost and a lot of time saved because the department would not have to deal with inventories. We will look at that.

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:

I beg to give notice that the Committee Stage and Third Reading of the Bill be taken at a later stage in the meeting and today if the House agrees.

MR SPEAKER:

Does the House grant leave should this happen today?

HON P J ISOLA:

I don't see why this Bill should go through all its stages at this meeting of the House. There may be people who want to make representations on this Bill. I would have thought it should go to a subsequent meeting. Things like putting pensions up and things like that obviously people want to see it through but I think a thing like this should wait.

HON CHIEF MINISTER:

I agree to leaving the Committee Stage and Third Reading of this Bill to a subsequent meeting.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I withdraw notice, Sir.

THE SUPPLEMENTARY APPROPRIATION (1980/81) (No 2) ORDINANCE, 1980

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I have the honour to move that the Bill for an Ordinance to apply further sums of money to the service of the year ending with the 31st day of March, 1981, 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:

Mr Speaker, I have the honour to move that the Bill be now read a second time. The Bill seeks to appropriate, in accordance with section 55(3) of the Constitution, a further sum of £615,663 out of the Consolidated Fund. The purposes for which this sum is required are set out in Part I of the Schedule to the Bill and in more detail, in the Schedule of the Consolidated Fund Supplementary Estimates No 2 of 1980-81 which I tabled at the commencement of this meeting. The Bill also seeks, Sir, to appropriate, in accordance with section 57 of the Public Finance (Control and Audit) Ordinance, the sum of £869,482 from the Improvement and Development Fund for the purposes noted in Part II of the Schedule of the Bill and in the Schedule of Supplementary Estimates No 2 of 1980-81 for the Improvement and Development Fund which I also tabled at the beginning of this meeting. Mr Speaker, Sir, I commend the Bill to the House.

MR SPEAKER:

Does any Hon Member wish to speak on the general principles and merits of the Bill?

There being no response Mr Speaker then put the question which was resolved in the affirmative 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, today if the House is agreeable.

This was agreed to.

COMMITTEE STAGE

HON ATTORNEY-GENERAL:

Sir, I have the honour to move that this House resolve itself into committee to consider the following Bills, clause by clause.

- (1) The Social Insurance (Amendment) Bill, 1980.
- (2) The Bureaux de Change Bill, 1980.
- (3) The Elderly Persons (Non-Contributory) Pensions (Amendment) Bill, 1980.

- (4) The Public Utility Undertakings (Amendment) Bill, 1980.
- (5) The Supplementary Appropriation (1980-81) (No 2) Bill, 1980.

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

THE SOCIAL INSURANCE (AMENDMENT) BILL, 1980

Clauses 1 to 10 were agreed to and stood part of the Bill.

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

THE BUREAUX DE CHANGE BILL, 1980

Clause 1

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, Sir, in accordance with the Notice which I gave to the House, I beg to move that in clause 1(2) omit the word "August" and substitute the word "December". The effect of this will change the coming into operation of the Ordinance to the 1st day of December, 1980.

Mr Speaker put the question in the terms of the Hon the Financial and Development Secretary's amendment which was resolved in the affirmative and Clause 1, as amended, was agreed to and stood part of the Bill.

Clauses 2 to 14 were agreed to and stood part of the Bill.

Clause 15

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, Sir, when I introduced this Bill at the Second Reading stage I gave notice to the House that I would wish to amend clause 15 subsection (2) by the substitution of the word "his" for the word "local" at the end of the second line of paragraph (g). The paragraph Sir, reads: "The arrangements proposed by the applicant for the disposal of foreign currency that is surplus to local requirements". On consideration by the Honourable and Learned the Attorney-General and myself, we agreed that the word "local" could be confusing, in fact, one of the criteria is, has the person who is applying for a licence made arrangements for the orderly disposal of foreign currency surplus to his requirements in Gibraltar and for that reason I am suggesting the amendment to clarify this paragraph.

Mr Speaker put the question which was resolved in the affirmative and Clause 15, as amended, was agreed to and stood part of the Bill.

Clause 16 was agreed to and stood part of the Bill.

Clause 17

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Chairman, Sir, in accordance with notice given to the House I propose an amendment to clause 17 to add the following subclause:

"(3) It shall be a condition of every licence that within 7 days after any change in the shareholding, directorship, or management of a licensee, the licensee shall inform the Secretary in writing of that change, including (in the case of a new shareholder, director, or person in a managerial position) such information as is for the time being prescribed in respect of persons holding such positions in Form 1 of the Second Schedule."

Sir, this amendment is being introduced by the Government following representations made in the Second Reading debate on the Bill, mainly by the Honourable and Learned Leader of the Opposition but supported by other members too, that where there was a change in shareholding, directorship or the management by a licensee, then the committee should be informed and should be able to take any action which it considers to be necessary. There will be a consequential amendment to clause 26(2), eventually.

HON P J ISOLA:

Mr Speaker, we support this amendment. There is only one point that has come to my mind that I am looking at and that is that looking at Form 1 of the application, it talks of shareholders and this talks of a change of shareholders. There seems to be no provision, although I presume within the discretion of the committee the committee will be able to ask; "Well, is this shareholder the man who actually owns it and not a nominee." I think it is important to get to know the beneficial shareholder, the beneficial owners. But I think it is within the discretion of the Ordinance.

HON ATTORNEY-GENERAL:

Mr Chairman, if I may speak to the point. It is not usual in my experience where there are controls transfers by requiring notice of a change in shareholding to go beyond the legal ownership. Perhaps, the matter could be dealt with in this way that what is being proposed here is a standing statutory condition in every licence that is granted. Were it to become a problem, there is the additional discretionary power to attach conditions but I think the problem could be tackled in that way, Sir.

Mr Speaker then put the question which was resolved in the affirmative and Clause 17, as amended, was agreed to and stood part of the Bill.

Clauses 18 to 25 were agreed to and stood part of the Bill.

Clause 26

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I beg to amend in the terms of the notice I have given to the House. Clause 26(2), to insert in paragraph (e) after the expression "Section 15" the words "and by reason of any change in circumstances since the licence was granted." This is a consequential amendment to the one that has just been approved, Sir. In consultation with the Honourable and Learned the Attorney-General, we considered whether the subsection (e), as it stands, was sufficiently wide to enable the committee to act should it consider it necessary to do so, and we decided that for clarity it would be preferable to amend this subsection and it is for that reason that the amendment is now proposed. Sir, I beg to move.

Mr Speaker proposed the question in the terms of the Hon the Financial and Development Secretary's amendment.

HON ATTORNEY-GENERAL:

Mr Chairman, if I could just briefly add that it is a consequential amendment as I am sure the Honourable and Learned Leader of the Opposition will see that it is not strictly legally consequential but it is a useful amendment, and I think it in fact goes rather wider with meeting the point which we have been discussing, but I think it is desirable to have qualifying words of that nature in that particular paragraph.

Mr Speaker then put the question which was resolved in the affirmative and Clause 26, as amended, was agreed to and stood part of the Bill.

HON P J ISOLA:

I think in the Second Reading we said that we thought the appeal should be elsewhere than to the Governor-in-Council, the Governor in Council being an Executive body as opposed to a quasi-judicial body. I think that objection still holds but we are prepared to see how it works in practice. If the Government feels unable to change that we are prepared to see how it works in practice.

HON ATTORNEY-GENERAL:

Mr Chairman if I may speak on the point. I appreciate the concern of the Honourable and Learned Member. The criteria for licensing are essentially policy criteria although for such matters as breaches of the conditions and questions fact that are raised on appeals on matters which basically involves policy, I do not think a Court is the correct place to determine this, I think that is quite a well established principle. On matters of fact of course I think a Court is better placed and is properly the forum in which to determine the appeal. I appreciate the point about the Governor-in-Council. It is however, in Gibraltar, an established forum for policy appeals. I think, if I may say so, the Honourable and Learned the Leader of the Opposition is really reflecting the fact that there are a limited number of suitable forums available in Gibraltar for determining a policy appeal.

Clauses 27 to 39 were agreed to and stood part of the Bill.

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

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

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

THE ELDERLY PERSONS (NON-CONTRIBUTORY) PENSIONS
(AMENDMENT) ORDINANCE, 1980

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

Clause 2

HON P J ISOLA:

I beg to move that Clause 2 of the Bill be amended by the addition of a new sub-clause (3) to read: "(3) Section 2 of the Income Tax Ordinance is amended by the addition of the following words at the end of the definition of "Pension" therein contained; "or the Elderly Persons (Non-Contributory) Ordinance". Mr Speaker, I think that that is the correct way of bringing the elderly persons pension free of tax because the social insurance pension and the retirement pension are dealt with in a definition of the Income Tax Ordinance which says that these pensions are not pensions for the purpose of the Income Tax Ordinance and that is why they go free of tax. I ask the House to support this amendment because it seems to me that both the Government and the Honourable Mr Bossano, who I hope will be here to vote on this amendment, instead of saying something and then not supporting what he says with his vote, it seems to me that different standards are being applied by the Government in relation to these 3 what I call state pensions. We are told that elderly persons pensions cannot be paid free of tax because there are some rich people who would be saving tax but we are not told that in the social insurance pension which is a

contributory pension scheme, there are rich people collection them and not paying tax on them and on the retirement pension the same principle applies, there are people who have got means and are not paying tax. And what was to me very revealing, Mr Speaker, is the statement of the Minister in replying on the debate, that he had seen the Commissioner of Income Tax and he had told him that the amount of income tax that would be lost would be £50,000. Now, 900 people in receipt of elderly persons pension at £10.50 a week bring the total amount of pension to £491,400 a year paid by the Government and it would seem to me that in the figure of saving of tax indicates to me that there are quite a number of people in the lower income groups who would benefit from making the elderly persons pension tax free. If we are talking of people in the breadline, Mr Speaker, well, fortunately there are not that many people on the breadline today. But there are people who have a small amount of private income, among retired people, who you wouldn't regard as being on the breadline but who are not able to live comfortably with the soaring rises in the cost of living in Gibraltar. The fact that the Government puts up the pension by 17% is small consolation to these people because you are giving them £1.50 a week more. And if we have people in the state social insurance pension scheme tax free by a deliberate act of Government policy irrespective of the income of the people within the social insurance scheme tax free, if we have the retirement pension for these people who contributed for five years, what would have been their contribution for five years? Very little, indeed. And these people are now receiving, as a result of that five years contribution, and we don't object, and we do not decry them this, but in return of five year's contribution they are receiving or will be receiving following the motion that we passed yesterday, I think it was £21.70 a week and if there is a wife, £32 a week, for five year's contribution of their lives. We were talking yesterday of a particular person who had served 30 years and wouldn't get his full pension because it was Government policy. Mr Speaker, these are people who have only paid for five years which is almost nothing, Mr Speaker, I am not decrying their contribution, but they will be getting £31 a week tax free by a deliberate act of Government policy and the only people who have been left out are the people who are getting the smallest pension of all, the elderly persons pension of £10.50 because they, apparently, have never contributed. I know among the 900 people there are people who have money but there are also a great number of people who are very near the breadline, if I may put it that way. It is unjust that they should be treated differently merely because there are few people receiving elderly persons pension who are well off. Get them out of the damned scheme if that is the objection the Government have, by a means test if they wish. The Honourable Mr Bossano seems to be fully in favour of it. But it is wrong, it is morally wrong, socially wrong for the Government to refuse to allow the people in receipt of elderly persons pension who are receiving the lowest of the three kind of state pensions, if I may call them that, to receive them tax free the same way as their colleagues. The answer is that they have contributed to them, of course they have contributed to the pension in the case of the Social Insurance Scheme but so Government employees contribute to pension, so do people in private employment

contribute to pensions but these people receive them tax free may also be receiving a Government pension, may also be receiving a pension from their employer and may be very well off, because they will be getting £40 a week and they may be receiving another £40 a week from their Government employer or in private sector they may be receiving another £40. Those people are very well off and they are getting it tax free. It is the principle that is wrong and when the Minister says he opposes this or principle I think he is opposing it on the wrong principle, he is not opposing it on principle, he is not acting on principle when he chooses to make a distinction between the incomes of people receiving elderly persons pension but makes no such distinction in respect of people receiving social insurance pensions and retirement pensions, which are the other two pensions similar to this. I think it is time that the Government considered the position and their duty to a number of people in receipt of elderly persons pension not so well off and who live under a sense of grievous injustice that their colleagues who are well off, their friends if you like to call them, go off on holidays every year on the social insurance pension that they get which they receive tax free, and good luck to them that they are not treated in the same way. I am certainly surprised to hear the Honourable Mr Bossano and I am glad he is here to hear him speak in the way that he did on this issue. Of course there is a need to review tax rates all the time constantly, of course there is a need to review the position of pensions, to review these positions of inequalities in pensions that exist today but if we are going to start looking at that then we will never get this problem settled. If we are going to have to wait to settle this problem until all the others are settled, then we will never get to the solution of this problem and this problem is an urgent and an immediate one because there are citizens in our community in receipt of state pensions who are being treated differently to other citizens in our community also in receipt of state pensions. I would have thought that the Honourable Mr Bossano, of all people, would support this amendment and then let him come to the House and ask for the Government to amend the Ordinance to ensure that people who are receiving £20,000 a year don't get this pension. I wouldn't object to that, of course I wouldn't. Let him come and say it but let him not stop people who have the moral right, a social right to receive these pensions tax free as compared with their colleagues in receipt of other state pensions, let him not stop them getting it by using his vote against this amendment. Mr Speaker, I commend the amendment to the House.

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

HON A J CANEPA:

At this time every year for the last four or five years this matter becomes a serious debate in the House on what is a very minor Bill and I do not particularly object that that should be the case. I think that I should warn the Honourable Members of the Opposition that if they are persistent in putting forward

their views on this matter, I am equally persistent, even more so, perhaps, in opposing them. I even wore out Mr Xiberras in public correspondence on this issue and that is not an easy thing to do with respect to somebody I think who went down in the history of this House as giving the longest speeches and writing the longest letters. I wore him out and I hope to wear out the six members of the DPBC sitting opposite. If ever they find themselves in Government, I challenge my Honourable Shadow, Mr Scott, to try to do what I maintain cannot be done without destroying the whole Social Insurance Scheme which this month records its silver anniversary. If he does that he will go down in the history of public affairs in Gibraltar as the man who destroyed the Social Insurance Scheme and who put it on a basis whereby in future no one is going to get pensions in Gibraltar on any kind of reasonable and equitable basis. Mr Isola maintains that with his amendment he is going to benefit the lower income groups. That is nonsense because for a couple aged over 65 to pay tax their income must be over £1,950 a year, the £40 a week that I think the Honourable Mr Bossano had in mind. And even if the income of the couple is £2,500 a year or £50 a week, on the first £500 they would pay at 20%, or £2 a week. So the lower income group are not going to benefit from this measure, it is the middle and higher income groups who are in receipt of elderly persons pension who are going to derive benefit from this measure, in some cases to the extent of 50% of the pension. He said that with increases in the cost of living it is a small consolation that people in receipt of elderly persons pension receive in getting an increase of £1.50 a week. It is £3 for a married couple as against £6 on the old age pension for being in receipt of the maximum pension and the elderly persons pension was never intended, never ever, as my friend Horace Zammit would say, intended to be the sole means of support of any couple in Gibraltar. The pension supplements other income invariably. I am sure there cannot be any cases in Gibraltar where this pension is a sole means of income of any couple aged over 65 because if that were the case then they should be and would be on supplementary benefits and the level of supplementary benefits for people living on their own is higher than £21 a week payable to a married couple in receipt of elderly persons pension. If these people are being treated differently it is therefore only because they are better off in other respects and to draw a comparison between the 70 people in receipt of retirement pension is just not valid. The fact of the matter is that the majority of pensioners today, social insurance pensioners, are getting a benefit out of all proportion to what they contributed, that is a fact of life. Because in 1955 the scheme started with a contribution of 1s and 5p a week which was increased to 4 shillings or 20p a week in 1968 and it is only from 1973 onwards that contributions have been going up every year appreciably because benefits have also been going up even more appreciably. But the fact of the matter is that the contributions that workers were making between 1955 and 1968 of 1s and 5p was that the maximum contribution that the Government of the day required them to make and it was precisely on the basis of 1s 5p from the worker and 1s 5p from the employer that the Fund grew and the interest that has accrued on those small contributions, relatively speaking, has been considerable but it represented the maximum that the

Government of the day considered that such workers, earning I imagine in those days, a labourer £3.50 a week, £4 a week, that was the maximum that was considered to be a reasonable contribution. So we shouldn't decry in any way that people are getting £41 a week which may in some cases be more £41 a week may be more than the total contribution which they made into the Social Insurance Scheme during the years when they were below 65. I accept that up to a point people who are not getting the social insurance pension tax free should have a sense of grievance. That is bound to happen in a place like Gibraltar where everybody is looking over each other's shoulder. We all have a sense of grievance that certain people in the port have got an increase of 28%, anybody employed in the public sector who has had an increase of 17%. But we shouldn't lose sight of the fact that we are not talking of people who are suffering hardship, we are not talking about that and we are also talking of people who in the past, when the scheme started in the 1950's, were not particularly interested in joining the scheme. It was looked down upon and, as I was telling Mr Restano privately yesterday evening in the ante chamber, I know of places of work where the younger workers who are now contributing to the scheme resent that the older workers should expect them to foot the bill for the people who are outside the scheme precisely because they recall that 25 or 20 years ago these other people felt that they were superior, that they were outside the Social Insurance Scheme which was for the underprivileged classes in Gibraltar and that they did not have to belong because they were management, and they already had a pension in any case. In those days people were not interested in belonging to the scheme because the pension was a pittance. Today, it has become very attractive and naturally everybody wants to get what his neighbour is getting. But it is not possible, I have been dealing with this matter for over 8 years, I think I know what I am talking about, I don't pretend to have the monopoly of expertise on social insurance and I certainly have no doubt in my mind and I don't think that my colleagues with whom I have discussed the matter ad nauseam, I don't think that they are in any doubt whatsoever that the integrity of the Social Insurance Scheme could in no way be preserved if we were to do what the members opposite are suggesting. As to the specific amendment I think that I have dealt with the matter in detail during the Second Reading of the Bill and I really have nothing further to add.

HON J BOSSANO:

Mr Speaker, it seems to me that, in a way, the debate has taken a turn as if the passage, or the non passage of the amendment, depended on the way I vote as if I carried more votes in this House than anybody else put together. Let me say that I did listen very carefully to the arguments being put by the Honourable and Learned Member, Mr Isola, and I think that he has got some valid points, a great deal of what he has said is something that I can sympathise with which doesn't mean that I don't understand the arguments being put by Mr Canepa. I think he is absolutely right in saying that if there is a need to revise the whole question of the provision of pensions, then let us not continue an injustice which we may be doing to one

small group by virtue of the fact that there are other things that need putting right. On balance I think at this point in time, I will support the amendment, I have supported it in the past, in fact when it was put by Mr Xiberras, but I think that we have to look at the issue dispassionately if we can and consider what we are doing both in social insurance pension and in a pension like the elderly persons pension which is paid for out of general revenue. We are talking here about a transfer of incomes. In the case of the social insurance pension, effectively, the only reason why we are able to pay the level of pensions that we are paying today is because those pensions are not being funded, they are not being paid out of the accrued value of the fund contributed by today's pensioners in the past. That is only a very small part of what they are getting. The bulk of the payment made to today's pensioners from the Social Insurance Fund is directly paid for by today's workers and the principle is that those of us who are working today and paying for the pensions of those who are 65 today, will when we reach 65 have our pensions paid for by the people who are working then. That is a very sound principle I think and it makes it possible to have a much higher level of pension than if we had to depend exclusively on the investment income of historic contributions that have been eroded by inflation. In the case, therefore, of the elderly persons pension, we have a similar transfer of income but instead of that taking place through the social insurance system it is taking place through the tax system where it is the tax revenue going into the Consolidated Fund that is providing the £460,000 that the new level of pensions will cost. Based on the figure put by the Minister for Labour of an estimate of a £50,000 loss, what we are saying is that the level of pensions that we are paying out will cost £460,000 and that of those £460,000, £60,000 will be paid back and that if we make the pensions tax free then the clawback of £60,000 will not take place and the cost will be £460,000. My general approach - and I do not know whether that makes me a socialist or whether it doesn't make me a socialist, I know what I consider myself to be and it seems to me that sometimes my colleagues in the Opposition criticise me for being a socialist which tends to make me think that they would wish that I wasn't and at other times they criticise me for not being a socialist, which tends me to think that they want me to be one, and I am not quite sure which it is that I need to be in order to please them - but I hope that they will judge what I have to say on the basis that I am trying to put forward a point of view in the House of Assembly that I believe honestly to be the correct one and that I am open to be persuaded that I am mistaken by members on either side of the House and if they persuade me that I have been wrong in what I have been saying, or doing, then it does not make me more socialist or less socialist, perhaps it makes me more honest, but I am prepared to admit that I am wrong when I am proved wrong. I think then that if we are talking about a situation of a transfer of income we should perhaps have the political courage look at the whole question of providing state funds to ensure a minimum standard of living for every citizen when he reaches an age where he can no longer provide for himself and that therefore if that is considered to be support for a means test and means test is supposed to be a dirty word, well, let us have the political courage to face that because this is really what we want to do, we must instill in people in Gibraltar a sense of responsibility

in that as a community we must be concerned for the welfare of those who are worse off than we are and this is the principle of the Social Insurance Scheme and this is the principle of the elderly persons pension. I don't think for one moment that making these pensions non-taxable would either undermine the principle of the Social Insurance Scheme or make a big dent in the Government finances because we are talking about £60,000 in the context of expenditure and revenue of 30 million. It is in that context a not very significant sum of money except that of course one can think perhaps if the £60,000 is going to go to people who have already got enough money, it might be better to say well if you are going to spend £460,000, then it might be better if the net cost today is £400,000 with a clawback of £60,000, to make it a higher pension taxable because that would still put a situation where the people who today are not paying tax on the £21 are not going to be helped at all. As I said, I will support the amendment, I have supported it in the past when Mr Xiberras used to put it but I have got misgivings about whether we are really helping the people we wish to help and I have no doubt from the arguments put by the Honourable and Learned Mr Isola that he is convinced himself that he is helping those in need and that is that conviction that makes him put forward the amendment. The figures would indicate that perhaps out of the 900 we are talking about a situation where perhaps 400 are not paying tax anyway and the other 500 may be paying £2 a week out of the £10 pension which produces the £60,000 tax. He is absolutely right in saying that if we are concerned about giving a tax-free bonus to people who are in least need, that argument can equally be applied to people who are in receipt of the social insurance pension. I know of people who are getting a pension from their previous employment which is taxable, they are getting a social insurance pension which is going to be £41 and they are in employment and in fact they have an income of £200 or £300 and it is difficult to see why out of those £200 or £300 they should be getting £40 tax free when people with family responsibilities and half that income are being taxed very heavily today in Gibraltar. I think he is absolutely right in saying that if we are honestly concerned about the equity of our system then we should do a major review of its operation in terms of where the burden of taxation is falling and whether we are not unintentionally doing the reverse of what we are doing and carrying out in some areas a transfer of incomes in the wrong direction, from those who have got least to those who have got more. But that should not stop us perhaps at this stage supporting the amendment if there is a need which affects, even if it is a small proportion, I think even if on balance, having listened to the arguments, Mr Speaker, on both sides, if I have to give my support to an amendment that may give a benefit to 50 people who need it and at the same time give it to 100 people who do not need it, then I would not cut my nose to spite my face and in order to prevent the hundred from getting it, deprive the 50 who need it from getting it as well.

HON MAJOR R J PELIZA:

Mr Speaker, I am very, very glad to hear my friend on my left now realising that we are not doing this for political reasons

at all, that there is a very significant principle behind it. I think he is completely convinced that the line of approach that our side have been pursuing for a number of years has been the correct one. What surprises me and I hope that I can appeal to the Minister responsible, is that he seems to think it is something to be proud to approach a problem in a very fervent way and sort of glorifying his position by saying; "I have defeated one man who wanted to bring this into effect for many years back and nobody is going to make me change my mind". I think this is rather a blind approach and also a deaf approach to a problem that is obviously affecting a number of people in Gibraltar. I think he will accept that a number of those 900 are getting an unfair deal, I think he will have to accept this. I don't believe for one moment that the Minister would like to see this happening. I have always praised him, and he knows this, for the way that he has managed to improve the position of the elderly persons in Gibraltar. I think he gets the support of everybody on this side of the House, not now but on many occasions. What I don't understand is why in this particular sphere he objects so much to change. He seems to have convinced himself that he is doing something wrong by carrying it out and he seems to produce all sorts of exaggerated arguments as to the total destruction of our pension schemes in Gibraltar. I cannot believe that and what I suggest is what my own friend on the left said and the Leader of the Opposition said it even before him, let us go ahead with this now and by all means let us have a general review of the whole situation and put it on a fair footing. His argument that some young people object to this is something that I do not think he should give all that consideration to. That should not prevent him from going ahead, after all, what was the position in the past? It is always the son who helps the parent. It is doing the same thing now but in a much better and organised manner. I think it is the duty of the young to support the old, whether we do it directly as a member of the family or we do it through the state which obviously is much better, I think the principle must remain and if any young person comes along and says it is not fair that he should be supporting the old I think it is up to this House to tell him that he is doing something which is not really what the Gibraltarians feel. I think that if we can be proud of Gibraltar it is because the young people have always supported the old. I think that thanks to the great effort of the Minister, Mr Speaker, he has been able to do this in a much fairer way today than has ever been done before and in a much more secure way that has ever been done before. I do hope that he can change his mind. I don't think that the whole scheme, the whole pension scheme in Gibraltar is going to crumble down because he gives way and I am sure he will give a lot of satisfaction to a lot of people who I think deserve it.

HON A J CANEPA:

Mr Speaker, I am grateful to the Honourable Major Peliza for his kind remarks about me because I know that he expresses them sincerely, he feels them sincerely, I am really grateful.

Two years ago, Mr Speaker, we were faced again with the same quandary. At that time there was an income tax clawback operating on the Elderly Persons Pension which in principle, it was not that punitive but in the manner in which it worked it was punitive because at the end of the financial year a lot of people were being presented, having been getting the pension on a weekly basis, they were presented with an income tax bill which was very hefty so we did away with the income tax clawback and at the same time, having regard to the considerations that Mr Bossano mentioned about whether it is better to make the pension tax-free or to increase it rather more so, we increased it from £5 a week to £8 a week. It was a very substantial increase, 60% and the benefit of the two measures, the substantial increase together with the fact that the income tax clawback was being done away with, these two factors the Government considered constituted a very considerable gesture towards the grievances that these people have. Mr Bossano has spoken about the position of some people in Gibraltar who are getting an occupational pension, who will now be getting £41 a week tax free, and who are also in employment. I think what he was hinting at is that, perhaps, we are in danger of producing an elite in Gibraltar aged over 65. But, Mr Speaker, what is the alternative? The alternative might be should we be considering, as part of an in-depth look into the whole question of pensions, should we be considering whether the social insurance old age pension should now be made taxable? Perhaps. It was certainly made tax-free back in the 50's because it was a pittance, it was a very low pension but we are now talking of a pension of £41, should it be made taxable? In my view, that is a retrograde step to take, I don't like to put the clock back. I wish we could bring everybody into the fold and treat everybody in the same way. The other view that I take is precisely the point that Major Peliza made. If as a result of these people, people belonging to that group that Mr Bossano mentioned, where the people are over 65 and they are fit enough to continue in employment, they have a very considerable income and yet part of that income, £41 a week, is not taxed whereas a family man with similar income and with family responsibilities would pay tax on that element of his income. Perhaps we are treating one rather worse than another but I think the principle there is that it is the young people who are active, who are at work, who must finance the occupational pension and the social insurance pensions through their contributions, that the elderly receive. Because at the end of the day the young of today are going to be the pensioners of tomorrow and they will join that elite and is it bad, in any case, that people over 65, after a lifetime of working, should not be entitled to that and if they are very well off in a place like Gibraltar where we are still a very close knit community and where the elderly still have their own children and their own grand children close to them, if the elderly have income to spare it will be for the benefit of their families, of the next generation. I don't think that is a bad principle, I think it is a good approach on which we should try to build rather than ask ourselves are we going too far. I don't think that we are going too far because it seems to me as one looks around that, by and large, people at work are able to afford to pay the contributions and the tax, we have got a high level of taxation, but having regard to consumer

spending and so on I think they are able to afford that and it is right and proper that in this community we should have this state of affairs.

HON P J ISOLA:

Mr Speaker, I do not quite gather from that intervention from the Minister whether he is going to agree to the amendment or not. I hope he is going to agree to the amendment as well. I think he hit the nail on the head when he said we want to build on it. That is what we want to do. If we are going to be logical, you are talking of state pensions and we have two of them tax free, you cannot use an argument for making the third taxable merely the fact that some people in the third group have money and therefore they are going to get it tax free and why should they; because if you use that argument then you yourself should be saying: "Well, but in my Social Insurance Scheme there are also people that have got a lot of money who are getting it tax free. And in my retirement pensions there may be people who are also getting money tax free." Therefore to be logical, you either apply your tax principle to the three groups or you don't apply it to any of them and then by all means review the whole situation, review the whole law, and change it to bring possibly better equitable distribution. But it is wrong, in my view, to make the lot of the lower or middle income groups, I don't know what lots we are talking about to a certain extent, to refuse to make their lot better because in the higher groups some are going to benefit when you don't apply the same principle in the Social Insurance Scheme or in the retirement pension scheme. Mr Speaker, it is a well known fact. A lot of people in the Social Insurance Scheme have contributed throughout their lives. Agreed. But there are a significant or insignificant number, I am not sure how many there are, who have contributed very little and are enjoying the whole tax-free pension of about £40 a week for a contribution, in some cases, of as little as £250. In the same way, I am not saying that that's the majority of the people in the scheme but those few people can be equated with the few people that are going to get tax-free elderly persons pension today. If we are going to object to them getting it why shouldn't we object to the others getting them as well? I think that if this Bill is passed, I don't think it will shake the integrity of the Social Insurance Scheme. I think what it will bring about is that it will put right a sense of injustice that exists, because I think the Minister said we all live looking over our shoulders, the sense of injustice that exists between people of similar income groups who see that they are being charged £2 or £3 a week, whilst the fellow next door possibly with more money than him, is not paying anything on £40 a week. Mr Speaker, I think that the people in receipt of elderly persons pensions, the lower middle groups, are punished enough, as it were, in that they are not part of the Social Insurance Scheme and cannot enjoy the £40 a week pension which others can. In some cases they were not able to get in, they were not allowed to come in, even if they wanted to in some cases it was no longer possible because of the law or whatever. Let us try and bring some sense of equality as far as state pensions are concerned as between recipients of state

pensions. If, as a result of bringing that equality, the Government feel that some people who are much better off are getting an unwholesome benefit, then let them review the three social insurance schemes. I like the idea, Mr Speaker, that they should be tax free. It is very nice for people in receipt of social insurance pensions and I will support that continuing in the Social Insurance Scheme.

HON A J CANEPA:

Is the Honourable Member declaring a potential interest?

HON P J ISOLA:

Yes, very much so. I hope by then it will be about £70 a week by the time I reach the age. It may be a very good thing. But I think that state pensions, this group of three, should be treated in the same way and then if this requires further amendment or a review of the pensions legislation let it occur, let it happen to get a fairness between the different groups of the community. At the moment it is not fair that somebody who has a very small amount of income compared to what people now enjoy today, it is unfair that people with £2,000 or £3,000 a year should be paying tax whereas people with £5,000 and £6,000 and £7,000 a year are not paying a penny tax, that is unfair and is socially unjust and I therefore commend the amendment to the House.

HON CHIEF MINISTER:

Anything I say the Honourable the Leader of the Opposition can reply to. I am not trying to remain behind it is just that I thought that I should make a small contribution as it has given me a better opportunity of answering some of the points. I think it ought to be accepted that we feel that there is a matter of principle here and that therefore the reasons why we do it which is as the Minister for Labour has said not popular, are honestly felt and they are felt for good reasons and we consider them. I was one of those who said; "Well, alright, if we cannot get this thing tax-free let us carry on increasing them." The increase that is being proposed now will cost within a full year, £70,000. The non-contributor, elderly persons pension is costing us something like £2m. This anomaly about the social insurance pension not being taxed of course arises out of the reasons given the the Minister. What has not been said is that even if people have this benefit, the tax on this benefit only reaches people with more than £40 a week. There are only 20 couples in Gibraltar who are all receiving elderly persons pension who are in receipt of supplementary benefit because they are aged over 65 which means that they have so little income that the elderly persons pension alone is not enough. If people really were in that category, more people were suffering severely because of the elderly persons pension being taxed then they would come under this if they were but from the amount of allowances we have which were recently increased, both the

personal allowances and the old people's allowances as has been said it is £40 a week. My experience in this matter is that the people who feel most strongly about it are the people who least need that the pension be made tax free. That is my personal experience. I have only had one person in receipt of an occupational pension who felt strongly but the bulk of the people who got together, who started agitating for this are the people who say that their handsome income is suffering the ravages of inflation and they don't see why they should pay tax on this. That is what has not really convinced me. We may have to make an in-depth study of the question of social insurance, generally, but we are not ready for that now because we are doing something which I think is much more urgent in a way and that is the in-depth study which the Financial and Development Secretary stated is being done on the question of income tax. In the light of that study we might be able to look at this question and see whether the money that we are going to have £55,000 or £60,000 that would be lost which could better be used in another way, whether we can limit that amount of loss in order that people who do deserve it get it and by all means let us have a means test if necessary and make the people who most require it have it. I am not saying that we are going to do it, I am saying that we are going to look at it in the context of the tax question but only in the context of the tax question at this stage. I am sure that looking at the whole question of the social insurance at this stage for the moment certainly it is not really on for the number of commitments that we have in many areas of Government. It would be silly to say that we are going to do it to get out of it but in the context of the in-depth study in the income tax we might be able to look at this and see whether we come up with something that will if not meet the whole purpose of the amendment meet to some extent those who need most because that is really in the final analysis what we want and that is that whatever money there is is spread out as equitably as possible because the money comes from the people.

HON P J ISOLA:

Mr Speaker, I can understand the many commitments the Government has, like paying £700,000 in respect of the Varyl Begg Estate.

MR SPEAKER:

Let us not digress from the subject under discussion.

HON CHIEF MINISTER:

When I said commitments I didn't speak of financial commitments, I spoke about commitments of policy and of time in the voting. It would be silly to say we are going to have an in-depth study on social insurance at a time when we were having one in income tax and there is the Port study, there are quite a number of very important matters going on which keep Ministers completely busy, I wasn't talking about money commitments.

HON P J ISOLA:

Mr Speaker, the Honourable and Learned Chief Minister just has not addressed himself to the question of principle that is involved, as, indeed, the Minister for Labour has not. He has thrown a smoke screen over the issue by talking of people on the breadline who cannot live on their £10.50 a week which obviously they can't will get a supplementary benefit but you are talking of the breadliners there, we are not talking about the breadliners; the great majority of people in receipt of social insurance pensions are not breadliners, the great majority of people in receipt of retirement pensions are not breadliners and the Honourable and Learned the Chief Minister says they can put it right by putting the pension up. So what do they do, they put it up 16.6% whereas in the social insurance and in the retirement it is 17% or 18%. The same percentage? The same percentage but £1.50 is very different to £6 obviously.

HON A J CANEPA:

£6 is for a couple, don't talk of £1.50, that is for a single person.

HON P J ISOLA:

But we are talking here of a matter of principle that appears to elude the Chief Minister and the Minister for Labour. It is a simple principle you have got three sets of state pensions two of which you give tax free, no matter the means of the person at all, and the third one you don't give tax free. The third one you use for discrimination purposes, I suppose. The Chief Minister wants to make an in-depth study. We know how long the in-depth studies of the Government take. We know, we have experience in this House of the in-depth study of the Government. An obvious one was the Preece, Cardew and Ryder Report, four years for the in-depth study. We are used to that. What we are asking the Chief Minister and his colleagues in the Government is to let a few people if you like, get away with paying tax, you are losing £60,000, that is peanuts for the Government with the way they spend the taxpayers money. It is peanuts for the Government, let a few people get away with that but let us bring a sense of justice amongst the great majority of the recipients of the state pensions, a sense of equality in our community which today they do not have and if by changing this law this would bring the in-depth study on, fine, we could have it by the next meeting if the Government wanted and then you change the law and the guys who just thought they were going to get 50% tax rebate will find it only lasted two months. We do not mind that but what we do mind and what we are strongly in favour of is equality of treatment between taxpayers of the three state pension schemes.

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

The Hon J Bossano
The Hon A J Haynes
The Hon P J Isola
The Hon A T Loddio
The Hon Major R J Peliza
The Hon G T Restano
The Hon W T Scott

The following Hon Members voted against:

The Hon I Abecasis
The Hon A J Canepa
The Hon F J Dellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon J B Perez
The Hon Dr R G Valarino
The Hon H J Zammit
The Hon D Hull
The Hon R J Wallace

The amendment was accordingly defeated and Clause 2 stood part of the Bill.

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

THE PUBLIC UTILITY UNDERTAKINGS (AMENDMENT) BILL, 1980

Clauses 1 and 2 were agreed to and stood part of the Bill.

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

THE SUPPLEMENTARY APPROPRIATION (1980/81) (No. 2) BILL, 1980

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

Schedule

Consolidated Fund Schedule of Supplementary Estimates (No 2 of 1980/81) Item 1 Head 2 Customs was agreed to.

Item 2 Head 3 Education was agreed to.

Item 3 Head 4 Electricity Undertaking

HON G T RESTANO:

Would the Government give us an explanation of the £81,500.

HON DR R G VALARINO:

Mr Chairman, the £81,500 is the hire charge to the 31st March 1981 and the installation costs. This is composed of £65,000 which is hire, £15,000 in installation costs, and £1,500 which are the four silencers.

HON G T RESTANO:

How much for the installation?

HON DR R G VALARINO:

£15,000.

HON G T RESTANO:

Would the Minister say why it has been necessary to hire these four generating sets?

HON DR R G VALARINO:

Mr Chairman, Mr Restano has asked a question to which he knows the answer, this is to cover the period, as stated in the Press Release of I believe it was in August, to cover the period in which we had some engines out of action and in fact if he looks, and I am sure he has got a copy of the Press Release of 28 August 1980, he will find the answer there, that after review of the whole situation which included the situation of the generating station and the problems with the engines, the Government had decided to acquire self-contained skid mounted alternators in order to improve the situation.

HON G T RESTANO:

Was this an ad hoc decision, Mr Speaker, or was that included in the Preece, Cardew and Ryder Report?

HON DR R G VALARINO:

Mr Speaker, as I intend to say in the motion, this decision by Government was not in the Preece, Cardew and Ryder Report, in fact, this is obvious, and this was really done in order to improve the situation and since Government knew the problems that the electricity cuts were bringing to the people, they had the people's consideration very much at heart.

HON MAJOR R J PELIZA:

Mr Speaker, can the Minister say why it is obvious that this is not contained in the Preece, Cardew and Rider Report, Why is it

obvious?

HON DR R G VALARINO:

Mr Chairman, if the Honourable Member had been in Gibraltar at the time he would have been able to go back to the Press Release in question and he would have found out that it was as a review of the whole situation. Therefore, it was a measure that was taken then and not related to the PCR Report which has been previously reported on.

HON G T RESTANO:

Did the Government receive any advice from the Consultants on the hire of these engines?

HON DR R G VALARINO:

Mr Chairman, I still think that to some extent we are pre-empting the motion because I intend to deal fully with these questions in my reply to the Honourable Member's motion. I still feel that we would be pre-empting a motion which as the Member has not been successful in obtaining an answer at question time, he is now trying through his so-called parliamentary procedure get me to answer these specific questions.

HON G T RESTANO:

Mr Chairman, is the Minister saying that the parliamentary procedure is wrong? I think he said that the so-called parliamentary procedure which allows me to ask questions because the Government is coming here asking for £81,500 and he doesn't want me to ask any questions? Of course we will ask questions because perhaps these £81,500 we have to pay just for the hire of the machines is because Government didn't take the original decision which was recommended to it by the consultants to buy a 5-megawatt engine many years ago. Anyway, Mr Chairman, how much would it have cost to purchase rather than hire these sets?

HON DR R G VALARINO:

Mr Chairman, the Government considered that hiring was the cheapest way in which these sets could be obtained. There were three options open to us. One was the purchase, one was the hire and one was to lease. The cost of the equipment would have been in the region of £395,100. The cost of the equipment, the equipment means all as far as I am concerned. I don't know how Members' opposite will take this.

HON MAJOR R J PELIZA:

If you give us the information we will know about it.

HON DR R G VALARINO:

This is why we have gone for the hire of these sets. The hire of these sets will be £1,546 per month for the equipment during the first 18 months. This method of payment obviates the need for the earlier and substantial capital outlay inherent in a purchase agreement. Moreover, under the hire agreement the hirer would be responsible for major repairs. This is why we have gone in for hire and not for purchase and I will be repeating this in my answer to the motion of the Honourable Member.

HON P J ISOLA:

Mr Speaker, can the Minister, purely on a mathematical basis. The hire is £1,546 per generator, there are four of them, how did he arrive at the figure of.....

MR SPEAKER:

I think the Minister has said the equipment includes the four.

HON DR R G VALARINO:

The equipment includes the four and the price is £11,546 per month.

HON P J ISOLA:

Then it is not £1,546.

HON DR R G VALARINO:

Sorry, £11,546 per month.

HON P J ISOLA:

Could I ask the Minister then when do we start paying, I suppose, when they arrive? Am I right in thinking that it would be about £144,000 to hire the equipment?

HON DR R G VALARINO:

Mr Chairman, 12 months we have calculated it will be £138,552.

HON MAJOR R J PELIZA:

Has the Minister any idea for how long we will have to use it?

HON DR R G VALARINO:

Mr Chairman, Sir, we have hired this equipment for 18 months and we have an option to continue this until 24 months, Sir.

HON W T SCOTT:

Mr Chairman, to hire it for 18 months represents 50% of the total cost of the purchasing of the machines, and even then there might be a necessity, as the Honourable Minister has said, to further extend the period of hire, bringing the hiring charge closer to the purchasing price.

HON DR R G VALARINO:

Mr Chairman, any mathematician amongst us will realise that this is not so because that is only an extra 6 months and in fact the following six months the hire charge will drop but if we bought the sets we would have found ourselves with four sets which are not new, they have been in use and certainly the price of these sets would be pretty low and the hire agreement is much more to our satisfaction than to purchase this plant which in time we shall be able to return to the manufacturers.

HON MAJOR R J PELIZA:

I think the Minister got the question wrong or I did not explain myself clearly. What I said was for how long does he reckon we shall need the use of this plant, 18 months? What about the lease, I don't think you gave us the figures for the lease. You said there were three methods, purchase, hire and leasing.

HON DR R G VALARINO:

No, Mr Chairman, on the lease we had various tentative approaches but in fact the figures were so high on a lease that unfortunately we could certainly not accept the lease terms.

HON MAJOR R J PELIZA:

But has the Minister got the figures for the lease?

HON DR R G VALARINO:

I haven't actually got the figures with me of the lease but I can find out the figures for the Honourable Member and I shall

let him have it before the end of this meeting.

HON G T RESTANO:

What is the normal life span of these machines?

HON DR R G VALARINO:

Mr Chairman, I am not a technical man.

HON P J ISOLA:

Hasn't the Minister got civil servants to help him on that point? It is usual for the Minister to have his civil servant when answering questions.

HON DR R G VALARINO:

I beg your pardon, yes I was going to answer it. Obviously, this depends how much you run the machine. If the machine is run relatively heavily the life span is 5 to 6 years. On the other hand, if the machine is only used, say, at peak times the machine could be running for about 10 years.

HON G T RESTANO:

So, in fact, if Government were to purchase rather than just hire these machines it would have a minimum of 5 years and a maximum of 10.

MR SPEAKER:

I think the Honourable Member said that they were not new machines.

HON DR R G VALARINO:

They are new machines, Sir.

HON MAJOR R J PELIZA:

On the contrary, he said they were used.

HON CHIEF MINISTER:

This has not been said anywhere.

HON MAJOR R J PELIZA:

With all due respect, Mr Speaker, if you look at Hansard, that is what the Minister said.

HON CHIEF MINISTER:

He said that he had been offered, on lease, other second-hand machines that were not acceptable.

HON MAJOR R J PELIZA:

I thought that one of the reasons why we were hiring them and not buying them was because they were second-hand.

HON DR R G VALARINO:

In answer to the Honourable Mr Restano's question if we export the machines we would keep them for five years, there are two things mitigating against his concept. One is that these machines run on light fuel, therefore, they are more costly and, secondly, as he well knows, tenders have already been received for the new generating station, the new generating station will start with bigger machines and the oil used will be heavy oil which will be much cheaper than the oil used in the smaller machines that we have hired temporarily.

HON W T SCOTT:

Mr Chairman, can I ask on a point of clarification. The Minister, referring to Jetty No 5, the new generating station, used the word machines in the plural. Are we to understand that the contract is for two machines rather than for one? Is this what Government has decided, to instal two machines at the outset or just the one?

HON DR R G VALARINO:

Mr Chairman, we are still moving in the direction of the motion in which I intend to say all this. The tender of the new generating station at No 5 Jetty is for one 5-megawatt machine with an option for a second 5-megawatt machine in three months' time.

HON W T SCOTT:

I am grateful, Mr Chairman, that the Minister has corrected his earlier statement. In any event, to an earlier question that I posed, will the Minister confirm that at a hire charge of £11,546 a month and the terms being a minimum hire period of 18 months, and after excluding the £15,000 installation the Government will be looking for something, eventually, in excess of £200,000.

HON DR R G VALARINO:

Mr Chairman, the hiring is for an 18 months period of time. I think we have mentioned as well in one of our press releases that we have tried not to go much further above the figure of £200,000. We must also remember that if we bought these machines and we kept them for any length of time, maintenance of these machines would be pretty costly and would further increase the amount we have to spend on these machines whereas at the moment the main thing is to have these machines on hire to be able to serve the people whilst we are constructing and building the new station that we are equipping the new station because this is our aim, our aim is the new station and this is only four temporary skid mounted new generating sets.

HON P J ISOLA:

Mr Chairman, may I make just one comment, not on the temporary side of it, but can I make one comment on this. It seems that these machines that are being brought are run on light fuel oil which is the most expensive. It seems that these machines that have been brought are very expensive to maintain. Am I right?

MR SPEAKER:

Which machines are you talking about?

HON P J ISOLA:

The skid ones. I am only saying what the Minister has said.

HON DR R G VALARINO:

Mr Chairman, if the Honourable Member will give way. I have said that they will be expensive to maintain if we bought them for a period as the Honourable Member, Mr Restano has said. The fact that we are hiring for 18 months, they are new machines, they would practically need no maintenance, apart from the usual routine overhaul and we will be able to save a fair amount of time by hiring these machines which are brand new, and not second hand.

HON P J ISOLA:

I am grateful to the Minister because that has changed completely what he was saying. My Honourable Friend on my left was asking him why not buy them and one of the reasons the Minister gave against that course was because the maintenance was expensive and it was going to be done by the people and now we know that the actual maintenance is only routine and therefore minimal. What I wanted to ask is, in view of the light fuel oil that is being used can I ask, repeat the question that was asked by my Honourable Friend on my right and that is, have the consultants been consulted on the type of machine that should be brought. Are there

not machines that could have been brought equally well that went on the heavy fuel oil, for example, that would have been cheaper. In other words, I think we want to be re-assured having regard to the disasters that we have undergone during the last few years in Gibraltar, we want to be reassured that proper advice has been taken on this. Can the Minister give us that assurance?

HON DR R G VALARINO:

Mr Chairman, the Minister can give him the assurance that the consultants have been seen and that in fact it was precisely the consultants who advised us to get these machines. The Honourable and Learned Member is talking about the fact that we could get other machines. This is again in my statement to the House in which I said and may I quote: "A number of offers were received but the sets offered were individual units of varied rating and of different manufacture and additionally required an amount of installation work in terms of bases and auxiliary services." These are skid mounted sets which are easy to place, they do not need bases as the ones we have in King's Bastion North and King's Bastion South and the main idea of Government was to hasten the whole process.

HON P J ISOLA:

Is it correct to say then that because of the urgency of the situation, the Government had to get what could be brought quickest as opposed to what was cheapest, or the best?

HON DR R G VALARINO:

Mr Chairman, there are three questions in that, first of all, was it the best. We have from the consultant engineers that these machines were the best. (2) He mentions whether we could bring what was quickest and not what was cheapest. We had to bring equipment which would serve us over a period of time and in fact we are getting a very good deal from these people. To bring another machine would probably have cost almost as much and certainly it would have taken a great deal more amount of time because we would have needed not only auxiliary services but we would have needed to have laid down a concrete base which would have taken a fair amount of time.

HON P J ISOLA:

We are talking really here of a hire charge as opposed to buying. Has the Government taken into consideration the fact in deciding whether to hire or to buy (a), and I am not doing this critically, its own record on slippage of contracts. It is a fact there has been slippage and Honourable Members have often got up on the other side of the House and said this is inevitable, therefore, their own record on slippage and, of course, the record of slippage of outside contractors not just the Government, and therefore taking into consideration that these

machines may well be needed for a much longer period than the Government in its optimism that it will get things right feels, that is one point. The other point is, has the Government considered the fact that at the moment we have something like 14 megawatts of generating power. We never had a detailed explanation but it is a matter, I suppose, of public knowledge that all these machines are in their dying throes and it is also known that they are constantly breaking down and that, therefore, the provision of a 5-megawatt generator at the end of the 12 month period or 18 month period may not, in fact, solve the situation at all and therefore it may necessitate the continued presence of the skid generators for possibly one or two years more if not more. In those circumstances, would a decision to hire taken now be a wise one as against a decision to purchase outright?

HON DR R G VALARINO:

Mr Chairman, Sir, the Honourable and Learned Member still insists that to purchase the machines would have been a better idea. I have tried to point out that our main aim is the new generating station at No 5 jetty. Slippage has occurred in various projects, in fact, we are already going ahead with this. He knows very well that two contracts have been received and have been evaluated and this is known both publicly and he knows it himself. We have got this hire agreement for a period of 18 months. We aim not to make it any longer than 18 months but should it be for any longer as I have said before anything up to two years the hiring price will decrease and therefore I am sure that the best method is to hire the machines and not to buy them and at the end of the day find ourselves with four machines that we are unable to get rid of.

MR SPEAKER:

I think we have now talked enough on whether it should be bought or leased. The Minister has given an explicit answer as to why he felt that leasing was better.

HON A J HAYNES:

Can Government explain whether they encountered any problem in taking the machine to the site and did these problems, if any, result in greater expenditure?

HON DR R G VALARINO:

Mr Chairman, I don't know what the Honourable Member means by problems.

HON A J HAYNES:

Where the machines installed according to a plan designed or thought out before the machines arrived or was there any

alteration to the design?

HON DR R G VALARINO:

Mr Chairman, the Honourable Member obviously missed my appearance on television in which I

MR SPEAKER:

We must be careful. Members are answerable for what they do in the House and not for what they say outside.

HON DR R G VALARINO:

I produced detailed drawings of what we were going to do and where we were going to put the machines and the siting of the machines.

MR SPEAKER:

I think what you are being asked is whether the estimate of installation has been higher than what was first agreed upon. I think basically, that is the question. Whether there has been any or not is another matter.

HON DR R G VALARINO:

Mr Chairman, we have installed one machine and the other three machines are expected towards the end of the week. The first machine is in the process of being commissioned and the other three will be installed. This is an installation charge that we felt was a reasonable one but, really, until we instal all four machines it will be difficult to estimate exactly what the installation costs would be.

HON A J HAYNES:

Do the installation costs as such include the building of a bridge from King's Bastion to the promenade?

HON DR R G VALARINO:

Mr Chairman, if the Honourable Member has time I will show him what was built. We built a catwalk between the generating station and the promenade so that people would have access to the machines and the cable would go on via the catwalk therefore providing access to the generating station. We have built a catwalk and this catwalk has been built by our own men. The cost of the catwalk is included in this figure.

HON A J HAYNES:

Can the Minister tell us whether in fact an alternative method of getting the workers to the machines has not been subsequently thought of which would have been much cheaper i.e. knocking the wall of a store room connecting Kings Bastion with the Generating Station. Or is he not aware?

HON DR R G VALARINO:

I don't know what the Honourable Member is referring to. In fact, as I have mentioned before, I would like him to come and see and to tell me where this quick exit lies. We have installed the catwalk because it is the only method of getting to the Boulevard.

HON A J HAYNES:

Can the Minister tell us whether he anticipates a great deal of noise to emanate from these machines?

HON DR R G VALARINO:

Mr Chairman, we have already run one. These are fitted with residential silencers. Obviously since they are machines there will be a certain amount of noise. I may add that we also get a great deal of noise from the other engines in Kings Bastion South and Kings Bastion North. Noise in this area unfortunately is something that we have to put up with. We either have noise in this area or we have no power.

HON A J HAYNES:

Is the noise going to be of a great volume or not? If, for instance, the noise is to be excessive then one questions (1) the validity of the choice of place and (2) whether these machines

MR SPEAKER:

We are not going to go into that now. I think the Honourable the Financial and Development Secretary wanted to say something.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I wanted to speak on the hiring or purchase of these machines. What I would like to make quite clear is that the decision to hire instead of purchase was on the advice of officials in the Treasury. We went very carefully into the pros and cons of whether to hire or purchase and on the basis of a 24 months period of hire it was to our advantage to hire rather than purchase particularly as if we purchased, a sale after two years might

be extremely difficult. If we did require the machines over the period of 24 months, which has been suggested by a Member opposite, we have got an option to purchase and we would be able to purchase if we required them permanently at very favourable terms because they are here and they have been used. They would probably let them at about 30% of the cost of the machines new.

HON P J ISOLA:

Can I ask the Financial and Development Secretary if there is an agreement to this effect because otherwise the Government could be in the hands of the hirers, the hirers could say: "Your hire term is over, you send me the machines back in accordance with your contract". Unless the terms of purchase are in writing now, would not the Government be in danger of finding itself having to pay whatever was asked in an emergency situation. I think that is a very important point because we have had this before.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There is no agreement on the actual cost.

HON A J HAYNES:

Mr Speaker, on the point of noise. Will the Minister consider running a survey now, in the area where the machines are to be installed since in that way you will be able to tell what the output of noise, in fact, is?

HON J B PEREZ:

This is in fact now being done by the Environmental Health Officers.

HON A J HAYNES:

So do I take it then that if the decibels of noise recorded at a later stage exceed the noise volume prescribed by law as healthy, that the Government will consider making compensation to those affected?

MR SPEAKER:

No, we are not going to debate this now.

HON MAJOR R J FELIZA:

May I raise a point because I think the Financial Secretary brought in a new aspect of the purchase or hire side. I think that he

has introduced a new aspect of it and I wonder whether the Government should not give very careful thought to buy rather than to hire. I say this Mr Speaker, because let us fact it, the generating station is in a very critical stage, there is no doubt about it.

HON CHIEF MINISTER:

If the Honourable Member will give way for one moment. I let the Leader of the Opposition say something unchallenged because there is going to be a debate but it is complete nonsense to talk about the engines being at the end of their life. There are two engine rooms and of course the old engines are being in a state where their natural life has to be kept up with care because they are over 30 years, but engine No 13 in King's Bation North is only 7 or 8 years old and this has got 5 megawatts and when this is working perfectly well and No 11 when it gets better, these are all engines which have a very good life span ahead. It is the engines at the old power station that are kept up and these are the ones that use the light fuel oil. There is no question of talking or perpetuating this myth that the whole of the station is in a bad state. All this will come out in the debate but it is better than one should deny this because by a series of repetitions which remain unchallenged it can finish up by being a myth which is believed.

HON P J ISOLA:

It is the Honourable and Learned the Chief Minister who is getting under a myth. We are not living under any myth, we are living under constant power cuts and for many months, for two years, and the only explanation it can have is that either the machines are old and are dying and cannot be maintained or that the Government hasn't got enough generating capacity and that is why we are all here arguing about an emergency situation.

HON MAJOR R J PELIZA:

I would like to carry on what I was saying before I was interrupted.

MR SPEAKER:

Order. You have asked whether Government will reconsider their decision instead of hiring, to buy these machines.

HON MAJOR R J PELIZA:

One reason is, Mr Speaker, that it is obvious that the situation is too critical, that slippage does exist in Gibraltar, this is the way it always happens, that if in the end we are going to pay more for buying it, is it not better to buy it now?

MR SPEAKER:

Order. We have had that for the last half hour. We will get the Minister to answer that.

HON MAJOR R J PELIZA:

Is it not worth it, for the amount that we are going to spend by hiring, if all goes well and the amount that we are going to lose if it doesn't go well, isn't it worth it to buy and to have those machines standing by?

HON DR R G VALARINO:

This is again a hypothetical question and the answer to that one is no.

HON G T RESTANO:

On the £15,000 installation Mr Speaker, did this ever go out to tender? Was it published in the Gazette?

HON M K FEATHERSTONE:

I am not sure of that but it went out to tender and two or three firms did tender.

HON P J ISOLA:

Was it not a restricted tender in that only 4 or 5 firms were invited to tender? That is my information.

HON M K FEATHERSTONE:

I am not sure of that but I do know that it went out to tender and there were at least three firms that tendered.

HON G T RESTANO:

Could the Minister find out whether in fact it was a restricted tender?

HON M K FEATHERSTONE:

Yes, I will have that information this afternoon.

HON W T SCOTT:

Can I ask the Government to confirm that the cost of the hire or

probably subsequent purchase of these machines will not be reflected in increased electricity charges to consumers. Can I ask for that confirmation?

HON DR R G VALARINO:

You can ask it, Mr Chairman, but certainly I cannot give you that confirmation.

HON W T SCOTT:

Is the Government therefore saying that it intends to reflect the cost of the machines on electricity charges?

HON DR R G VALARINO:

Mr Chairman, I have not said anything like that.

HON P J ISOLA:

Will electricity consumers be paying the cost involved in the hiring of this machinery, reflected in increased electricity charges? Will that be the case or will the Government, having got us into this mess, decide it should be subsidised from general revenue?

HON DR R G VALARINO:

Mr Chairman, the answer is that this will be a decision taken by Government.

HON CHIEF MINISTER:

It will be reflected in the general position of the situation and other costs of the electricity, other charges in electricity arising out of maintenance etc and if it is necessary it will have to be but it is very difficult, it is a hypothetical question now as to how it is going to be reflected because these machines are going to produce electricity for which people are going to pay.

HON P J ISOLA:

Would it not be fairer on electricity consumers generally if the Government regarded this amount as part - it was never envisaged, I know, originally - as part of the electricity development scheme and therefore in terms of long term finance as opposed to short term finance. In other words, that the consumers of today should not have to pay what apparently the Government consider now to be a necessary piece of what is essentially capital equipment. Can we have an assurance on that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Chairman, Sir, when it comes to looking at the cost of capital equipment of this kind we amortise over a period. What we have not yet decided is what period we would amortise these machines over.

HON P J ISOLA:

This is the point, Mr Speaker, that is why I am asking the Government for an assurance that this sum, in other words, the cost of the equipment, because the Government chooses to hire instead of to purchase, that the cost will be locked at as a capital item to be amortised over a period of years and not something to be met by electricity consumers, current electricity consumers, who cannot be blamed for the situation that has arisen.

MR SPEAKER:

What the Government is saying is clear. The Government is saying that they have not taken a policy decision as to how these charges are going to be passed on to the consumer. I think we must not go running round in circles.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Chairman, on a point of clarification. We will amortise it, what we haven't decided yet is the period over which one will amortise it. That depends on the life of the machines and various other factors.

HON A J HAYNES:

Can we take it on the point of noise that though Government would go to the effort of making a survey they only intend to ignore it if it is unfavourable.

MR SPEAKER:

No, order. That is hypothetical.

HON J BOSWANC:

Surely, Mr Speaker, the question of the period of time over which the cost would be amortised would arrive if we bought the equipment and we were amortising it over its useful life but if we are hiring it on a monthly basis then we will only amortise it over a period under which we are going to be owning it which is the months during which we are hiring it. Otherwise you are going to amortise something that is no longer there, that has been shipped back to England.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not sure whether that is a question or a statement.

HON J BOSSANO:

It is a statement that I would welcome confirmation of, Mr Speaker. Is it not normal practice that if one buys a piece of capital equipment, which in that case this should have come under the Improvement and Development Fund, then as the Honourable Member has said, the equipment would be amortised over its useful life. If he is saying that they intend to amortise the hire charged between now and March over the useful life of that equipment but they haven't yet made up their minds what the useful life is, I can tell him. The useful life ends in March because that is when the hire charge ends. After March there isn't equipment until we vote money to continue hiring it.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, we have still to make a decision on the period over which this will be amortised.

HON J BOSSANO:

Is the Honourable Member saying then, that as a matter of financial policy, the Government intends now to proceed on the basis of amortising assets over periods of life which include years when the assets no longer exist? Is he saying that that is a sound accounting principle that we have a machine that we hire for 18 months and then we amortise it, say, over 5 years notwithstanding the fact that

MR SPEAKER:

In fairness to Government what they are saying is that they have not taken the matter into consideration and until such time as they do they cannot give you an answer.

HON J BOSSANO:

I think Mr Speaker, if you will allow me. I really think that as a matter of sound policy, financial policy, one cannot really say one is speaking of the period over which one may amortise an asset other than that one may amortise that asset over a period that is less than its useful life. If this asset is intended to last for five years then one can amortise it over five years or less than five years. What is to my knowledge unknown in accounting practice is to amortise something that has no useful value after five years over a ten year period because then it would be a totally spurious balance sheet. If we are hiring this for eighteen months then I take it that the Financial Secretary is saying that they do not know whether they are going to amortise it over 18 months or less than 18 months. It has

nothing to do with the useful life because one would take into account the useful life if one bought the asset but not if one was hiring it. Am I correct in understanding that that is the way the policy is being looked at or are there different criteria from the ones I understand.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

What we are saying is that this is an exceptional cost that has arisen and because it is cheaper to hire rather than to purchase it may be better to amortise the cost of the hire over a period to avoid heavy increases in generating charges at this moment of time. I think that in accounting terms, if you get an exceptional expenditure you can pay it off over a period.

HON J BOSSANO:

I would like to pursue this because I honestly think that the Government is making a mistake in hiring this equipment rather than buying it. In fact, if we are talking about equipment that uses light fuel and is held in reserve to fill the gaps when the equipment using the heavy fuel is out of action for any reason, surely, we are talking about the same situation now as we have with the old generating station where the old machines mentioned by the Honourable and Learned the Chief Minister precisely fulfil the same sort of function, that is, they are machines that are expensive to run and use light fuel. Those machines should not be running any more, they were due to be taken out of commission, to my knowledge, in 1976. I am making a point, Mr Speaker, you will see when I have finished.

MR SPEAKER:

Fair enough, we are in committee and I take it that you are trying to seek information.

HON J BOSSANO:

I am trying to put an argument that has not been put before as to why it would be preferable to buy them. The machines, to my knowledge, should have in fact been phased out I think as long ago as 1976 when there was a question of changing the shift arrangements in the station on the basis that this old equipment could now be scrapped. Experience has shown that we have had to rely heavily on those old machines. Therefore, if they should have been scrapped four years ago, by having the skid generators we may be able to have the skid generators that can have a useful life of up to ten years if they are not used constantly giving us the reserve capacity that the old generating station was intended to give us and, in fact, has been giving us and if it hadn't been the case we would have had longer power cuts and over longer periods of time. I think that is an important factor which indicates that we are going to have to rely on these sets well beyond the 18 months.

HON MAJOR R J FELIZA:

Mr Speaker, on the question of installation. We are paying £15,000 for this. Can the Minister say if there is any fire risk by having the oil fuel on top of the Boulevard? Can he also say why that particular place was chosen?

MR SPEAKER:

Order. You are entitled to ask whether if they had been installed somewhere else the cost would have been more or less.

HON MAJOR R J FELIZA:

Why couldn't another site be chosen, Mr Speaker, which is obviously near the station and in my view a far better place which is down by the football ground where the cars are parked today.

HON CHIEF MINISTER:

You have a motion saying that the USOC grounds should not be touched.

HON MAJOR R J FELIZA:

It is not there, Mr Speaker. I think the Hon Chief Minister does not know what I am talking about.

HON CHIEF MINISTER:

You don't know what you are talking about.

HON MAJOR R J FELIZA:

Mr Speaker, I said where the car park is down below by the road by Naval Ground next to the Station.

HON A J CANEPA:

Reclamation Road.

HON MAJOR R J FELIZA:

Not Reclamation Road, on the inside.

HON CHIEF MINISTER:

That is Reclamation Road.

HON MAJOR R J FELIZA:

Well, whether you call it Reclamation Road or not it is the one that goes round the grounds.

HON DR R G VALARINO:

This was considered by the City Electrical Engineer and the people within the department but it was decided that this held a great disadvantage because the lines where we have got the machines at present go directly into the switchboard which is in the old part of the station, the South, I don't know if the Honourable Member has been there.

HON MAJOR R J FELIZA:

Some time ago, in 1946.

HON DR R G VALARINO:

Where the Honourable Member has suggested it would present considerable technical difficulties in bringing the cables into the switchboard and it was simply just not on. We had to have the machines on the South side of the Station.

HON MAJOR R J FELIZA:

What about the fire risk, is there any fire risk at all?

HON DR R G VALARINO:

Mr Chairman, as far as I know there is no fire risk.

HON A J HAYNES:

Is any part of this sum intended to go out by way of compensation to any of those who can establish a nuisance by oil pollution.

HON DR R G VALARINO:

Mr Speaker, the answer is no.

HON P J ISOLA:

We are voting for this money out of sheer necessity although we feel, on this side of the House that the Government should give serious consideration to buying the machines. We are going to vote for it because the Government needs the money somehow.

HON J BOSSANO:

I am abstaining on this item.

Item 3 Head 4 - Electricity Undertaking was agreed to.

THE HOUSE RECESSED AT 1.30 pm.

THE HOUSE RESUMED AT 3.30 pm.

MR SPEAKER:

I would remind Members that we are still on the Schedule of the Appropriation Bill.

HON M K FEATHERSTONE:

Mr Speaker, if I may, I said I would give some information on Head 4. The engineering works were offered to three firms on a selective tender basis as they were the three firms that we considered would be the three most competent to do the work. The tenders came in, one of them was £12-£13,000 and the other two were around the £25,000 so the £12-£13,000 one was given the tender. I understand it will come out in the Gazette in due course.

HON G T RESTANO:

Were there no other firms who could have undertaken this job who have not been contacted under this restricted tender?

HON M K FEATHERSTONE:

Because of the urgency it was given to the three firms who were considered to be the most competent. I wouldn't say there wasn't any other firm, it is always possible that there are others, but these were the three that were considered categorywise to be most competent.

HON G T RESTANO:

Mr Chairman, may I know who took the decision that only these three firms should be approached?

HON M K FEATHERSTONE:

This is decided in the Public Works Department, partly on the past performance of the firms, partly on the possibility of the firm being able to do it quickly in view of the urgency and partly

on firms who have in the past been approached and who have declined to tender, being left out.

HON G T RESTANO:

May I ask, as a matter of clarification. Would it not be fair that all firms should be approached or the tender put out publicly rather than selectively. This could possibly lead to abuse.

MR SPEAKER:

Order. You have been given information which you can make use of at a later stage if you feel you have to but I am afraid we must leave it at that.

Item 4. Head 5 - Fire Service was agreed to.

Item 5. Head 7 - House of Assembly was agreed to.

Item 6 Head 3 - Housing.

HON G T RESTANO:

Mr Chairman, may I have a more comprehensive explanation to the £320,600?

HON M K FEATHERSTONE:

When the Estimates are worked out for the year one works out basically the number of employees in the section and the total amount of wages that they will require during the year. Since they are employed throughout the whole of the year doing requisitions for housing, repairs for housing, etc, it is considered correct to put the amount of money involved against the Housing Fund. Some of the money goes against repairs of Government property, etc. This year we had hoped that some of that labour would be able to be employed on doing the backlog of housing maintenance but for various reasons, some of them being that the backlog of housing maintenance was already mortgaged to contractors from previous years which we had not taken into account, and the fact that the number of requisitions that we are getting is still very high and is keeping the labour force fully employed, we find that the shift of money from the I&D Fund, the backlog of housing, will not be able to be effected and it will be needed in the recurrent fund. The alternative, of course, would be to stop doing requisitions from the tenants and dismissing about 300 men which we did not think was the practical solution.

HON G T RESTANO:

Mr Chairman, I know there is a substantive motion on this subject but are there not quite a number of redundancies from the MOD because the building programme there has been cut down considerably? Are there not redundancies then of people who could be employed by the Government to do the sort of jobs that are going to be left aside under this Head?

HON M K FEATHERSTONE:

If one were to take on those redundancies since one would be asking for more money one way or the other.

HON G T RESTANO:

Surely, the jobs are not going to be done, at least not within the programme that the Government had considered that it would be done, would the Government confirm this?

HON M K FEATHERSTONE:

I think it is a simplification just to think that the people redundant from the MOD could take over some of these jobs which do not intend to be done this year partly because some of them are specialised jobs, the people who are redundant from the MOD may not be specialists in this sort of work and also one would need a measure of supervisory staff etc which is not available and all this would mean taking on extra staff. The whole thing would be a very complicated exercise indeed.

HON G T RESTANO:

May I ask then when does the Government think that this maintenance will be carried out?

HON M K FEATHERSTONE:

Next year, it is being pushed back some six months.

HON G T RESTANO:

Will it be the same sort of six months as the 18 months the Chief Minister said the 5 megawatts generating set was going to be installed?

MR SPEAKER:

Order.

Item 6 Head 8 - Housing was agreed to.

Item 7 Head 10 Judicial (2) Supreme Court

HON MAJOR R J PELIZA:

Mr Chairman, can we have an explanation as to why the additional staff is required and what have they got to do that they didn't do before?

HON CHIEF MINISTER:

I think if the Honourable Member lived in Gibraltar he would know because the Chief Justice made certain comments in his speech at the Opening of the Legal Year. He would have read in the papers that the Judge made a remark about the lack of staff. In fact, the previous Chief Justice had made very strong representations, staff inspection was carried out and certain additions to the staff were approved after the staff inspection. I think the appointments were either made or are about to be made and the money is required to do that. I think some Members here, certainly the Leader of the Opposition, would agree if he were here that as legal practitioners we find that the work in the Supreme Court had been very heavily behind because of pressure of work which has not been matched by increased staff.

HON MAJOR R J PELIZA:

The Chief Minister gives the impression that I am objecting to this. I am not. I think we are entitled to know what we are voting £12,000 for and what is the work required for. Two extra persons are being employed. What are they supposed to do in the Court? I think we are entitled to know this. I can read the newspaper in England just as well as I can do it from here. I do receive the Chronicle and I can read it but still I want to hear it from the Chief Minister or whoever is required to give the explanation in this House.

HON ATTORNEY-GENERAL

One is a Higher Executive Officer one Executive Officer and one Clerical Officer and as they will be working in the Registry I do not know exactly what they will be doing but I can assure you there is a great deal of work building up in the Registry and they are needed. I think it is possibly because of a general building up of legal work in Gibraltar. I do not know what the causes are.

HON MAJOR R J PELIZA:

Is it that we have more cases to attend to or what is the reason for the required extra staff?

HON CHIEF MINISTER:

If you look at the Estimates on the amount of revenue that comes in in respect of exempt companies, you will see that the workload is very heavy on that and that is the answer for a lot of it and also, I think, the fact that there are more lawyers means that there is more litigation.

HON MAJOR R J PELIZA:

Will this be paid by the extra amount of money coming in from those companies that the Chief Minister has mentioned?

HON CHIEF MINISTER:

Yes.

Item 7 Head 10 - Judicial (2) Supreme Court was agreed to.

Item 8 Head 11 - Labour and Social Security was agreed to.

Item 9 Head 13 - Law Officers.

HON W T SCOTT:

Mr Chairman, how was this salary underestimated at the time?

HON ATTORNEY-GENERAL:

Mr Chairman, two things happened during the year. One was that the Crown Counsel the incumbent of the permanent position, was given a Commonwealth scholarship and was sent to England to further his training and experience and a Crown Counsel has come out temporarily to replace him and there is an increase in salary because of that. I believe also that at one stage it was anticipated that the Crown Counsel would receive less by way of assistance from other sources in taking up his scholarship than in the event proved to be the case and there was an element of this in it as well.

HON G T RESTANO:

Is the Honourable Member, Mr Chairman, saying that the present incumbent is getting more than the person he is replacing and, if so, what are the reasons for this?

HON ATTORNEY-GENERAL:

He is getting slightly more. The reason is that he has 24 years experience and he has been here before.

Item 9 Head 13 - Law Officers was agreed to.

Item 10 Head 14 - Medical and Public Health.

HON A T LODDO:

Mr Chairman, under this Head, the £500 was the cost of medical treatment in the United Kingdom for a Moroccan worker. Are the Moroccan workers entitled to these benefits?

HON J B PEREZ:

Mr Chairman, I am grateful to the Honourable Member for raising that because if he hadn't stood up I was going to ask you to allow me to make a contribution for the purpose of giving information to members opposite of a certain development which has arisen very recently during the last two months in connection with specialised treatment of patients outside Government hospitals which include Moroccan workers resident in Gibraltar. Mr Chairman, the position is that this matter was brought to my notice recently that there is a cooperation agreement existing between the European Economic Community and the Kingdom of Morocco. This agreement was signed, in fact, over a year ago but it has only recently now come into operation, during the last two months, in Gibraltar. Inter alia, article 41 in this cooperative agreement provides for the medical care for the workers who are resident in the community. As a consequence of this, I would inform members opposite that cooperation agreements are in fact designed as Community Treaties under section 1 subsection (2) of the European Community's Act by Order in Council Statutory Instruments 1977 No 2144 and Statutory Instrument 1977 No 2145. Section 2 subsection (2) of the European Community's Ordinance 1972, makes these treaties applicable to Gibraltar and section 3 provides for their general implementation. It therefore appeared to me, Mr Chairman, that failure to send such a worker for further treatment to the United Kingdom would in fact create a breach of a treaty obligation as far as Gibraltar was concerned. I approached the Attorney-General for his advice only recently on this particular point and the advice given by the Attorney-General is that Article 41 of the Cooperation Agreement in fact makes the Gibraltar Government liable to provide medical care for Moroccan workers resident in Gibraltar and as an adjunct to this that if any such worker requires treatment in the United Kingdom this should be readily available. Mr Chairman, I ought to reiterate the point that this is only applicable to Moroccan workers who are resident in Gibraltar who are in fact full contributors to the scheme. On this basis and in view of this development, I can assure Members opposite that I intend to pursue the matter with the Department of Health in the United Kingdom to see if I can get an increase of the free of charge quota of 40 to which we are entitled. Let me add, Mr Chairman, for the benefit of members opposite, that the intention is that Moroccan workers who will have to be sponsored to the United Kingdom, will not be included in our quota of 40, they

will have to be paid separately out of Government revenue and for this purpose I have already been in contact with the Department of Health in the United Kingdom and they have already said that they are quite willing to accept this category of patient. Having said that, I now come to answer the question of the Honourable Mr Loddo as to this particular Moroccan. This, Mr Chairman, was a very worthy case, if I may say so, it involved a Moroccan worker who had been in Gibraltar for a number of years and he had apparently cancer of the throat, the expenses involved were around £7,000 and in fact, this problem arose before this Treaty had been brought to our notice.

MR SPEAKER:

The Treaty was in operation but you were not aware of it.

HON J B PEREZ:

We were not aware of it and we decided, in any event, to make a contribution of £500 for the benefit of this particular worker who, as I say, had been resident in Gibraltar for a number of years. In fact it was quite a sad case because I think that he has now died.

HON A T LODDO:

Mr Chairman, I welcome the Minister's statement in so far as he will try and get this treatment for alien workers in Gibraltar treated separately from the quota of 40. I had suspected that it was this particular Moroccan but can I ask the Minister was this particular Moroccan sent because of the Treaty obligation or was it because it was found that he had been wrongly diagnosed?

HON J B PEREZ:

No, Mr Chairman.

HON G T RESTANO:

To clarify my own mind. The position at the moment is that the Government is committed under the Treaty obligations to send Moroccan workers to the United Kingdom for further treatment which cannot be provided here. I think the Minister has said that he has asked the United Kingdom for extra assistance in doing this. I know that at the moment the present climate in the United Kingdom is to clamp down on expenses. What will be the position of the Government should the request made to the United Kingdom be turned down?

HON J B PEREZ:

I cannot give an answer, Mr Chairman, to that. What I did tell the Honourable Member was that in view of this recent development whereby we have a Treaty obligation, that I will be pursuing the matter quite strongly and I can only do my best.

HON G T RESTANO:

The undertaking that I would like to hear from the Minister, I think he said so but I am not absolutely sure that he said it completely, should the United Kingdom Government refuse to give this commitment I would like an undertaking from the Government that our own quota for Gibraltarians of 40 will not in any way be undermined and that if it is a requirement of the Government to send Moroccan workers who need treatment outside Gibraltar that it will in no way inhibit or restrict the 40 Gibraltarians.

HON J B PEREZ:

I think the Honourable Member has missed the point. What I am saying is that we now have a Treaty obligation as far as the Moroccan workers are concerned but this does not affect our quota of 40 in any event, we still have a quota of 40. What I intend to pursue is to have this quota of 40 as far as Gibraltarians are concerned, increased. It is quite clear that in any event during the years we increase our quota, we are now I think around 52 so we have increased our quota purely for Gibraltarians which we are paying, this is the money you are being asked to vote now - £23,000. The quota as far as Gibraltarians are concerned is 40 which I would like to see increased. In other words, I feel it is inadequate and I would like to get an increase. The question of Moroccans does not come into the quota at all. We have to pay for that, it is a Treaty obligation and there is nothing we can do. But I can assure the Hon Member that the quota of 40 will not be affected in any way. Let me add that I hope the quota is affected but because I am asking for it to be increased. Instead of 40, have 50 or 60 going free of charge but it will not come down, I hope it will go up, not down.

HON G T RESTANO:

My point, which the Minister doesn't seem to have taken, is that should the United Kingdom Government not give its assistance that I would not like foreign labour or alien labour to come into the quota of 40, that was the point I was making and that was confirmation that I asked for from the Minister.

HON W T SCOTT:

One question on which I would like information. It says here medical treatment in the United Kingdom for a Moroccan worker. It does not mention any charges or air passages and so forth. Is that included, does it come into it at all?

HON CHIEF MINISTER:

I will answer this one because in fact the approach was made to me. This man was sent to England before we knew we had a Treaty obligation to send him. He was sent to England by voluntary contributors who had raised something like £9,000 Mr Chiappe, the dentist, who was the man who took an interest in this and he made a plea before we knew anything about it, for a contribution, because the charges were far in excess of what they had anticipated. We have done this before some time ago, we made a contribution of £400 in a specific case, also a serious case. This one had gone to London long before we knew at private expense and what the Government was asked was could we help and we would have helped anyhow but as it happens had the notice of the Treaty come to us before we would have been compelled to do it under the Treaty obligations. There is an insinuation in the question asked before by the Honourable Mr Loddo which is interesting and which I will give him an explanation of my view of the situation.

Item 10 - Head 14 Medical and Public Health was agreed to.

Item 11 Head 18 - Prison

HON A J HAYNES:

On subhead (3), Mr Chairman, I would have thought that Government would have made provision for its own vehicles or vans, when they do need repair within the public works garage, for another vehicle from its pound to take its place during the time that the vehicle is within the Public Works Garage undergoing maintenance rather than going outside and hiring necessary vans I think this is probably bad economics.

HON A J CANEPA:

There isn't available another van similar to the one used by the Prison Department. Government doesn't have amongst its fleet of vehicles one like it.

HON G T RESTANO:

May I ask what functions this particular vehicle which doesn't have any replacement carries out?

HON A J CANEPA:

Is this a proper question, Mr Speaker, to be asked under a supplementary provision in respect of the use of an alternative vehicle, to go into the whole question of what the van does?

MR SPEAKER:

To the extent that it is an expenditure for services rendered to the Government, it is most certainly in order.

HON A J CANEPA:

This van is used to convey prisoners on working parties to various places outside the prison. It is used to convey prisoners to and from the Supreme Court and the Magistrates Court, the Health Centre, the hospital, to collect and return containers from the hospital bringing the meals for the prisoners and also to collect other stores which are used within the prison. I think those are the main uses.

HON G T RESTANO:

The reason for my question was because I wanted to find out exactly what functions that vehicle performed. The first one of course is the transport of prisoners. Would many prisoners normally be carried in this vehicle or just a handful? I would like to establish that, Mr Chairman, in order to find out how it is that there is no other vehicle within the whole of Government which could stand in for this particular vehicle and therefore obviate the need to pay more for hire charges.

HON A J CANEPA:

There is no question of inter-change of vehicles in any case between one Government department and another. I am not aware, my Honourable Colleague Mr Featherstone can confirm this, I am not aware that the Public Works Department in any case have surplus vehicles that can be made readily available to another department in case of a breakdown. Something similar, I think, happened in connection with the Post Office over the summer. There is no surplus transport. The number of prisoners that can be conveyed in that van on a working party I think would be about four or five, no more.

HON MAJOR R. J. FEJIZA:

In view that there are obviously more than one department where this is required, perhaps there are more, wouldn't it be a good idea to have a standby vehicle? The amount expended here is £400 for about 36 days. I don't know how much the Post Office is going to cost, in fact, I had a question on this, Mr Speaker, but due to the telex arrangements at the Secretariat it didn't get in time to you. That is a matter perhaps which I will take up with the Chief Minister.

HON CHIEF MINISTER

I have nothing to do with telexes.

HON MAJOR R J FELIZA:

Mr Speaker, unless he wants me to break all the rules he is so keen in establishing that we mustn't approach the civil servants directly, I think it is better if I do it through him than through the Administrative Secretary but if he wants me to do it directly I will do it.

HON CHIEF MINISTER:

I don't know what it has to do with prison vans.

HON MAJOR R J FELIZA:

The only thing is, Mr Speaker, that I was going to ask a question and that particular question was to do with the hire of vans by the Post Office and this is the reason why I have raised it now. What I am saying is that it would be interesting to know how much that has cost and then if we put it all together we might find we might have been able to buy a van in any case, Mr Speaker.

HON M K FEATHERSTONE:

Mr Speaker, I think there seems to be a little bit of misunderstanding about Public Works garage. The Public Works garage is a service garage where any government department vehicles can be repaired etc. It is not a pool of vehicles for all departments. Each department and I think this was the same when the Honourable Major Feliza was the Chief Minister, each department has its own set of vehicles and they only come to the Public Works garage when they need repair. It is not that the Public Works garage has a pool of vehicles which they can offer out to anybody at any time.

HON MAJOR R J FELIZA:

There is always time for change if the idea is a good one, Mr Speaker.

HON A J CANEPA:

If I may take up the point which the Honourable Member made with regard to what I will agree with him are very high charges for hire, he has got a valid point and I do have the matter in hand. I have some proposals in this connection.

HON W T SCOTT:

May I ask one further question, Mr Chairman, it has nothing to do with hiring. Is it usual for a vehicle to remain within the Public Works garage, repairs being effected to it, for a period of something like five weeks?

HON M K FEATHERSTONE:

As the Member is probably not aware there are a considerable number of vehicles in Gibraltar and on occasions a vehicle comes to the Public Works garage and is in need of a certain item to repair it, this item is not kept in stock by the Public Works garage and sometimes it is not in stock by the Local Agents and has to be sent for to the United Kingdom. In such instances then of course it can be 3, 4, 5 or 6 weeks until the actual piece arrives.

HON W T SCOTT:

On that basis, therefore, Mr Chairman, wouldn't it be economic to increase the number of spares within the Public Works Department rather than have an outlay of £400?

HON M K FEATHERSTONE:

There are so many things that are desirable, Sir. If we standardised all vehicles in all departments it would help us. We have a great variety of vehicles although we try and keep in stock most of the main items that are required for repairs there are always items that do crop up at times that we do not have and there are sometimes items that are not generally broken because even the local agents do not keep amongst their stock of spares.

HON G. T. RESTANO:

Apart from the standardisation of vehicles it seems to me that there are a lot of Government vehicles

MR SPEAKER:

We are not going to debate the whole system of vehicles in the Government under any circumstances.

HON CHIEF MINISTER:

We cannot deal with the whole scope of Government transport because we want £400 for a vehicle.

HON G. T. RESTANO:

The point that was made was that there was no standardisation of vehicles but that there was no exactly similar vehicle to this one to convey prisoners. It seems to me that a lot of government vehicles do stand idle sometimes and why cannot these be used for the conveyance of prisoners?

MR SPEAKER:

We have been told that there wasn't one available and that answer must be accepted. It is as simple as that.

HON G T RESTANO:

There are certainly vehicles idle. My question is, why cannot the idle vehicles be used for this purpose rather than hiring transport?

MR SPEAKER:

You have been told that there are no idle vehicles. If you do not accept that fact that is another argument.

HON CHIEF MINISTER:

We could use the Mayor's car or the Speaker's car or my car if they are not being used that day.

HON P J ISOLA:

On Item 80 - Improvement to Security Measures. Who had the bright idea of using prisoners for the purpose of improving security measures? I think that is the first question I would like answered.

HON A J CANEPA:

I think, Mr Speaker, the Honourable Leader of the Opposition is under the impression that perhaps I do not have a sense of humour at all.

HON A J HAYNES:

Mr Chairman, if I can ask my question now. Why was it that this decision was reversed?

HON CHIEF MINISTER:

What decision?

HON A J HAYNES:

The decision to have prisoners working to repair the building.

HON A J CANEPA:

This was work that could be carried out by the prisoners, similar work to this has been carried out in the past. Sometimes, within the prison population, you have skilled masons. As a result of the internal riots in the prison this masonry work was not allowed and therefore the department concerned which was the City Electrical Engineer's Department, had to resort to the use of direct labour and therefore funds were required to pay the wages of that direct labour.

HON A J HAYNES:

Were the prisoners willing to do this work?

HON A J CANEPA:

It is not just a case of being willing, prisoners are supposed to work but, generally, the prisoners do not have any objection to going out on a number of working parties. Various tasks are undertaken and some of them involve work within the prison, things such as general maintenance, tidying up and so on.

MR SPEAKER:

I will not allow any further questions on the fact as to whether prisoners should or should not have been used. We are asking the House to vote £1500 for the purposes of carrying out certain works. I will allow most certainly questions as to the work that is required to be carried out because that is what the expenditure is about. The alternative that was envisaged at one particular time is not relevant.

HON A J HAYNES:

Mr Chairman, Item 81 - Feasibility study for the new Prison - Will we get to see the Feasibility study referred to?

HON A J CANEPA:

We will have to wait and see when it comes. It is only when the Government gets the Feasibility Study that we will be in a position to decide whether the House, generally, can see it.

HON A J HAYNES:

Will it affect security, Mr Chairman?

HON A J CANEPA:

Naturally, I would jolly well hope so.

HON A J HAYNES:

Mr Chairman, I believe that in principle if the Hon Member cannot say that we will be allowed to see the Feasibility Study then since I have strong feelings and so do the rest of the Party, on present conditions in Gibraltar and the possibility of expanding the role of prison to include rehabilitation, I will not be voting in favour of any funds unless I am assured that I will be entitled to see the Feasibility Study on which I have a great interest.

HON A J CANEPA:

Mr Chairman, that is the privilege of Honourable Members opposite. Let me say one thing, as far as I am concerned to the extent that I am concerned as Minister responsible for the prison. I have responsibility for the day to day running of the prison but there are many other aspects involving the prison which constitutionally do not come under me. There are many other matters which are not defined domestic matters and which ultimately come under the Governor. There is that other side to be considered but as I say it is the privilege of Members opposite to vote as they please.

HON G T RESTANO:

Has the government any indication as to when this report is to be received?

HON A J CANEPA:

I think we expect it within a few months, really because we need it in connection with the next development programme to have some idea. If we are able to include provision for new prison in the next development programme we would like to have some idea of what is involved so I would very much like to have this report within the next few months, certainly before April.

HON G T RESTANO:

Have the officers who came out to do the study given no indication as to when they would send the report?

HON A J CANEPA:

I think they have given indications of an interim nature that will enable us to get on with some of the planning.

HON G T RESTANO:

And when is that?

HON A J CANEPA:

During their visit here last week. I haven't seen the material that they have left behind, I have been occupied with other matters, but I am aware of the fact from discussions that I have had that they have left some material behind which will be coming through to me not only in my capacity as Minister for the Prison but also as I am Chairman of the Forward Planning Committee which is working on the next development programme.

HON A J HAYNES:

Will the Minister allow me to see the interim Report or will he make it available?

HON A J CANEPA:

I cannot do that, Mr Speaker.

HON A J HAYNES:

Why?

HON A J CANEPA:

I do not even have the Report myself, the Report has been submitted to the Governor.

HON CHIEF MINISTER:

It is not a defined domestic matter in so far as security is concerned. Therefore, we would have to have permission to do that which is not within our power; we are answerable only for the things for which we are responsible.

HON A J CANEPA:

That is why the Report at this stage has not even been submitted to me. It has been submitted to the Deputy Governor because that is the correct constitutional position.

Item 11 Head 18 - Prison, was agreed to.

Item 12 Head 22 - Secretariat.

HON MAJOR R J FELIZA:

As regards the setting up of the Commission of Enquiry, has the commission been set up or could the Minister give an indication

of what is going to happen and when is it likely that we are going to get a Report?

HON CHIEF MINISTER:

I cannot say that you should have been here because you were here when I made the statement yesterday on this particular matter, on the appointment of two people who are coming, on the appointment of Sir Howard Davis, that is the one.

HON P J ISOLA:

Mr Speaker, I understood that the Commission which Sir Howard Davis is Chairing is going to look into the Public Works Department.

HON CHIEF MINISTER:

Yes, that is one of the departments.

HON MAJOR R J FELIZA:

I thought that department meant the Public Works Department and this is why I couldn't relate it.

HON CHIEF MINISTER:

I think this is a very good opportunity to emphasise something which I have said from the very beginning. I made a statement earlier which is mentioned in the statement I made yesterday that it was the Government's intention to carry out studies of various departments and we were starting with the one which spent most money and that is the Public Works Department. The charge is on the Secretariat because this is an administrative arrangement for various departments, it is not going to be a charge on each department, it is going to be an administrative expense.

HON M K FEATHERSTONE:

Is the Opposition intimating that the Public Works is not a Government Department?

HON G T RESTANO:

Mr Chairman, does that mean that all the members on the Commission of Inquiry will have remuneration or only some of them?

HON CHIEF MINISTER:

It is going to be an in-depth study and I think we cannot pretend that people are not going to be paid for work done. The advantage about having a local person to Chair the Commission is the experience and so on and he will be paid on normal consultative charges for officers equivalent to what he was before, which is Grade 1, on a basis of hourly or half daily basis on the basis of the work done and so will Mr Gareze. With regard to the other two who are coming from the United Kingdom, again they will be paid on the basis on which consultancies are fixed according to the grade of the person by the ODA when they send out consultants on technical assistance although this is not technical assistance, this is our technical assistance.

HON G T RESTANO:

Mr Chairman, can we expect now to have other sorts of Government committees like the Litter Committee and so on, also asking for remuneration for the members of that committee or is this going to be just one exception?

HON CHIEF MINISTER:

Nobody has asked for remuneration in this case. I stated here that I had invited Sir Howard Davis to carry out this work which is going to be a six months job, he reckons, working half-days. If we are bringing out consultants from all over the place to look at our things if we have somebody here who can help us, there is no reason why we should expect that person to do it for nothing. The Honourable Member has mentioned the other committees. Honorary committees are different, this is a consultancy this is an in-depth study of the working of a department which costs £5m.

It is a department which spends £5m a year and which from time to time, quite justifiably, there are criticisms. The Public Accounts Committee which we discussed yesterday had serious criticisms about this matter, no doubt justified, and these are the things that are going to be looked into. To pretend that anybody is going to do this type of responsible work for nothing is really not on. To hope that we do not need to import people for all the inquiries that we have, I think, is an advantage if there are people here who are competent to do it. The two Members from the United Kingdom will be on a minimum basis. As I explained yesterday they will be visiting, taking away material and advising the Chairman of the Commission but the question of remuneration was not asked for, but it was understood I could not ask anybody to do six month's work for nothing. I hope that if we are paying consultants galore on all matters, I do not see why we should not pay a consultant because he happens to be a distinguished past civil servant.

HON G T RESTANO:

My question, Mr Chairman, was on precedents. I take the Chief Minister's point entirely that if people are going to work they should be paid for it, but there are other committees and I am not for one moment suggesting that everybody on all government Committees should get remuneration, but there are people who do a tremendous amount of voluntary work in other governmental committees who do not get any remuneration. I would like to know why on this particular one remuneration has been considered appropriate whereas in others where people spend more than just six months working, they may be working in Governmental committees for 5 or 10 years and yet there is no remuneration there. Why in this case has this been picked up as an exception?

HON CHIEF MINISTER:

It is not an exception and there is no similarity. This in no way affects social work, honorary work in government committees, on which members of the public are invited to take part. The Honourable Questioner in his time has been a member of the Lottery Committee for a long time and it is not intended I may tell him to pay for it. This is a case where we have asked somebody to carry out work, work of a professional nature. It is not the same as being Chairman of the Housing Allocation Committee or member of the Employment Injuries Committee, or member of the Manpower Planning Committee or member of so many other committees, that is all honorary work which is done as the work presents itself from time to time. This is a Commission of Inquiry for the Public Works. Let me also make clear that the composition of this Committee is for the Public Works. When we go on to look at another department we will have to look for somebody else to do it. Nobody has agreed to be here on a permanent basis, this was an ad hoc approach to the Chairman and the members and because it was a request to do work of a professional nature, because after all he is using the professional knowledge that he has acquired and his experience in public matters, that it is intended to pay the consultants that have come to look at the Prison have been paid. If we have somebody here who can do it why should we go outside for it? Other consultants who have come for the Port Study have been paid. Why the difference, because the man is from Gibraltar or two of the people are from Gibraltar? I hope we can engage more people from Gibraltar who are competent enough and are prepared to do it, this is the important thing, who are prepared to do it. Therefore there is no precedent, in fact, there is a precedent and that is the same person was paid a sum to do a very important piece of work when he managed the question of the Dock Labour Board. The legislation had been neglected for years because it had not been required and we set up a Working Party for the Labour Board. That was purely a very small remuneration as a token of our appreciation for that because the work had been done very quickly. There is no question of asking people to do social work on a paid basis and there is no question of asking people to do professional work on an honorary basis.

HON MAJOR R J PELIZA:

The Chief Minister realises that that is the beginning of the Quangos here in Gibraltar. This, apparently, as I see it, is for one particular department at this stage, which is the Public Works Department.

HON CHIEF MINISTER:

But it does not mean that it is going to cost £5,000. It means that we are making provision, we do not know what it will cost.

HON MAJOR R J PELIZA:

Therefore this is really a token vote, it could be more it could be less. very likely it will be more.

Item 12 Head 22 - Secretariat, was agreed to.

Item 13 Head 24 - Tourist Office (1) Main Office, was agreed to.

Item 14 Head 26 - Treasury

HON W T SCOTT:

Is it normal for the Government to guarantee overdraft facilities to a private company?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Chairman, in my experience I have known Governments guarantee amounts for statutory bodies. The point is that under the Public Finance (Control and Audit) Ordinance, there is a provision that the Financial and Development Secretary can guarantee funds in writing under his own hand and this in fact was done last year for the Quarry Company and more recently in checking through the Public Finance (Control and Audit) Ordinance, the Treasury came to the view and the Government agreed, that Section 9 of the Public Finance (Control and Audit) Ordinance enabled the Financial Secretary to make this guarantee, is too loosely worded. To my mind it does not meet the financial proprieties of the House in that there could be a contingent liability if there were default on a guarantee given by the Financial Secretary and for that reason the House should be informed at least if not its concurrence sought. For that reason we are going to seek the agreement of the House to an amendment to the Public Finance (Control and Audit) Ordinance probably at the next sitting of the House. Meanwhile, in order to bring the attention of the House to the fact that there is this guarantee and that there is therefore a contingent liability, the Government has moved this sum of £100 as a way of telling the House the fact that this guarantee is in existence and has been for over a year.

HON W T SCOTT:

Is this Government content to continue guaranteeing this overdraft to a private company that according to the balance sheet laid on the table of this House is £14,900 overdrawn and the company is having a net trading loss of £11,315?

FINANCIAL AND DEVELOPMENT SECRETARY:

The Government is content with the guarantee and it also is content having seen the projections for the Quarry company that once it gets in full production this can be met without difficulty.

HON W T SCOTT:

Mr Chairman, with deference to the Honourable the Financial and Development Secretary we have been hearing the story here for quite a long time on the viability of the Gibraltar Quarry Company and yet we see later on that we will have to vote an extra £77,000 to that company. When it becomes a viable proposition seems to me to be very nebulous and it never seems to materialise and this House is continuously pumping money into that company. We try asking questions from the Honourable Minister for Public Works who refuses to answer on the grounds that he himself is not responsible.

MR SPEAKER:

It is not that he refuses to answer. I think the Chair has on previous occasions intervened to say that the Minister is not responsible to answer for the affairs of a private company.

HON J BOSSANO:

Is it in fact the case that we are continuously pumping money into this company. Can the Financial and Development Secretary tell me whether this is an accurate statement? When was the last time we pumped money into this Company?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Chairman, Sir, I think that the Honourable Member was referring to the fact that there is supplementary provision sought under the Improvement and Development Fund which we will be looking at in the Second Schedule to the Bill now before the House. That was my understanding.

HON J BOSSANO:

The Company was set up, as I understood it to actually run the concession of extracting and selling sand once the original

project had been set up as a result of money from UK, so initially the money came from UK to set it up, no doubt some Members of the House feel that having set up the project it should be handed over to some private firm to make money. I must say that as far as I am concerned I support that it should be owned by the Government and that if there is any money to be made out of sand it should be for the benefit of Government revenue and not for a private firm.

HON W T SCOTT:

Certainly we have never expressed what the Honourable Mr Bossano has said, that it is our intention or idea that that company should go into private hands, not at all, but what we do not want to see is public money being spent into an exercise that is not making money, it is making a tremendous loss and that is the point which I am making.

HON P J ISOLA:

Mr Speaker, could I ask the Honourable the Financial and Development Secretary, I understood him to say, I think he was justifying this guarantee, I think he was implying this was an interim period until the company started making money. What is inhibiting, can I ask, this process starting a little earlier than it appears? Is there any particular reason?

HON M K FEATHERSTONE:

Yes, Sir. The consultants were employed to do a certain specific job and they have not yet done that job. Until they have done that job then the company is inhibited from making money. The job they were requested to do was to get sand from the top of the catchment to the bottom. At the moment they have not managed to do that.

HON P J ISOLA:

So where are they getting the sand from, the bottom?

HON M K FEATHERSTONE:

Yes, Sir, from the bottom.

HON P J ISOLA:

Does it mean then that all these expenses that have been incurred have nothing to do with the job of the consultants? If they cannot get the sand down what is the company going to do then?

HON M K FEATHERSTONE:

The consultants have told us, in fact they have guaranteed to us, that when they have taken the remedial measures

MR SPEAKER:

Yes, but we are not going to get involved as to whether the consultants have done their job properly or whether the sand comes down. Let us forget the consultants.

HON M K FEATHERSTONE:

I do think it does hinge on the viability of the company whether they are willing to go along and give this overdraft. The consultants have guaranteed that when they have taken certain remedial measures which they are in the process of doing, the sand will flow from top to bottom.

HON P J ISOLA:

We look forward very much to the fulfilment of that guarantee. Could I ask the Financial and Development Secretary. Should not the provision here be for the full amount of viability as known today? As I see the position, if the bank were now to ask for their money, in other words, they were to say: "No more overdraft facilities, we want our money", the Government would have to cough up £14,839. Should not, therefore, the balance sheet of the Government or the provision that is being asked for by the Government be for the full amount that the Government is in for. Otherwise we are not reflecting the right amount.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Chairman, Sir, I don't think that it is necessary to reflect the full amount in the present overdraft because it is a moving figure, it could go up or it could go down. What I am concerned with here was to get the financial proprieties of the House right and to inform the House of the contingent liability. It is our firm expectation that this overdraft will be met and there will be no liability falling on the Government and because of that expectation I see no reason why we should vote more than £100 which is to inform the House as to what has been done because so far up to now the House was not aware of this and it is important that it should be informed.

HON P J ISOLA:

Could I ask then, as far as the bank is concerned, do the bank in fact have an open ended guarantee so that the Gibraltar Quarry Company Ltd can just sign cheques or has the Government placed a limit to the bank of the amount they are prepared to guarantee?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Chairman, Sir, there is a limit to the amount guaranteed.

HON P J ISOLA:

And what is that, can we ask?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

£40,000.

HON MAJOR R J PELIZA:

On the question of the safety of the area. As a result of the digging underneath, is the Minister quite sure that it is not possible that we may have a landslide if they carry on digging?

HON M K FEATHERSTONE:

I answered that at question time. I answered Mr Bossano who put that as a specific question.

HON G T RESTANO:

Since the overdraft facilities obviously relate very much to the operation of the company, may I have a confirmation or not of rumours that the sand which is actually being produced at the moment at the bottom part, and sold, has been rejected by Government's consultants for a particular project as not being up to the standard of sand required for building?

HON M K FEATHERSTONE:

No, Sir, I have no knowledge of the sand being rejected. I have knowledge that the mix that this sand requires is slightly different to the mix required by other sand imported into Gibraltar. In fact, this sand is supposed to be even more suitable than other imported sand for certain jobs such as plastering.

HON G T RESTANO:

We are talking about the sand being produced at the bottom end of the slope.

HON M K FEATHERSTONE:

I think there is not very much difference between the sand at the bottom or the sand at the top.

HON W T SCOTT:

Even when sand is abstracted from the top the volume of sales will not increase?

HON M K FEATHERSTONE:

The volume of sales will increase when sand is abstracted from the top because the price factor will come into it.

HON G T RESTANO:

Does the difference in mix make that sand more expensive to our building contractors or cheaper? In other words, do they have to use more cement or less cement, is there more salt or less salt content in that sand?

HON M K FEATHERSTONE:

I think it depends on what you are actually going to use the sand for. If it is for concrete foundations it is one mix if it is for plastering it is another mix.

HON G T RESTANO:

My question was, will it make the sand to the purchaser more expensive in other materials?

HON M K FEATHERSTONE:

It will vary depending on the mix, in some instances it is a little more expensive in some instances it may be cheaper.

Item 14 Head 26 Treasury, was agreed to.

Schedule of Supplementary Estimates Consolidated Fund No. 2 of 1980/81 was agreed to.

Improvement and Development Fund - Schedule of Supplementary Estimates No. 2 of 1980/81.

Item 1 Head 101 - Housing

HON A J HAYNES:

What were the increased costs due to in Rosia Dale, Prince Edward's Road and White Stores?

HON M K FEATHERSTONE:

I think the terrain was somewhat different from what had been estimated at the time, Sir, it meant removal of a certain amount of rock that had not been calculated for.

HON G T RESTANO:

Surely, when someone tenders for a particular project and I take it that this is an extra cost to contractors, and perhaps the Minister can confirm this, if that is so surely when a firm contracts a price, surely, the terrain should have been looked into by the firm? Why is the Government now having to pay for perhaps a miscalculation of somebody else?

HON M K FEATHERSTONE:

No, Sir, when you have a piece of terrain you make a number of bore holes and from those bore holes you assume that the whole of the terrain is going to be uniform but there is an escape clause for the contractor if something should crop up which has not been initially envisaged then he is able to make extra claims. This has happened in more than one site and it is justified.

HON G T RESTANO:

Mr Chairman, who in fact carries out the borings, is it the Government or is it the contractor?

HON M K FEATHERSTONE:

Usually we get a contractor to do the work for us, since this involves drilling, etc.

MR SPEAKER:

May I ask, for the purposes of clarification, is it the same contractor that is doing the work?

HON M K FEATHERSTONE:

No, Sir, it is a completely separate contractor.

HON G T RESTANO:

Is there no liability on the contractor who carries out the borings who may have been inefficient and not done the borings correctly?

HON M K FEATHERSTONE:

No, Sir, if you take an area of, let us say, one acre and you say you will put 24 bore holes down, then he will charge you a price for 24 bore holes. If you wanted to be more certain of the terrain you would put 124 bore holes, if you wanted to be more certain you could put 1024. Obviously, you are limited by the amount you are willing to spend, the number of bore holes you put, and sometimes you can, unfortunately, because of the difficulties in Gibraltar, find special areas that are either soft sand underneath which you hadn't expected or hard rock.

HON G T RESTANO:

Does the same apply to Prince Edward's Road?

HON M K FEATHERSTONE:

Yes, Sir, part of the terrain there was found to be hard bed rock and then part of it was found to be sand, and where it was found to be sand we had to put in extra foundations which put up the actual cost of the building works.

HON G T RESTANO:

I see that in these two projects the Government is having to pay well over £100,000. I can remember there was quite a substantial amount too for similar reasons at St Joseph's. How much more would it cost the Government to have proper borings made and would the extra cost there not be compensated by the extra costs that come back afterwards?

HON M K FEATHERSTONE:

That is a very difficult thing to say, Sir. You might do 100 borings and still find on the 101st a piece of rock that you hadn't got there before. It is because the terrain of Gibraltar itself, the subsoil, is very varied.

HON W T SCOTT:

Could the Minister say how many units are involved within the Phase 1A of Lime Kiln Steps?

HON M K FEATHERSTONE:

I think it is about 15, I am not quite sure, but I think it is 15.

HON J BOSSANO:

Didn't the Honourable Member tell me at question time that the project was running slow and that it would not be ready until 1982?

HON M K FEATHERSTONE:

I didn't say it was running slow, I said it had run into difficulties in so far that certain pieces of building that we had hoped to modernise had been found so bad they had had to be completely demolished. In so doing and rebuilding them they are taking more money than we had actually estimated. But it is not running slow as such, it is running into difficulties, as such.

HON W T SCOTT:

So it is not due to a faster rate of progress, it is in fact due to increased costs due to difficulties encountered during construction.

HON M K FEATHERSTONE:

Well, they are going faster. It is sometimes quicker to do work by demolishing the whole thing and rebuilding it, than doing the actual modernisation which is a rather slow and complicated task.

HON W T SCOTT:

Thank you, I am very grateful to the Minister for that answer because we, on this side of the House, have been continuously pressing for the modernisation programme to be stopped and those houses to be pulled down and a new development put up.

HON M K FEATHERSTONE:

But in many other instances it is found that it is cheaper, even if it is a little slower, to do the modernisation.

HON P J ISOLA:

Mr Speaker, Item 19 (New) Waterworks Flat. What is this for, a Government servant or what?

HON M K FEATHERSTONE:

Yes, Sir. Eventually it will be for the actual person who works at the Waterworks.

Item 1 Head 101 - Housing was agreed to.

Item 2 Head 104 - Miscellaneous Projects

HON W T SCOTT:

Can I ask a question on the resiting of the Public Works Garage.

I think it was in July this year that the Honourable Minister for Public Works informed this House that he envisaged the new garage to be in operation by August of this year and the demolition of the old one completed within six or eight weeks after that. I find that this item appears in a vote for £70,000 and the old garage is still up.

HON M K FEATHERSTONE:

That is correct, Sir. There has been a measure of slippage. There are a number of items which still, I believe, have not arrived from the United Kingdom. I had all these points in the answer to a question that was going to be put but for some unknown reason the Honourable Member wasn't in the House to put the question.

HON W T SCOTT:

It was a very well known reason, Mr Chairman.

HON G T RESTANO:

On the increased cost and additional work, what exactly does that £70,000 refer to?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Fluctuations, materials and labour £24,500, extras £6,500. Structure and re-cladding £20,000. Lockers, which were not provided for in the original estimates, £5,000. Transfers of the equipment £4,000 and re-provisioning PSA £7,000.

HON G T RESTANO:

Was the garage not, in fact, put out to tender?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Chairman.

HON G T RESTANO:

And how then do these extra costs come into the picture apart from the lockers which is a new item?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Fluctuations arise because in the contract you have a provision that where you get changes in the price of materials or labour there is a formula for increase in price accordingly. The extras

is something additional to the contract asked for subsequently. The re-cladding costs was something extra asked for later on.

HON G T RESTANO:

On the increase in cost of materials, is it that the successful tenderer did not order the materials when he was awarded the tender or does he have to pay more because he was not given the go-ahead to carry out the work? It is easy to say that materials go up, of course materials go up, but if a company gets a contract, surely, it is up to that company, knowing what its requirements are going to be, to purchase their materials at the moment that they are awarded the tender and I do not really see why Gibraltar should pay for that sort of expense.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Chairman, Sir, if a company which had a contract which is running over 18 months or 2 years was to purchase in advance all the material it required that company would soon go bankrupt. Up to about 1970, within a contract you had a fluctuation clause which said that six or nine months, depending on the size of the building, after the building started, a fluctuation clause would come in for increases in materials and labour but since there has been heavy inflation these fluctuation clauses begin to run at the same time as the contract begins to run and it is the same for every contract and it is part of the conditions which are recommended to all contractors by their respective associations. I do not think it is fair to expect any contractor at the beginning of a long contract to order everything in advance and have to pay for it. If we did you would have to put up the cost of his contract accordingly and we would have to pay more. The fluctuation costs are checked by Public Works Department Quantity Surveyors to ensure that the Government is paying no more than the actual increase in costs suffered by the contractors.

HON P J ISOLA:

This Public Works Department Garage is causing a bit of concern, I reckon. The total cost now with this supplementary estimate is going to be over £800,000. Looking at the approved estimates presented by the Government, the estimated cost of the project was down at £640,000 and then the actual expenditure up to 31 March 1980 was £670,000. The Government asked for another £133,000 for this year and that was to complete, there was no balance after that, and now in the middle of the year, another £70,000 is added on to that and the old one has still not been knocked down. Are we going to be asked for more money before it is completed apart from this £70,000 or is this the last amount of money we are going to be asked to have a new garage operational and the old one razed to the ground.

HON M K FEATHERSTONE:

I think the cost of knocking the old one to the ground is part of

the cost of the Girls' Comprehensive School.

HON P J ISOLA:

Which makes it worse, but will this be the end, the £70,000?

HON M K FEATHERSTONE:

Very nearly, I should think yes. There may be an odd few thousand which comes in at the very last minute.

HON P J ISOLA:

What is wrong with the estimating? We were told on 31 March 1980 that the balance to complete was £133,700. In November we are asked for another £70,000 and we are still told it may not be the end. What are we building this garage in? What material is being used? Silver and gold?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Chairman, Sir, on a point of clarification. The expenditure up to the end of the last financial year was £470,814. Add to that £133,700 in the estimates should give you £604,514 add in the £70,000 now and that gives you £674,514.

HON P J ISOLA:

But are we going to be asked for any more money before the thing is completed? Can we be given an estimate because this seems to be open-ended, the Public Works re-siting department. This is one of the projects of the Government that has suffered, apart from Varyl Begg, the most slippage. When is this project going to be finished? Will it be in this financial year?

HON M K FEATHERSTONE:

December, Sir, of this year.

HON W T SCOTT:

Can Government give an explanation in detail to what extent the increased cost amounting to £77,275 is entailed in the winning of sand? What is the money wanted for?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The £77,900 is made up as follows. Work carried out in the contract including fluctuations which is money due and owing to the contractor £45,858, the installation of a weighing machine

£1,283. Providing and installing electronic overload control £3,378. Gibraltar Quarry Company; the cost of work carried out on chutes on the instructions of Public Works Department, £16,736 less £6,000 paid, £10,736; total £61,300. In addition to that there are fees from December to June payable to Robertson Research of £11,880. The Department has been advised by the Attorney-General to withhold all monies due but there is an estimated consultancy fee July to November, 1980, of £4,140.

HON W T SCOTT:

I see a remark here saying that there is a possibility that part of this amount may be recovered in due course as claims may be lodged on other parties. Particularly having regard to what the Hon Minister for Public Works said earlier on dealing with the non-performance as required, as I understood it, by the consultants, it is surprising to us that we find that out of those £77,000, £11,880 have been paid as fees to the consultants Robertson Research, can we have an explanation for that?

HON M K FEATHERSTONE:

They have not been paid, they are being held back since we have been advised by the Attorney-General's Department not to pay them anything at the time but as this is a liability which at the moment is in dispute, we feel we should ask for it now and not pay it later.

HON MAJOR R J PELIZA:

Are all the items that were mentioned by the Financial and Development Secretary, are they after thoughts, are they suggestions that come later? If not why were they not included in the original estimate?

HON M K FEATHERSTONE:

They were various fluctuations that came along done by the contractor on instructions by the consultant and now, of course, the contractor is asking that he should be paid.

HON MAJOR R J PELIZA:

We were asked to vote a certain sum of money for this particular project and I take it that it included all the equipment that was required.

HON M K FEATHERSTONE:

When the consultant made his original plans he afterwards changed some of them later and they brought in extra costs.

HON MAJOR R J FELIZA:

But was this done without consultation with the Government? How was it done?

HON M K FEATHERSTONE:

The consultants and the contractors were in combination with each other and the consultants were saying do this, do that, do the other and the contractors did it. The Government did not come into the picture because as far as the Government was concerned they were going to be handed over a going concern.

HON MAJOR R J FELIZA:

It was done without the consent of the Government and now we find ourselves with this equipment which was really not authorised by the Government to be acquired.

HON M K FEATHERSTONE:

The majority of what was done is quite reasonably done as such. The modifications that have to be done are reasonably slight and these are being done at the consultant's expense. For example, the chute that was made is based on concrete foundations with a certain amount of steel work. Possibly, the amount of steel work that had to be put in was greater than was estimated by the consultants at the time, this has brought extra costs in, these are the extra things that the consultants instructed the contractor to do and the contractor did.

HON P J ISOLA:

Why is it that we are asked to vote £77,275, with the Minister telling us that we probably will not have to pay all this because we are going to retain as a result of the claim but we are yet voting the money whereas with the Gibraltar Quarry Company

MR SPEAKER:

It has been explained twice. They are making provision for the purposes of meeting an eventuality. The eventuality may not arise but they have to provide.

HON P J ISOLA:

Mr Speaker, this is why I am asking it. Here we are voting against a possible eventuality which may not arise whereas with the Gibraltar Quarry Company we are only voting £100 although we know our liability on the guarantee to be £14,000.

MR SPEAKER:

I am afraid I must not allow this to go on because we do not know what the liability on the Government on the Quarry Company is going to be until such time as the bank calls the guarantee.

HON P J ISOLA:

But should we not be voting a minimal amount? In the case of the Quarry Company the Financial and Development Secretary hopes that he will not even have to pay the £100. Here, why are we voting the full amount when we are being told we are not going to have to pay it, so why not vote the minimal amount, why not vote the amount that the Government thinks we are going to have to pay instead of the full amount? Why apply different standards here to the Gibraltar Quarry Company?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Because here amounts are due but we have a legal view that they may not have to be paid.

HON G T RESTANO:

The Government here is contemplating claiming from the consultants for the extra work. Have they contemplated at any time claiming from the consultant for apparently the wrong advice in building the chute which does not bring the sand down from the top to the bottom.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Chairman.

HON G T RESTANO:

When can we be expected to have a more detailed explanation to the claim?

HON M K FEATHERSTONE:

The position was that we had the consultants out here a little while ago and we put this point to them very forcibly and they turned round and they said that they guaranteed that they would make it work and they would, at their expense, put in the modifications necessary so to do. They are in the process of doing this, if it works then they will, to some extent, have complied with what they intended to do at the beginning. If it does not work then we will have to take other action.

HON MAJOR R J FELIZA:

Will there be a claim for the loss of income that the Company is suffering in the meantime?

HON M K FEATHERSTONE:

That is also with the Attorney-General's Chambers.

Item 2 Head 104 - Miscellaneous Projects, was agreed to.

Item 3 Head 106 - Government Offices and Buildings

HON A T LODDO:

Mr Chairman, on the refurbishing of the first phase of the Sacred Heart Terrace, £15,000. From reading the Chronicle I find that tenders were invited for this work. Have any tenders been submitted and have they been accepted?

HON M K FEATHERSTONE:

No, I think the date for the tenders to come in is 15 November.

HON G T RESTANO:

Could I have more details about the re-landscaping of the play areas of Notre Dame School?

HON M K FEATHERSTONE:

Since the Adventure Playground was built all the water when it rains drains into Notre Dame School itself and floods practically the whole of the entrance so that the children to get in and out have to wade through a rather large pond of water. The idea is to re-landscape it so that the water will first drain away and, secondly, where it does not drain it does not interfere with the passage of the children.

HON W T SCOTT:

Does the Sacred Heart Terrace element, the £15,000 part of the vote, include the furnishings, desks, etc for the school, or will this be furnished out of other funds?

HON M K FEATHERSTONE:

I think there is furniture there already.

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

Item 4, Head 111, Potable Water Service was agreed to.

Item 5, Head 112, Telephone Service

HON P J ISOLA:

May I make just a general observation on these estimates on the Improvement and Development Fund. I notice, and I was glad to see in a number of cases, money was required due to a faster rate of progress on the project but when I look at the summary, I find that the faster rate of progress has occurred in ODA schemes of which £518,000 is met from local funds and only £350,000 from ODA funds. Could I ask the Minister for Economic Development when he is urging progress on projects, that he urges progress more on those projects that are within the 1978/81 Development Programme coming from ODA funds rather than urge on local projects that we are paying for so that we get as much as we can of the British Government grant since we are going to lose enough already of it.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, Sir, on this specific point, Between April and October we spent about £4m. on Improvement and Development Fund projects of which about £3.3m. will be coming from ODA funds. In the current financial year Her Majesty's Government has put on development aid to Gibraltar as it has to every country, a cash limit or ceiling and our ceiling is £3.82m to which we should add about £.5m carried forward from last year which brings us to about £4.5m altogether. We are in no danger of not spending the total of our cash limit in the current financial year.

HON P J ISOLA:

That means that that the Development Programme will not be completed, anything like it, because our expenditure estimated for this year was £10m in the Improvement and Development Fund.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There are heavy carry-overs shown in the estimates for this year for a number of projects which were included in the 1978/81 Development Programme.

HON P J ISOLA:

But with a cash limit we cannot meet the £10m target, can we?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Sir, what we have told the ODA is that towards the end of the third quarter of this year when we have a firmer idea of what our expenditure will be, we shall go back to them and seek to have the cash limit raised. Whether we have very much hope on that I do not know but they have accepted that we should go back.

HON G T RESTANO:

On Item 5, it is a revote for the replacement of 70,000 old line plant equipment. Why has there been a delay in spending the £17,000?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Chairman, Sir, I understand that, basically, this is a revote because the equipment which was ordered last year has only just arrived.

HON G T RESTANO:

That is the only reason? Is it a question that the old equipment was ordered and did not come or was it not ordered sufficiently promptly to make it come for last year. After all, if the Government put it in the Estimates for last year it must have considered that last year the equipment would be here to replace the 70,000 old line plant. Can we have that in a bit more detail?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Chairman, Sir, the Government, in seeking funds, makes an assumption that equipment ordered will come within time to be paid in that financial year. There are numerous delays and have been numerous delays with equipment and this is one of them. It is not a question that we voted the money not expecting the equipment to arrive. When we voted the money last year we expected the equipment to arrive last year. There has been delay, it has now arrived and we have to revote the funds.

HON G T RESTANO:

But my second question was why was there delay, was it because the manufacturers had not been able to supply the goods?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

My understanding is that it is due to manufacturers' delay.

Item 5 Head 112 - Telephone Service, was agreed to.

Schedule of Supplementary Estimates Improvement and Development Fund No 2 of 1980/81 was agreed to.

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 recessed at 1.30 pm.

The House resumed at 3.40 pm.

THIRD READING

HON ATTORNEY-GENERAL:

Sir, I have the honour to report that the Social Insurance (Amendment) Bill, 1980; the Bureaux de Change Bill, 1980; the Elderly Persons (Non-Contributory) Pensions (Amendment) Bill, 1980; the Public Utility Undertakings (Amendment) Bill, 1980; and the Supplementary Appropriation (1980/81) (No 2) Bill, 1980, have been considered and agreed to at Committee, in the case of the Bureaux de Change Bill, 1980, with amendments, and in all the other cases without amendment and I now move that they be read a third time and passed.

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

PRIVATE MEMBERS' MOTIONS

HON P J ISOLA:

Mr Speaker, I have the honour to move the motion standing in my name which reads: "This House considers that leisure areas and more particularly defined sporting areas should under no circumstances be used for car or lorry parking and calls upon the Government to cancel their plans to turn the USOC leisure area into a car parking area". Mr Speaker, in moving my motion I am not quite sure at this stage what the state of play with regard to the USOC leisure area. It is not clear, really, from Government communiques whether the Government is committed to using the USOC leisure area for car parking in the event of the frontier opening but this motion will give them an opportunity to commit themselves not to use it for car parking if the frontier opens, it will give them an opportunity to make a statement to this effect which I am sure will be welcomed not only from all sides of the House but more importantly by the general population of Gibraltar. Mr Speaker, I am rising to move this motion myself as Leader of the Opposition because this motion is connected with the Lisbon Agreement. I think it is important to bear this fact in mind. As a result of the Lisbon Agreement in April, it was envisaged, under this agreement, that the frontier restrictions imposed by the Spanish Government would be lifted and that there would be a measure of open communication, as it were, between Gibraltar and Spain. Both sides were asked to make arrangements by 1 June of this year. The reason I mention this is that I think it is important to keep in mind that asking for the Government not to use leisure areas for car parking is not inconsistent with approving the Lisbon Agreement as seemed to be indicated by a local newspaper which one of our Hon Friends in this House seems to have a singular influence over. The Lisbon Agreement envisaged the opening of the frontier and I think, and most Hon Members of the House would agree with me, that with the opening of the frontier will begin very challenging times for the people of Gibraltar. With a closed frontier we have a certain amount of protection, a sort of in-built protection for our identity. Once that frontier opens and there is free communication and movement of people across the frontier etc, other problems will face us. Although we can look forward probably to a more stable and improved economic situation for Gibraltar I think that our identity may be under some attack and I think there is a need to preserve Gibraltar for the people of Gibraltar. There is a need to preserve the leisure areas so that the people of Gibraltar should continue and should be encouraged to continue to enjoy the amenities such as they exist in Gibraltar. Football should continue to be encouraged, hockey, etc. Children will still be going to school in Gibraltar in large numbers. They require leisure areas, they must develop in a better Gibraltar and not in a more restricted Gibraltar and that is why we feel very strongly that opening the frontier does not mean and must not mean and must not be allowed to mean a

reduction in the playing areas available to the population of Gibraltar and more particularly our young people. It is easy, Mr Speaker, when you are in a huff or in a bit of a panic about what is going to happen, to pick on an open area for parking. This does not involve any expense or very little, you just have a car park, there is an open area we turn it for the use of cars and we have no more problems. It is more difficult to think of knocking down a building to build a car park and therefore it is, I suppose, only human to say: "Let us pick on these areas and let us solve what will or may be or may become a serious problem". Mr Speaker, my Party has made a number of suggestions as to places that could be used for car parking. Of course, it is the responsibility of the Government to make provision. The Government has a lot of information available to it which is not available to other people, the Government, being the Government, has the ability to pressurise people like the MOD or such other people who might have areas to give them up. We do not have it. The important thing though is that leisure areas are no-go areas as far as car parking is concerned. At one time during this controversy, I think that the MOD told the Gibraltar Government that they would clear up a lot of their garage areas or some of their buildings in Queensway if the Government did the same in respect of six garages, which the Government also had in Queensway and they said: "You clear yours and we will clear ours and that will make quite a large area available for car parking". I think, from what I read in the press, the Government was unwilling to do this because of problems with their tenants. I know they are difficult decisions to make but faced with this sort of problem I think I would myself proceed to rid ourselves of the six Government tenants in preference to depriving, say, a 1,000 schoolchildren from using USOC area every week. It was said that by using the USOC area alternative area was to be provided elsewhere and in fact the area that I heard was going to be at Europa Point and that is hardly a good place for sending the children from Bishop Fitzgerald or the Girls' Comprehensive for their games. The six Government tenants at Queensway they may have presented a problem but it is not a problem that could not be got over either by providing alternative sites or by compensation. If you need a space or an area and the public interest demands that you have it and you have got to take it, you do not want to be unfair to the tenants who are there and the only way you can remedy that situation if you cannot provide them with alternative accommodation is to compensate them in terms of money. Mr Speaker, the opening of the frontier is costing enough, the Public Works Department painted the streets and did all sorts of things. All that was part of the cost of the opening of the frontier; add a few thousand for these garages and it would have been a worthwhile expenditure and the Government, would have had, reasonably soon, parking facilities there. The fact of the matter is that the Lisbon Agreement was in April, it is now six months and I think that in those six months some parking areas could have become available to the Government. But this motion, of course, is not suggesting where the Government can put cars instead of at USOC. I do

not think that is the purpose of the motion. The purpose of the motion is to get the House to accept the principle that in playing areas in Gibraltar, restricted as they are already, we have fewer enough already, playing areas must be no-go areas as far as car parks and coach parking is concerned. That principle has to be established, they are just not available. What does the Government do in these circumstances? One of the things I would have thought the Government could have done already is put out a site for a multi-storey car park as a matter of urgency. I know the Government mentioned the site for a multi-storey car park at Casemates, they had plans there, but this involves re-providing the Ministry of Defence with seven quarters. Faced with that problem, it would seem to me that the Casemates multi-storey car park because of the conditions under which it can become available, must necessarily be a long-term project because until the quarters are re-provided, or until the Government can exert sufficient pressure on the Ministry of Defence of one way or another to get the people in the quarters into other accommodation, unless they can do that and exert the pressure successfully then, if they have to wait until the Ministry of Defence have developed or made available seven alternative quarters, and bearing in mind the cash limit that the present British Government is placing on its Defence Departments, unless you can get this going, then you have to forget about the Casemates multi-storey car park in this situation, you have to look for another site which can be put out to tender for a multi-storey car park. If the Government bears in mind that as far as USOC was concerned the agreement, as I understood it, if there was an agreement with the Ministry of Defence which is not very clear from the communiqués that I have seen, the agreement, as I understood it, was that the Gibraltar Government would have to re-provide the hockey pitch somewhere else and I am told that the cost of re-providing the hockey pitch at USOC, say, at Europa Point, was of the order of £200,000. I may be talking through my hat but this is just information given to me by people who seem to know a lot about it. If that is the case then, of course, why not put the £200,000 in the first instance into a multi-storey car park and negotiate with the Ministry of Defence to keep the USOC leisure areas, including the USOC building, for a civilian/military leisure area, for the development and improvement of the facilities available to the youth and the people of Gibraltar. What surprises me is that in these five months since Lisbon the Government has not put out to tender a site for a multi-storey car park. The Minister for Economic Development says that there isn't one. Well, I don't know. I did not know, for example, that there were up there in Europa three plots of land being put out to tender for private houses. I did not know that these sorts of plots of land still existed in Gibraltar but apparently they do. Perhaps, with a bit of ingenuity and, if necessary, with a bit of paying of compensation, if necessary, the Government could find a site for a multi-storey car park because the solution to the parking problem in Gibraltar is not going to be USOC and the Government must have realised now that there is no way that car parking is going to go there. The solution inevitably has to be a multi-storey car park and the sooner the Government get down to it

and put one out for tender and get it done by private enterprise or by themselves, but by themselves I think there is a problem because public funds should be spent in things like housing and schools, but I think that properly worked out, a proper parking scheme for Gibraltar worked out, the introduction, possibly, of parking meters in particular areas, and with proper planning, a multi-storey car park is undoubtedly a viable economic project and the Government should put out a site for tender at the earliest opportunity because that is a way of getting 1,000 car spaces, if properly designed and constructed and put into effect. It surprises me that the Government has still, some five months after the Lisbon Agreement, not yet put out a site for tender. The Minister for Economic Development says that there isn't one, well, if the Government would exchange places with us I am sure we could find one. It is very easy to say that there isn't one. But neither is there space for parking at USOC because when the Government says there isn't a site for a multi-storey car park what I suppose the Minister must be saying is that all available sites are being used for other purposes, like USOC is being used for other purposes. Why should that be available and not an old building being used by two or three people be compensated and put somewhere else and built a multi-storey car park. That is what I mean when I say using ingenuity because it is very easy to say that there is no site available, that everything is being used like these five passages at Queensway being used by five, possibly small commercial entities, but valuable from the point of view of parking facilities with the package deal that we are being offered by the Ministry of Defence. Compensation can be given; people have to be protected, I agree entirely, but comes the public interest and the question of compensation. Compensation or other arrangements can be made but don't go for the easy places and the easy places are inevitably the leisure areas and the football areas. Mr Speaker, in asking the House to establish the principle that under no circumstances should leisure areas be used for car parking, in asking the House to agree to this principle and to put it into effect, I am making sure that in the event of the frontier being opened the identity of our people will not be absorbed by the need for people having to go to Spain to play sport, having to go to Spain for their recreation because all available open and leisure areas in Gibraltar have been taken up for car parking. Mr Speaker, I do not think it is necessary for me to point out to the Government what very strong public feeling there is on this issue and the public feeling there is on this issue is not one that has been stirred up by my Party or by the Opposition. The opposition to the use of the USOC area for car parking was, I would say, spontaneous. It came out from the Parents' Association, from teachers and then there was this petition that was organised by the parents and the teachers under this building and which was signed by a tremendous number of people when one considers it all took place on a Saturday morning. I do not think the Government can have any doubt at all in their minds about how the people of Gibraltar

feel on the issue of USOC. They may tell us when we put proposals forward that we do not have the support of people in Gibraltar for what we are saying. Usually they are telling us wrongly, usually they are mistaken. In this case we can prove it because other organisations other than the DPBG have come out, there has been a tremendous amount of letters to the press, as the Government is only too aware, they felt strongly enough to organise a petition and take it to the Governor who then, I believe, passed it on to the Chief Minister. I hope the Government, who after all are an elected Government, will take very serious account of how the people of Gibraltar feel on the use of the USOC hockey pitches and tennis courts for car parking. It is no use the Government saying that this is only a temporary thing, it would never be temporary and we know and everybody knows it will not be temporary. Once it is used for car or coach or lorry parking it has gone for good. We all know that and therefore I hope the Government will accept the principle in this motion which, of course, does not just apply to USOC. We are pleading for all hockey and football pitches that are available today for use by the population, these must be preserved. They are the minimal requirements and if I may shift not to another subject, it is concerned with it, the Hon Minister's plans for charging fees, for example, at the Victoria Stadium, part of the reason for the opposition to it is precisely the lack of sporting areas in Gibraltar and precisely the fact that people do not have much choice but to use the Victoria Stadium. I am not speaking critically now on those measures but I am saying that part of the opposition arises from that, that there are few enough facilities in Gibraltar anyway so let us not reduce them any more. I hope that the Government can agree with the motion and for ever put at rest the idea that they might use USOC playing areas for car parking in the event of the frontier opening. I hope they can reassure the public of Gibraltar that their welfare, especially where leisure and sport is concerned, must come before the question of providing car parking spaces for those coming over. I think the problem is likely to arise mainly with coaches and we have put forward a solution for coaches which I think the Government has accepted and that is that coaches will put people down somewhere in the town area and then proceed south and park in places like Rosia Parade. I think I have seen a Government communique in which that idea was being adopted although not necessarily at Rosia Parade. I think it will be mainly coaches that will present the problem. I do not think cars will present that much of a problem because the Government will have to bear in mind that if the frontier opens, as it must, two ways, there will always be at a certain given time throughout the year a good number of cars from Gibraltar in Spain and they will themselves therefore leave free a number of spaces within the town that are not today available. The problem of where to put the cars must be treated and dealt with in a positive manner, a multi-storey car park is a must in Gibraltar, and other areas which have been mentioned in a number of press releases should be pursued. The idea of Queensway, all those garages there, the idea of taking them

away is something that should be pursued actively because that would provide quite a large number of car park spaces even to tide us over the possibly emergency that might arise if all the cars started coming in as some people fear they might do and no cars in Gibraltar go out to compensate the spaces. Mr Speaker, I hope that all Members of the House can subscribe to the principle of this motion and that we can have positive assurances from the Government on the motion. I commend the motion to the House.

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

HON CHIEF MINISTER:

Mr Speaker, it is not, never has been and never will be the Government's intention to deprive anyone of leisure or sporting facilities. The motion is simplistic and seeks to commit the Government to a rigidity which no Government could accept in the terms in which it is couched. There may be circumstances, without reducing the number of sporting facilities, where there could be a switch over from the betterment of the people and therefore what could be an improved situation could arise whereby something which is now being used for sporting facilities could be used for something more useful and something better obtained for sporting facilities. The Government plans must be seen in their proper perspective. The Lisbon Agreement to which the Hon Member has referred in somewhat jingoistic terms by introducing the identity of the people of Gibraltar with whether a place is used for a car park or not, had come in April and we have been urging everybody, CPA, Strasbourg, Members of Parliament, European Movement, talks everywhere that the frontier must be opened, we have been saying that we are ready and that the frontier must be opened. In fact, when the Lisbon Agreement was signed there was virtually to be able to be ready for contingency, a period of seven weeks and the Government had to plan and this is what we have only done, had to plan to cope with the situation the consequences of which we could hardly gauge until it came on top of us. There has never been any intention of depriving anybody of leisure grounds but there was an emergency situation which we had to deal with in planning and we now say proudly when we tell the people that the Spaniards have reneged on the Lisbon Agreement that we were ready on 1 June as the communique said but other people were not ready and we have been able to say that rather proudly. What would have happened if on 1st June the frontier had been opened and 500 or 1,000 cars would have come into Gibraltar? What would have happened here, we would have come to a standstill, I suppose, because I am quite sure that whatever would have happened the number of cars that would have come into Gibraltar was going far to exceed the number of cars that would have left Gibraltar at the time anxious as new car owners are to get to the long roads. We know that there has been something like 2,000 cars sold since the Lisbon Agreement was announced. What we did was to do what was

possible in the time available and to show our intention. I was a little sceptical about the timing of the Lisbon Agreement or the implementation of it in time as suggested on the other side and I took it upon myself to make sure that no permanent or irrevocable steps were taken in respect of facilities that we had in order to cope with a situation that might not arise in the time available. We have been saying that the restrictions were inhuman, that they should come to an end and we have been saying that the Lisbon Agreement should be implemented without delay. Some people have even suggested that Gibraltar should ask Britain to veto Spain's entry into Europe until they open the frontier so we cannot really blow hot and cold. If, in fact, the frontier had opened shortly after 1 June and the Government had made no preparations, the criticism of the Government would have been harsh, widespread and justified particularly in Gibraltar itself and also abroad. We would have been the laughing stock if we would not have been able to say that we could cope with an emergency situation. The Government, in that good faith that it has shown, had made basic plans to cope with the expected situation. When it became clear that there would be delays in reopening the frontier, but only then, the Government began to be criticised for making the plans. One of the stories put about was that leisure and sporting areas were to be sacrificed to allow Spaniards to park. That is absolute nonsense. I would remind Members that on 14 August a press release was issued explaining fully the Government's position on the matter. This referred to the Government's concern in its duty to ensure that additional economic activity is generated when the frontier opened, some of the money now being spent in Gibraltar would probably have been spent in Spain and it was therefore necessary, in the interests of the economy, to take steps to attract tourists to Gibraltar from across the border in the greatest possible numbers. It was essential to provide some parking areas in the centre of the town if only reasonably near shops and restaurants. This release went on to explain that in the short time available it had been decided that the most suitable space in addition to other areas would be the USOC pitches and two of the tennis courts. It was decided at the same time as the press release stated, that these facilities would be reprovided elsewhere. The best way of achieving this was being considered and possibilities for providing alternative facilities in the meantime were also being explored. A lot of mention has been made that we should take account of the Queensway huts and the six garages. A lot of work has been done on that and in fact though there are still difficulties about the way in which the tenure of that land is going to be handed to us, we already have an estimate of the cost of the demolition of the five big huts and we also have plans to provide alternative accommodation to the people who make a living by these six garages, whom the Government would not wish to get rid off by giving them compensation and depriving them of their means of livelihood which they have been allowed to do for a long time - to that the Government will not be a party. These garages, like so many of the

difficulties we find, were allowed to be built by the Ministry of Defence who then owned the property and then once they had the incumbents there were handed back to the Government with the incumbents inside. Even that reason will not make us deprive people of earning their living as they are doing there by giving them a compensation which would be tantamount to double the amount according to the Landlord and Tenants Ordinance, two years of the net annual value. In any case, how in Gibraltar a man is making a living or two or three or four of them, how are we going to compensate them for depriving them of making their living. But we have found places for these people. The Development and Planning Commission has found alternative places for these people in the industrial area so that these stores can be cleared. But let me say that that and the five Romney huts of which we have already an estimate of the cost of demolition, which we will have to pay for when we settle the question of the tenure of the land, will only provide 134 parking spaces, 104 without the six small garages and 134 with the six small garages. We have been planning and looking for alternative places. On the question of the multi-storey car park, apart from saying that it is all very well to say from the Opposition that; "We would find a place", I will leave that to my colleague, Mr Canepa, who is the Chairman of the Development and Planning Commission and who will tell you the efforts that have been made in that respect. It is very easy to say use this place or use the other place from the benches opposite and then go home happily and leave the problem with those who have to deal with it. Because the Government is convinced that some steps can be taken to make provision for additional parking areas in the event of the frontier opening, it has called for a further study to be made with these ends in mind and I will keep the House informed. The Government has always kept its options open, there is no determined decision to use USOC as a car park. It was made clear on 14 August, on 18 September and it is made clear now. It is not of the liking of the people to do so and the Government knows the feeling of people in this matter and fully shares it but Government has got its own responsibilities and in certain circumstances may have to take, and I am not saying this is in respect of USOC only, in any state of affairs, may have to take a measure which for the moment may be criticised but for which the Government has got to take the responsibility to act on and then be judged by the results. What we are saying is that particularly in the situation that has arisen, and we must remember that even if there was an early opening of the frontier of which I have no knowledge and which I have some doubts, the situation is very different in the winter than it would have been had it been in the middle of the summer for the opening of the frontier in respect of the numbers of cars that could be expected. The situation then might well arise if nothing is done and still the frontier is closed and still there is some respect for the Lisbon Agreement and then it is opened in the middle of next summer, but at this time the problem is completely different to the situation that arose shortly after

the Lisbon Agreement because we knew that the arrangements had to be made by 1 June and we knew that if it was implemented early we would have a rush of cars and we would have to have some provision if we were not going to allow the whole of Gibraltar to come to a standstill or worse still stop cars from Spain coming after you had deprived yourselves of 120 parking spaces and then allow hundreds of cars from Gibraltar to go to Spain to spend their money there and then deprive us of that part of the economy without any compensation from people coming from across the way. This was the situation in the summer and this was the situation under which we were acting and I think that we did the right thing to plan for an emergency and that was all. We have a big problem with parking even without an open frontier. Pavements are being used now to park cars and people sometimes park cars which are a clear obstruction to the flow of traffic without regard to other people, perhaps because of pressure or because they do not want to walk long enough by looking for a place further away. I agree, and I have always said, that in normal circumstances there is a two-way traffic and it is not all going to be providing for cars that come in without allowing for cars to go out. We have a problem of parking with or without the frontier opening. That is a clear matter and we may have to look into the long term situation in this because we could come to a real standstill even without a frontier closed if people do change cars as often as they do now and the old cars are not got rid of but are sold as junk and used as cars. As I say, the question of multi-storey car parks will be dealt with by my colleague. I think that I have explained the situation as we felt at the time. As I say there is no irrevocable or even now any intention of using USOC unless it is absolutely necessary as an emergency. I do not agree that if it were on an emergency basis that once you take away something you never restore it. That, of course, does not arise now and therefore I will not elaborate much more on that. The question of providing alternative hockey pitches has been considered in many ways and not only, let me say, one at Europa Point, there are other plans which are being considered, additional to what there are now but let there be no mistake, the Ministry of Defence now are not being particularly helpful. I am sorry to have to say this but I have to say it so that everybody knows and the battle is going on all the time but the Ministry of Defence now are not being particularly helpful. They were much more helpful after the Lisbon Agreement than they are now and the pressure on them is on all the time at all levels. Let us not think that by saying: "If I were here I would get the Ministry of Defence to give me that", because some Members opposite, certainly the Leader of the Opposition and the Gallant Major have been in Government and know what difficulties are placed when you want something from the Ministry of Defence. I regret that I have to speak like that because I prefer to settle quarrels, if possible, with those you consider to be your friends, privately, but if there is going to be an impression that there are no more parking spaces in Gibraltar

because the Government does not press for them from the Ministry of Defence. I regret that I have to say what I have said about their lack of cooperation at some level, perhaps, I should have said, and I will continue saying it. At some levels we find lack of cooperation. I do not think that even the Hon and Learned Leader of the Opposition expected us to agree to this motion because it ties our hands which no Government would allow that, but I hope that what I have said will allay the anxiety and make clear that the Government is as concerned and as conscious of the fact that we should not deprive people of their leisure areas and in fact we should extend them as far as it comes within our possibilities.

HON J BOSSANO:

I would like to move an amendment, Mr Speaker, to the motion. It is a very small amendment that does not change the intention of the motion, it is a drafting amendment, more than anything else. The amendment is that the motion should be amended by deleting the words "car or lorry" in the fourth line and "car" in the sixth line. I know the Hon and Learned Member said that the coaches should be parked in Rosia or somewhere else and that the Government had indicated their acceptance of this but if we are saying that the Government should not allow leisure or sporting areas for parking then it should be made clear that it is for parking any type of vehicle including anything else that they may care to send us across even if it is a cart and donkey. I support the motion, of course, and it does not worry me if some newspaper comes out saying that in doing so I am in conflict with the Lisbon Agreement. I move accordingly.

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

HON P J ISOLA:

I can accept that amendment, I did put in the word "lorry" because I have always a fear that whenever a parking area is made available, lorries seem to creep into them but I am quite happy with the amendment.

HON CHIEF MINISTER:

We will not vote on this amendment because we do not see anything wrong with it but we do not agree with what remains after the amendment. I would like to say that half of the amendment, because the amendment means deleting four words, half of those words would have been surplus anyhow because it was never the intention to put any lorry in USOC.

MR SPEAKER:

I should say, in fairness to you, Mr Bossano, that you have used your right to speak on the motion by putting the amendment. You have got a right to reply, of course, before I put the question on the amendment.

HON J BOSSANO:

I think it has been a very useful motion, Mr Speaker, notwithstanding the fact that it is likely to be defeated by the Government, because we have heard from the Chief Minister the statement that the Spaniards have now reneged on the Lisbon Agreement.

HON CHIEF MINISTER:

I have not said that. I do not speak for the Spanish Government and I hope I never will. I said there was need for parking areas even if the Spaniards reneged on the Lisbon Agreement. I never said that at all and there is no evidence that they have though there is no evidence that they have not.

HON J BOSSANO:

I agree with the Hon Member that the Government must have been put in a very difficult spot by the emergency created by the presumed opening within a seven-week deadline and, of course, this indicates the bad way in which this was handled when we were presented with a situation which we were then presumably required to cope with without sufficient thought having been given to how we were going to cope with it. However, the position is quite clear that in dealing with the problems created with the opening of the frontier, if and when it ever does open, our standpoint must be, as the Hon and Learned Member has said, that our job is to look after the interests of our people in Gibraltar and it is their interest that must take precedence over any accommodation we may have to make to please our neighbours who have done so little to please us in the last fourteen years. The motion, of course, does not specifically refer to parking for cars coming over and, presumably, the view that leisure and sporting areas should not be used for parking, certainly on a purely superficial reading of the motion as it stands, which does not directly link it with the opening of the frontier, gives, I believe, precedence over the importance to leisure and sporting areas as opposed to parking areas and that is an issue which, as the Hon and Learned Member pointed out, we will have to face anyway. We cannot have a situation where we have got an increasing car population to the extent that the human population is serving the interests of the car population instead of the other way round. Even if the motion is unacceptable to the Government

because the Government believes it ties their hands in relation to what they may think they may have to do if the frontier opens in the future, the need to set up our priorities in terms of whether sporting and leisure facilities should be given a higher priority than car parking facilities, is one which the House should face and in fact which the motion points to, perhaps, indirectly.

HON CHIEF MINISTER:

I did say something on the amendment but I would have spoken on the amendment more if I had heard the Member speaking so if the Hon Member would give way. First of all, when I said rigidity I said rigidity generally not just for the purposes of the Spanish situation. I want to make that quite clear. I said it tied the hands of the Government not only in respect of a possible opening of the frontier but in respect of any situation which could happen and then we would be bound by a motion of the House of Assembly. That is the first point. The rigidity I meant was not in order to say that we keep out options open and if the frontier opens then it is alright. I am not saying that. I am saying that we do not intend and I hope we do not have to and if we can control it and see how the thing works so much the better. That is the first point. The other one is on this question of our rights come first than the Spaniards' rights. Of course, they come first that is what we are here for all the time and this was not the question and this is why I said that people who were saying why doesn't the frontier open were then saying but they want the car park for the Spaniards. The car park was not going to be for the Spanish or the French or the Dutch cars, it was going to be to decongest a situation that could arise and there was not going to be discrimination within the EEC to say that certain cars of certain nationalities can park in this or that place and other people cannot. It meant an emergency and in fact it has already been pointed out to us in the course of discussion that we might as well find the first day the whole place full of local cars parking their cars in USCC. I do not think that that is fair that we should be attributed that that was our intention. It was done to meet with a possible emergency of an open frontier, not of a possible emergency because Spaniards were going to come to Gibraltar. In fact, the bulk of the people on the opening of the frontier were at that time hoping that all the people who were on the Costa del Sol with their foreign cars would come into Gibraltar.

HON J BOSSANO:

Before finishing on my amendment, I shall say that I take the point certainly that if we do not define more rigidly leisure areas, for example, which is a wider concept than sporting areas, we could well find that there are today hundreds of

cars parked in leisure areas which should not be there and, clearly, if we wanted to restrict parking to areas which did not interfere with the pleasure of people enjoying their sport etc, then we might need to define within a City Plan what is a leisure area which cannot be used for parking.

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

The Hon J Bossano
The Hon A J Haynes
The Hon P J Isola
The Hon Major R J Peliza
The Hon G T Restano
The Hon W T Scott

The following Hon Members abstained:

The Hon I Abecasis
The Hon A J Canepa
The Hon Major F J Dellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassen
The Hon J B Perez
The Hon Dr R G Valarino
The Hon H J Zammit
The Hon D Hull
The Hon R J Wallace

The amendment was accordingly passed.

HON A T LODDO:

Mr Speaker, one can understand now, as a result of the Lisbon Agreement, the Government were stamped into action on the traffic situation but the Lisbon Agreement is now history and I am sure that to the people who expected it to be an open sesame it must seem like ancient history. The fact is that the parking problem in Gibraltar has been building up over the last six or seven years. It seems to me a shame that it took the Lisbon Agreement to jog the Government into some action. I am not referring only to the USOC solution but also to the fact that we envisaged and we voted for a quarter of a million pounds to solve the traffic problem. I was in London in August and I went round for hours looking for a parking place, everything was choc-a-bloc and they have multi-storey car parks in London. But just because I came from the provinces into London the Corporation of London wasn't falling over itself to turn Hyde Park into a parking area. I parked my car wherever I could whenever I could and paid. We admit that there was an emergency and although the Government might accuse us of being wise after the event there was an emergency

but the emergency is over. The Lisbon Agreement was in April and we must have had time to plan what to do with this fantastic influx of cars if and when the frontier opens. I do not believe that the solution to the parking problem of Gibraltar is a multi-storey car park. I do not think that is the panacea. I believe that the solution to the parking problem and the traffic in Gibraltar is a complex one and I believe a multi-storey car park is one answer. There is also the question of parking meters, there is also the question of a very strict and severe MOT test but this MOT test should go hand in glove with control over the size of cars imported into Gibraltar. Here I might be accused of saying that I am interfering with the freedom of the individual but I accept that, I accept that I am running at risk. There is also the question of time limits for parking. Once upon a time in Gibraltar, and you can still see them around town, there are metal flaps on walls saying time limit 7 days, time limit 6 hours, that could be revived. There is also the question of Traffic Wardens, not a very popular method of dealing with car parking but an effective one and then there is, of course, the ever present one of derelicts, the problem of derelict cars. These, I believe, should all be taken in conjunction when thinking of a solution to the parking problem. The only thing I am sorry is that having said all this, that I haven't a copyright on it and if Government decides to implement it I will never get the credit. Earlier on, in a discussion programme on Radio Gibraltar, the Hon Minister, Mr Featherstone, told us that the reason why Naval Ground No 1 and 2 had been considered for possible parking areas but had then been rejected was that the nature of the surface rendered them unsuitable in rainy weather. Perhaps now we will regret that USOC was converted into an all-weather pitch. I know that most Members in this House do not practice sports but we must not forget the thousands who do and the thousands are not just schoolchildren, the youth and the not so young who make use of USOC and without USOC, I think, hockey in Gibraltar would die. On the question of those Romney huts in Queensway, I don't know if any Member remembers that these Romney huts are today standing on the site of tennis courts and six-a-side hockey pitches which were lost after the war when the MOD decided to build these huts. However, they built these huts but not at the expense of depriving the services of these playing areas which were reprovided elsewhere, the MOD reprovided the area and then built the huts. I am not surprised that the MOD now is not so helpful considering that we have told them, after having complained that we never had enough playing areas, that the ones we are going to get we are going to turn into car parks but if my memory serves me right, if it had not been for the MOD thousands of schoolchildren and others would never have been able to enjoy sport in Gibraltar because the Victoria Stadium is not that old. Since the war if it had not been for the good offices of the MOD most Gibraltarians would not have been able to enjoy sport. Mr Speaker, I think that the Government should really seriously consider this and not under any circumstances whatsoever allow any sporting area, any recreational area, to be used for any other than for sport and recreation. Thank you, Mr Speaker.

HON A J CANEPA:

Mr Speaker, although not strictly relevant to the motion, I cannot allow Mr Loudo to give the impression to the House and to the general public that the Government has taken no action whatsoever in the last six or seven years to provide more car parks and therefore I will enumerate a number of car parks that have in fact been provided in the last six or seven years. A large car park at Arengo's Palace, the car park outside the Calpe Rowing Club, a small car park in Flat Bastion Road, another car park in Town Range, further car parking in the last 18 months or 12 months in Moorish Castle, a request to the MOD to let us have part of the land at Moorish Castle, there are very large gardens of their property there where we could get another 30 or 40 car spaces. Behind the Gorbals a new car park was built there six or seven years ago. Extra car parking to the tune of over 100 car spaces at the Varyl Begg Estate over and above the provision that had been made by Major Peliza's administration. The car park at Eastern Beach where the old refuse destructor used to be, the car park at Catalan Bay, all these have been done in the last six or seven years, but as I say this is just for the record and it is not really strictly relevant to the motion. Mr Isola made reference to the Government plans in connection with the proposed multi-storey car park at Casemates and yes I agree that that does not offer prospects of a short term solution. I think it is useful to point out what the position is with respect though to Casemates so that we get an overall picture. I think it will afford medium term prospects of helping to solve the traffic problem. The position is that the MOD have agreed that the site should be advertised as a preliminary to the selection of a suitable developer who would be expected to reprovide or rather the MOD themselves as part of a feasibility study that they have conducted, they have included the reprovisioning of the seven married quarters there and the developer would be expected to meet the cost. All that is now required is that the potential disposal of this site should be formally approved in accordance with section 75 of the Constitution and therefore I anticipate that in the next few weeks, possibly by the end of this month, an advertisement will appear inviting tenders in this respect but again it is just to round off the position because as I say it does not offer any immediate prospects of any solution. Let me assure the House that the Development and Planning Commission and in particular the Government members on the Commission, ie the Chief Planning Officer, the Surveyor and Planning Secretary, my colleague the Minister for Public Works and myself, have been giving very careful consideration to the problem of car parking and in particular the provision of a multi-storey car park. We cannot identify a site that could be made readily available for the provision of a multi-storey car park and I think, of all the people that I have had dealings with in Government in the last 8½ years, the person who seems to me to be best informed about sites, generally speaking, is the Surveyor and Planning Secretary, the man is a mine of information in this respect and he has not been able

to come up with anything but I will tell the Surveyor and Planning Secretary that the Hon Mr Isola has said that there is a site in Gibraltar which all that is required is that two or three people should be given alternative accommodation or should be compensated and then that building could be demolished and converted into a multi-storey car park. Armed with that information it may well be that the Surveyor and Planning Secretary may be able to come up with something. If Mr Isola, however, is able to give me the information before we vote on the motion I might even support the motion. The Ministry of Defence, as the Chief Minister has said, are not being particularly cooperative at present. I think I should remind the House that the Ministry of Defence still own over 50% of the land in Gibraltar and that most of the land which they own is flat whereas most of the land which the Gibraltar Government owns is not flat and is therefore not susceptible to easy and cheap development. I have been trying, more so of late, as we have found less of a disposition to be cooperative, perhaps, as the Lisbon Agreement recedes into pre-history, I have been trying to impress upon the officials who represent the Ministry of Defence in the Development and Planning Commission and most notably last Friday at the meeting, I have been trying to impress upon them that in an open frontier situation in which there would be a two-way flow of vehicular traffic, the Government and Gibraltar will be faced with an unprecedented situation, a situation which Gibraltar has never had to face either before the war when there weren't so many cars, or even after the war between 1945 and 1954 when the Spaniards were being allowed to visit Gibraltar but in the depression of the time in Spain there just weren't anywhere near the number of car owners that there are today capable of coming over to Gibraltar. Even in those days Gibraltar did not have to face the problem that one can anticipate when the frontier opens. I have been trying to impress upon them that faced with this situation, the Government just does not have the wherewithal or the resources to solve this problem by a mere wave of a magic wand. That just is not the situation and that it is facile to pretend that it can be solved and it is facile to pretend that the open frontier situation is not going to bring about a certain amount of disruption within Gibraltar, not only to the civilian population but to the Services population who are also going to benefit from whatever benefits the open frontier will bring Gibraltar by way of expansion in the hinterland and so forth. There are business interests with many millions of pounds available, I am told, to be re-invested and to be invested within Gibraltar rather than outside, business interests which are interested in building a multi-storey car park at USOC that would reprovide the playing facilities on the top deck. It would mean, naturally, the temporary loss of the playing facilities until they could be reprovided on that top deck. The people concerned are willing to undertake a feasibility study with a view to building, they say for 1,500 cars. I think that figure is too high. On planning grounds it seems a worthwhile project but there are

political difficulties and problems and naturally one is aware of them given the opposition that there is, as I understand it, even to the temporary loss of these facilities even if the project did in itself entail provisioning. USOC is being made a fair amount of use. I will not say considerable use because a survey that was carried out seemed to indicate that our schoolchildren are only using USOC about 14 hours a week, we tend to think that it is more than it actually is. My colleague the Minister for Sport has plans with a small triangular piece of land adjacent to the Stadium, he thinks that he could provide another hockey pitch and if floodlit this would enhance the existing sporting facilities considerably. I think there is a danger, Mr Speaker, that in looking after the welfare and interests of our young people, something which we all have at heart, we could be losing sight of the greater and more important long term objective and that is that we must ensure that in an open frontier situation there is a future for those young people in Gibraltar because Gibraltar will continue to be a going, viable, economic concern. I would hope that in an open frontier situation through the adoption of an ostrich-type attitude in certain quarters, even if it is to the extent that they are not prepared even to forego temporary loss of sporting facilities, we would not get into a situation when the Spaniards would bring about, through an open frontier, the economic downfall of Gibraltar, something which they have not been able to achieve so far during the years of a closed frontier situation. This is what the Government is trying to avoid because we know that when the frontier opens, even though there is a great deal of opposition to that within Gibraltar, we know full well that after a few months people will go to Spain in very large numbers and spend a great deal of money in Spain and we are not certain that the loss of those funds to the economy would be entirely compensated for unless there are reasonable prospects that tourists, Spaniards and other tourists from the Costa will be able to come to Gibraltar and spend compensating sums of money. If we do not get that equation right I think the Spaniards might still beat us to it and I would very much hope that that will not happen. I would plead that some consideration should be given to the fact that the problem is not capable of an easy, short term solution. I will even plead with Mr Isola to let me know which is this site where we can provide the multi-storey car park. I think he would be doing a good service to Gibraltar in the international field and not just helping the Government to win the next election.

HON A J HAYNES:

Mr Speaker, it is the Opposition's duty to point at mistaken policy as embodied by their proposed use of USOC as a car park and this was succinctly put by the Leader of the Opposition. As he said we have been followed in our criticism of Government by the Parents' Association in their petition and demonstration. Our duty is not to suggest alternative sites in this sort of case because we labour under the general disadvantage of lack of information but I would question the

Minister's claim that there is no other possible site. I claim that this should be questioned on their own record as regards traffic. I feel that in this criticism of Government that we make as regards the proposed use of USOC, that we are prodding as always a lazy and a dispirited Government. They said that the USOC idea was alright because as a last minute effort it would have done the job but surely the fact that the frontier might open has always been on the cards and contingency plans for such an eventuality should have been prepared long before but then the Chief Minister did admit that the problem as regards car parking is with us with or without an open frontier. Surely that is even more reason for them to have come up with something as a stand-by and not just to say that they had a potential temporary solution for an open frontier but now the frontier is not going to open or does not seem to be, we will not be putting in USOC and we won't be putting anything else either. Perhaps, worst of all, the Chief Minister in his stylish way then followed by the other Hon Member, seems to put the blame on the Ministry of Defence. I call that a shame, the blame lies squarely on their own shoulders. The Government has allowed the parking problem to escalate in Gibraltar, not the Ministry of Defence, and as my friend Mr Loddos has pointed out, it is not just the USOC measure as regards car parking that seems to be faulty. May I refer you to the Regulation and Construction Use Ordinance, which was the subject of a Question yesterday and the subject of a question in July. This Ordinance has now turned its quarter century in its present form, it concerns itself primarily with safety which I would have thought would be of primary concern to this and any Government, and it is hopelessly inadequate. Yesterday we heard from Government that it is in contravention of the EEC Directives and among these EEC Directives you have statements and resolutions that all safety regulations as regards Class B made uniform, be applicable to all EEC countries and in Gibraltar is quite out of line. One of the problems, for instance, is that the only braking requirements accepted by the Ordinance are locking the wheels so that when the many

MR SPEAKER:

We are completely digressing from the subject matter of the motion.

HON A J HAYNES:

I am only trying to point out the hopeless inadequacy of this regulation as symptomatic of Government's lack of concern with safety and car regulations. Mr Speaker, if Government expects us to believe their claim that no one could possibly find an alternative site since they have been told by everybody and since they have this in their heart of hearts, how can I accept such a statement when I know that with another aspect of cars which is the safety of cars as embodied in the

Regulation and Construction Use Ordinance, they are hopelessly at fault, in fact, they are way behind the times, measures could be introduced which would not be costly, which is just a matter of redrafting certain parts of the Ordinance, and they have not done that. How can a Government that does not do that convince us that they have looked at every possible site, that they have exhausted every possibility and that they have really put their best mind to it? I say this Government is lazy. Mr Speaker, I am glad to say that we have, to an extent, done Government's work for them. We have come up with suggestions for alternatives. Of course, they will not accept them automatically. Lastly, Mr Speaker, I stress that this House cannot possibly accept the glib statement that there is no alternative site and we will not accept that the MOD is to blame and we do hope that the USOC is not used.

HON H J ZAMMITT:

Mr Speaker, Sir, quite honestly I feel that Members opposite will have done Gibraltar a service if they had got together and at least presented a united front in this motion because the contribution of the Hon Mr Haynes from USOC parking into the Construction and Use Regulations is quite, may I say, unbecoming of an Opposition which has today headquarters and get together and at least try to know what they are going to talk about. Mr Speaker, I am standing on two legs here because from a sporting point of view, of course, one wants facilities for sports and more facilities for sport because Members opposite have no idea of the sporting requirements of Gibraltar. For the Hon Mr Loddo, who is shadowing the Ministry of Sport, to say that it would be the death of hockey if USOC goes is completely and utterly wrong. The Hon Mr Loddo might like to learn from me that there are six second divisions games played at USOC by the Gibraltar Hockey Association weekends only. I would like to say, too, that I have never been satisfied with USOC not because I am ungrateful to the Ministry of Defence for the services they afford to our recreational requirements for our schoolchildren or to our competitive sporting associations but it is a surface that the top class hockey players very much try to avoid and they much rather play on the Nortex surface at the Stadium than they do at USOC and therefore if there was to be a re-provisioning of USOC I would very much insist, even if it was not to be controlled by the Gibraltar Government, as far as I could that the surface should not be one of tarmac which is subject to expansion and contraction on heat. I agree with the Hon Leader of the Opposition that we must preserve the identity of the Gibraltarians but I think he also must agree, and I have said this in a number of meetings, that one of my major fears as regards sport in Gibraltar is not the lack of sporting facilities, not that we have now, that we have always had, could be eroded adversely because I very much doubt if a wife is going to allow her husband to stay back on a Saturday or Sunday and play a hockey game or a cricket

match whilst she and her friends might like to go across to Spain as happened to football in Gibraltar when we say that the standard of football dropped between the mid-50s. It is not that the standard of football dropped, what happened there really was that virtually everybody was able to buy themselves a car on the never-never and the football players went away and there were no more young up and coming football players because weekends virtually was a get-away from Gibraltar and football in particular declined. I would like to remind the Hon Mr Loddo when he said that the MOD had re-provided something, he may not recall, I can as I am slightly older than him, where the Romney huts are today there used to be a six-a-side hockey pitch there many years ago. The MOD of course will not provide their own six-a-side hockey pitch so it was a facility that was lost to the whole community. Mr Speaker, obviously from my point of view and I think Government knows my views, I made them quite clear, I will try to resist using leisure or sporting facilities for any other than sporting facilities but as my Hon Friend Mr Canepa has said, the world does not begin and stop with me as Minister for Sport, or with sporting associations. They are factors that have to be taken as a Government for the whole community. I think it was very ably put by the Hon Mr Canepa when he said that we had to be very careful with what we do. That is why the motion tries to get Government into a bond that really makes things very difficult. Mr Speaker, I think it was the Hon Mr Haynes, the last speaker from the Opposition, who mentioned the question of Parents' Association. He is absolutely right, I did see correspondence in the press and in fact I received a letter from various associations on the question of USOC but what intrigued me was the Parents' Association, the concern they expressed for something that Government never said we were going to take over. What does surprise me is that for nine solid months the Victoria Stadium was paralysed on account of two part-time charwomen and not one member or one father of the Parents' Association expressed their dissatisfaction at the paralisation of the Victoria Stadium. Not one parent complained about teachers in the Boys' Comprehensive Schools refusing to use the Stadium for five weeks way back in January. Not one of them complained about something that was there which they could use but yet, and I do not know why, the Hon Leader of the Opposition, I do not doubt his word, said that this had been spontaneous, that they have not been led. I am not disputing that, Sir, what I am saying is that it is quite coincidental that before a situation occurs we have this furore and a march up to the Governor and yet when we have facilities which they are all crying out for and wanting more, there is the Stadium paralysed for nine months and not one single word either from the Teachers' Association, the Parents' Association or any other association and in particular the Parents' Association who have allowed the children to be deprived of sporting activities because someone insists they must go in through that door and not through the other one. I sometimes wonder, and I think, Mr Speaker, as I get older, I wonder all the more and I think sometimes and say where are we, how do people think?

HON A J HAYNES:

The Hon Member is wandering from the point, I think.

HON H J ZAMMITT:

Mr Speaker, I may be wandering from the point but I certainly have not gone into the question of sparking plugs and the Construction and Use Regulations and goodness knows what. I want to make it quite clear that I have defended and I will defend as long as I am Minister for Sport the maximum possible playing areas for leisure and sport. I have said so and I have told associations this. That does not mean to say, Mr Speaker, that I am as irrational to think that Gibraltar depends purely on sport. There is a community at stake and we have to take those things in our stride. Therefore, Mr Speaker, whilst welcoming the concern that the Opposition has for sport, I feel that it is far too demanding to expect Government to accept a motion that prohibits anything other than what that particular motion calls for. Mr Speaker, having said that I would also like to remind the Leader of the Opposition that USOC, if it was to be used for car parking, would only accommodate some 300-odd cars so that would not solve the problem at all. I would also like to remind the Members opposite that although the Hon Mr Canepa explained and made reference to Government's provisioning of car parking spaces throughout Gibraltar we can go much further than that and that is on the planning. Members opposite may remember that we had spoken of the Flat Bastion Road shelter where we hoped to be able to provide parking in that area and there are other areas that we are looking at so we are not lazy as the Hon Mr Haynes suggests. I do not start work at 10.30 in the morning like the Hon Member does, Mr Speaker. I leave my home at 8.15 and I get home at 11 or 12 at night, Mr Speaker. I think it is very unfair to say that we are lazy. I can assure Members opposite that there are many Members here who are worked to the bone and more.

HON CHIEF MINISTER:

Mr Speaker, before the Leader of the Opposition is asked to wind up, I would like to make a point of clarification for the record. When I referred to the Ministry of Defence I was referring to the entity. Insofar as particular sites are concerned I would like them to be described as Crown lands. There is a lot involved in that definition, Crown lands in the possession of the Ministry of Defence.

HON P J ISOLA:

Mr Speaker, it has been a very interesting debate. Mr Speaker, I think I would just like to deal with one or two points that have arisen in the debate. I am glad to hear that Government has now made arrangements for alternative accommodation for

these six huts in Queensway. I want to clear up the position, what I said was that if you have to balance the interest of a thousand schoolchildren using USOC with the interest of six individuals then, if you have to make a decision, it must be surely the six individuals who must be asked to move. When I talked of compensation for those people I was not talking of just a compensation under the Landlord and Tenant Ordinance. I was talking of reasonable compensation negotiated with them, to put them in a position under which they could leave the premises. After all the Government spends hundreds of thousands of pounds in lots of things and this was an emergency situation. I would like to make that point clear. As far as that area is concerned which will produce 131 parking spaces, I would like to ask the Hon Minister for Economic Development to explore the possibility of making a multi-storey car park between the end of the John Mackintosh Home and where GBC used to be, where the old hockey pitch six-a-side used to be, building up there behind the Mackintosh Hall.

HON CHIEF MINISTER:

If the Hon Member will give way. The basis on which we have been able to persuade the Ministry of Defence to give up their continued occupation of the Romney huts is on the basis that they are going to be used on environmental grounds for the showing up of the walls.

HON P J ISOLA:

If that is the case then I do not see how the building of a multi-storey car park at USOC is a starter on the same grounds.

HON CHIEF MINISTER:

It isn't.

HON P J ISOLA:

Then I don't know why the Hon Member was telling us all about it. I would imagine the multi-storey car park cannot be done there either so therefore let us not talk about it, therefore, let us leave the USOC hockey pitch.

HON A J CANEPA:

This is why, amongst other things, I said that it was not possible to make provision for a multi-storey car park for 1,500 cars at USOC. One of the matters that I took into account was the City walls.

HON P J ISOLA:

This is where my Hon and Learned Colleague, Mr Haynes, is right when he says it is the Government's responsibility because we are not in Government so we do not know but one thing we have heard today is that USOC was not going to be built and cannot be built as a multi-storey car park even though that was one of the ideas so therefore we must not touch it. In any event the accommodation now being produced under the huts for 134 parking spaces goes a long way to meeting the places that you would lose at USOC by not using it as a car park. Therefore, one problem seems to have been solved there. It is important and basic, the basic problem that we have is one of philosophy. The Government feel that in the interests of the economy which they look at simply in pounds, shillings and pence, it is necessary and may be necessary to deprive the people of Gibraltar of sporting areas. That is a principle that on this side of the House we cannot accept. I think other speakers here have already said, and in the Government side it has also been said that the question of parking

HON A J CANEPA:

Mr Speaker, if the Hon Member will give way. I do not accept that at any stage in my intervention did I say that. I did not say that the economic interests of Gibraltar entailed depriving people of sporting facilities. I spoke of re-provisioning of those facilities, that is not the same thing. I spoke of the temporary loss of those facilities during the time that it takes to build the necessary decks.

HON P J ISOLA:

But the temporary loss of the facilities was a permanent one because we have now heard that the multi-storey car park cannot be built in USOC either for the same environmental reasons as down the road.

HON A J CANEPA:

Mr Speaker, the Hon Member puts words into people's mouths and draws conclusions which just are not valid. A multi-storey car park could be built on the USOC site provided that it met the conditions laid down by the Development and Planning Commission including the aspect of the City walls but it could not be a multi-storey car park for 1,500 cars because it could not be built right up against the City walls, it would not be allowed.

HON P J ISOLA:

Presumably then the same principle would apply down the road. I think that what I am saying here is what I have heard there and I am replying to what I heard and apparently it is not what I heard, it is a different story.

HON A J CANEPA:

All I can say, Mr Speaker, is that the Hon Leader of the Opposition is a very clever lawyer, I grant him that.

HON P J ISOLA:

That is very nice of the Minister, it is nice to hear him say nice words about me. I am just trying to interpret what has been said by the other side of the House. We get the Hon Minister for Sport saying he is all for sport and he will protect sport and everything else but then he cannot vote for the motion because he thinks there are occasions when sport can be deprived of facilities in the economic interest of Gibraltar. What we are saying on this side of the House is sports fields should be no-go areas and the Government has a responsibility and has had it over the years as it has seen the car parking problem developing as it has and they have talked about this in nearly every budget for the last six years, as they have seen it developing, it was the responsibility of the Government to have taken, and this is where I agree with my Hon Colleague, Mr Loddo, to have taken a whole comprehensive look at the whole issue of car parking in Gibraltar. The reality of the matter is that the Government has shirked that issue over many years because of the problems that it has and in a matter of three months, because of the Lisbon Agreement, has suddenly tried to put everything right that it should have been doing over the years. They have tried to put it right in the easiest possible way which was depriving the people of Gibraltar of sporting and leisure areas and of the USOC in particular and the reason for this motion and the reason I am proposing it is because we want to establish the principle that sporting areas should not be used for parking. We want to establish that principle and if you establish it then the Government will look in other directions, eg, it has now found alternative accommodation which obviously did not exist at the time when the MOD made the offer. It has had to find alternative accommodation for the six garages because it realises it cannot put cars in USOC because if they do they are going to be very unpopular with the people of Gibraltar. Now we know that there are 134 parking spaces going to appear down the road. That is good and this is what the Government has to go on doing and I want to remedy a misunderstanding or a wrong impression that the Minister for Economic Development may have of what I said when he invites me to go and tell the Surveyor and Planning Secretary of this site where a multi-storey car park can be built by knocking down a few buildings.

I did not say that, what I said was that you should look at even the buildings that you have which are under-utilised for example. There may be some, I do not have the information, if I could sit in the Minister's Chair I would find the damned space and take the appropriate action. As far as the multi-storey car park, there was a plan of having a multi-storey car park opposite the Ocean Heights square. I know we have got the City walls problem there but there is an area that could go up as well and there are a number of areas in Gibraltar that could be investigated, Mr Speaker. I think that that is what the Government ought to be doing. I believe that the USOC playing field was an easy way out of the problem for the Government. But if you do that a temporary measure would have become a permanent one. We all have experience of the way Governments work, once it was there the excuses would have been there. The Minister for Sport has mentioned that people in Gibraltar, once the frontier is open, will leave Gibraltar and take their leisure in Spain. A certain number of people will but also a certain number of people will not. I think young people will continue to require the use of all sporting facilities that exist today. We have a very big school population and they will require the area and it will be worth our while retaining it for them if for nobody else. But by having proper sporting facilities in Gibraltar for our young and for the rest of the active population, we can encourage them to develop their skills in sport, to develop their interest in sport and not just fizzle away when the frontier is open. That should be the responsibility of the Government in power and of course of the people of Gibraltar themselves and I believe that Gibraltar is a very different place in 1980 to what it was in 1963 and it will continue to be a different place. We have found our identity, we are now very much a people and we still value all our own particular restaurants, bars, our own places of recreation will continue to have an attraction for us even with an open frontier. Mr Speaker, I am sorry to hear that the Government is having differences of opinion with the Ministry of Defence and I hope that the Governor of Gibraltar, who has expressed himself to be so committed to the cause of the people of Gibraltar, will exert his influence and his undoubted power to ensure that the Ministry of Defence cooperate with the legitimate demands that the Gibraltar Government may make on them. I stress the words "legitimate demands" because you cannot just go to the Minister of Defence saying that you want everything they have got. There must be a basis for the demand, the Government must justify to the MOD what it wants and there is an area, Mr Speaker, talking about areas for car parking, I think I had a question down which I suppose I will get an answer to three days after the meeting and I will be interested to read that answer. There is, of course, the Old Command Education Office, a building in the middle of town a large area which has lain unused for many years and which could have a shopping precinct in the ground floor and parking going up. Mr Speaker, there are many towns in England that have multi-storey car parks in the centre part of town and if you cannot

pick and choose in Gibraltar there is a site. The Government has to decide a parking policy, the Government has to decide a policy on motor cars, a comprehensive policy and put it into execution and this is what this motion is trying to achieve, trying to tell the Government that our sporting areas are for our sport and for our sportsmen and for our schoolchildren and you have got to find other places for your parking areas. I commend the motion to the House.

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

The Hon J Bossano
The Hon A J Haynes
The Hon P J Isola
The Hon A T Loddó
The Hon Major R J Peliza
The Hon G T Restano
The Hon W T Scott

The following Hon Members voted against:

The Hon A J Canepa
The Hon Major F J Dellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon J B Perez
The Hon Dr R G Valarino
The Hon H J Zammit
The Hon D Hull
The Hon R J Wallace

The following Hon Member was absent from the Chamber:

The Hon I Abecasis

The motion was accordingly defeated.

The House recessed at 8.00 pm.

THURSDAY THE 6TH NOVEMBER, 1980

The House resumed at 10.45 am.

HON G T RESTANO:

Mr Speaker, I have the honour to move the motion standing in my name which proposes that: "This House requests His Excellency the Governor to exercise his powers under the Commissions of Inquiry Ordinance with a view to the issue of a Commission under His Hand and the Public Seal appointing

one or more Commissioners to inquire publicly into the power situation in Gibraltar with particular reference to the following:-

- (i) The reasons and causes for the failure of the Department for Municipal Services to ensure a continuous supply of power to the consumers of electricity in Gibraltar over the last four years;
- (ii) To examine the recommendations of the Preece, Cardew and Rider Report and to consider whether the recommendations contained in that report were adequately and promptly dealt with by the responsible Minister;
- (iii) To inquire into the short term and long term plans of the responsible Minister to provide for a continuous supply of electricity to the public in Gibraltar and to report whether such plans are adequate to service the needs of the community now and in the future."

Mr Speaker, the motion is really in four parts, the first part seeks to find the real reason for the deplorable and terrible failure over the past four years of the Department for Municipal Services to provide sufficiently continuous power to Gibraltar and, of course, one knows that that is a statement of fact because power cuts have been continuous over the past four years. The second part seeks to find out whether in fact there has been adequate development up to the present time. The third part seeks to go into the short and the long term development of the power situation in Gibraltar and, fourthly, of course, is asking His Excellency the Governor to appoint a public Commission of Inquiry. But, Mr Speaker, before I actually go into the different points of the motion I would like to refer and comment on the very unfortunate situation that arose on Thursday in this House when three questions on electricity on the Order Paper were refused to be answered by the Minister responsible. He said that he had refused to answer the questions because he would be referring to them in today's motion and that he had been given the advice not to answer the questions by the Chief Minister. This is nothing less, Mr Speaker, than a provocation on the part of the Government towards the Opposition. If it is anybody's responsibility that there was a walkout in this House on Tuesday morning it lies squarely on the shoulders of the Chief Minister for a very provocative action which is perhaps even undemocratic. Mr Speaker, when I think that criticism is due I criticise. When I think that praise is due, I praise and I must praise the Chief Minister on another subject. I must praise him on his insight and his perspicacity. Some years ago in this House he criticised a Member of the Opposition and he had this to say when that Member had spoken about electricity, he said that that Member did not know what he was talking about and secondly that he had got his information completely wrong. Mr Speaker,

he was referring to none other than the Hon Dr Valarino, who is the Minister for Municipal Services today. I think that the Chief Minister was quite right when he said what he had to say in March 1977 and perhaps his words of 1977 apply equally today after we saw the slip of the tongue of the Minister yesterday afternoon when he was asked by this side of the House what the cost would be for the hire of the four skid generators and he said £1,546 and when we on this side of the House started doing calculations and could not come out to any reasonable sum we asked him how he had arrived at another figure and he said he had made a mistake by the figure 1. Not £1,545 or £1,547, he had made a mistake it was £11,546 in one breath he had forgotten £10,000 for hire and if this is a reflection on the efficiency of the Municipal Services, all I can say is that perhaps it is about time that the Minister was no longer there. Mr Speaker, over the years we have been given in this House and in various communiques, a list of reasons why power cuts were necessary. I propose to read out the list because it is such a long list that I would not remember them all. First of all, we were told in May 1977 by the then Minister for Municipal Services that the position was rosy. He said this in answer to a question and referring to King's Bastion North Station he said that No 9 Engine had just over 2,500 hours since the last general overhaul and was in good running condition. No. 10, he said was completely dismantled and overhauled and awaiting for the successful contractor to carry out extensive repairs to the foundation blocks. On No. 11 he said just over 4,000 hours since the last general overhaul and in good running condition. No. 12 was undergoing scheduled general overhaul and should be back into commission shortly, say another two weeks due to the crank gear failure. No. 13 engine was being top overhauled as load demand permitted and half the engine had in fact already been done. So in May 1977 the position was rosy according to the Minister. Whether that was a misleading statement or a miscalculation, I do not know, but certainly the position did not continue rosy to any degree. First of all we were told that the reasons for the power cuts was industrial action. Secondly, we were told that there was a small fire in an alternator to No. 9 Engine and serious cracks to No. 9. Then we were told that there was an overuse of No. 13 Engine. This was in 1978 and by that time No 13, the largest engine had been run for 2,700 above the recommended service time. Then we were also told that No 12 Engine had been overused and that this engine, not only had it been overused, but it had realignment problems. As far as No 10 Engine was concerned we were told that it had been out of commission and eventually it would have been out of commission for about three years. The House was also told that there was a backlog of maintenance. Also on No 13 that there were suspect connecting rods. A year later, when power cuts still continued, we were given other excuses. We were told a year later that the foundation rehabilitation for No 12 Engine had still not been carried out. We were told that there had been difference of views with the staff about conditions of service although we had been told a year later that the position regarding management and staff was that there were no difficulties at all in

that area. We were also told that there was a work-to-rule of the IPCS. Then we were told that No 13 Engine had been derated due to rising exhaust gas temperatures. To continue the sad story, the crankshaft in No 11 was broken after overuse. A crack in the column of No 9 was discovered, the foundation of No 12 Engine had still not been repaired. We were told that there was too much demand on the plant and, lastly, we were told that the reason for the power cuts was that in the middle of summer there was one day which started off cloudy. How cynical a reason to give the public of Gibraltar who were suffering continuous power cuts during this summer. Yesterday, we were even told that it was a myth by the Chief Minister, it was a myth that King's Bastion North was in such a bad condition, that this is a myth that the Opposition was trying to make people believe that the King's Bastion North Station was in bad condition. I do not know whether the Chief Minister had been reading or listening to all the excuses and all the reasons that have been given over the past two years to say that this was a myth but it seems that every conceivable thing seems to have gone wrong with the engines at King's Bastion North. I do not know what the reason for this is and I must be very careful in not pointing a finger at anybody because what I am asking is for a Commission of Inquiry. I do not know who is responsible but, obviously, somebody is. It is clear, Mr Speaker, that four years of power cuts is a position which is not fair to the people of Gibraltar. It is not fair when, in a period of four months this summer there have been 440 hours of power cuts in Gibraltar. A terrible situation, a terrible indictment on the Department. It is not fair on tourists who come to Gibraltar expecting to have the proper facilities in electricity as well as in other areas. It is not fair to them to come to Gibraltar and walk up and down Main Street and see all the shops with small generators outside their doors to be able to have some light. It is not fair on people who go home for a meal to find they cannot have a hot meal because there have been power cuts in the morning. It is not fair on housewives whose days have been continually disrupted by the power cut situation and also, if I may say so, the losses that I hear are quite considerable and which people have to pay because of breakdowns in their refrigerators, for example, because of the power cuts. It is not fair on the image of Gibraltar. Gibraltar has been giving a very bad image to anybody from outside. It is unjust on elderly people who perhaps live in a Tower Block right at the top and who may be in a lift when the power is turned off. The traumatic position that it places these people, sometimes they are elderly people who have not dared to leave their flats in case there was a power cut when they came back and they could not walk up 7, 8 or 9 storeys. It is not even fair on the staff of the Generating Station who, I am told, have been working very hard to repair the engines that have broken down, that their image should be so tarnished by the continuous power cuts. It is not fair on the tenants of Varyl Begg who have had to use potable water in their toilets every time there has been a power cut because the pumps do not work for the brackish water. Has it been fair on the mothers of babies who

have to prepared the meals for their children or on the sick? It has not been fair on traders either in loss of business and losses in refrigerated products. Those, of course, can be quantified, the actual losses, but how, Mr Speaker, can one quantify the misery and the distress that has been caused throughout Gibraltar because of the power cuts? How can we quantify the suffering and the anguish of people? Someone is to blame and what I would not like to see is that responsibility of whoever it is should be swept under the carpet. I do not know whether the fault lies with management or whether they are ministerial faults, whether they are staff faults. I do not even know whether it is faulty machinery but whatever it is, the people of Gibraltar have a right to know so that it does not happen again particularly in the new Generating Station that is to be built. Therefore I think it is absolutely right that this House should ask His Excellency the Governor to appoint a Commission of Inquiry. Mr Speaker, on the second part of the motion. What development and what planning has happened to date? In 1975 the Government appointed some consultants, Preece, Cardew and Rider. In May, 1976, that firm presented its report to Government. That report has been guarded like a military secret. The general public have not been able to find out what those gentlemen recommended and certainly Members of the Opposition have not been given that opportunity. It has been kept a closely guarded secret by the Government. Why? Is it because there were things in that report, were there recommendations in the short term, at the time short term, we are going back to 1976, the sort of recommendations which, had they been implemented, would have prevented any power cuts over the last few years? Is that the reason why that report was not publicised? We have heard, of course, since then, after repeatedly questioning Government, that one of the recommendations of that report was that Government should have bought a 5 megawatt engine. It has taken Government four years to follow that recommendation. That is probably one of the reasons why the Government does not wish that the Preece, Cardew and Rider Report to be made public, because it would be an indictment on them. But that 5 megawatt engine was presumably recommended to be bought because King's Bastion South contained so many old machines, machines going back to the 1940's, expensive to run, much more expensive than the other ones and at the same time the workers there are working in appalling conditions. I have been there and I have seen it. It is perhaps to replace those old engines that the original 5 megawatt recommendation was made. But then it was not until October, 1979, that the Chief Minister out of a hat at the end of an adjournment motion stated that the Government would be ordering this machinery. At the time he said he did not know where it was going to go. He said he did not know whether it was going to go to the present Generating Station or not. It seems amazing to me that a Government should order a machine and not know before ordering where it is going to be placed. This seems to be the same sort of ad hoc decision which was taken then because of an adjournment motion, the same ad hoc decision as was taken recently this year of ordering four

skid-mounted generators. Of course, four skid-mounted generators are necessary to prevent further power cuts. But if the 5 megawatt engine had been ordered when it should there would have been no need to overburden Gibraltar's tax payers by another £200,000 because the 5 megawatt generator would have been in Gibraltar and it would not have been necessary to order the four skid-mounted generators. The position as far as planning is concerned over the years is that in 1956 the Government ordered No. 8 engine, five years later No. 9, a year after that No. 10 and at the time proper planning was being carried out. As more electricity was being required more engines were being bought so in 1962 No. 10 was purchased and five years later No. 11, it was a continuing process. A year after that No. 12 in 1968 and lastly in 1972 No. 13 but from 1972 to 1979, not a single engine was purchased, ie a period of 7 years. We have still not got it here so one could almost say 8 years. In 8 years no new engine has been purchased and since 1956 there has never been a period of time so long when no new machine has been purchased for the Generating Station. That, to me, Mr Speaker, indicates a lack of planning between 1972 and 1980. In the short and the long term we need to satisfy ourselves that one of the reasons for power cuts was not the type of machinery that was being used. We need to know whether the right type of machines have been purchased and the advice given by the consultants. There has been, I think, a great lack of urgency on the part of the Government. A lack of urgency and a lack of foresight in the power services of Gibraltar. For example, when the Preece, Cardew and Rider Report was submitted a Working Party was appointed but that Working Party was not appointed until October, 1978, over two years after the Consultants' Report had been received. Why was there such a delay? Then, of course, the report did not come out until 1979. One of the proposals, we are told, was that there should be a joint Generating Station between the Ministry of Defence and the Gibraltar Government and we were told that the Ministry of Defence did not agree to have a joint Generating Station and that that was one of the problems. Quite frankly, Mr Speaker, I can understand the Ministry of Defence not wishing to go in partnership with the Gibraltar Government on a Generating Station. When you compare one Generating Station with another you have, I am told, the same types of engines, you have got the same type of staff and what happens? One Generating Station works well, the Ministry of Defence one, and the Gibraltar Government Generating Station does not work well otherwise there wouldn't be these power cuts. I can understand the Ministry of Defence refusing to go in. Now we are told that one 5 megawatt station is to be installed at No 5 Jetty and possibly two. Again, Mr Speaker, we do not know. Is that sufficient for the future? Is that really forward planning? I think we are not even sure whether the site for the second Generating Station is the ideal site. Is Government in a position to guarantee that there will be no more power cuts over a long period of time? Certainly, if it is as far as the assurances that have been given sometimes on

different matters by the Minister for Municipal Services, assurances that have not come to fruition, then Gibraltar is in for power cuts for many years to come and that is why, Mr Speaker, I think it is essential that a Commission of Inquiry should be set up and this House should ask His Excellency the Governor to appoint such a Commission and that that Commission should operate in a public manner.

MR SPEAKER:

Order. I must sound a word of warning insofar as the public gallery is concerned. We have had two interruptions already, one yesterday evening and one this morning. May I say, without wishing to be misunderstood, that the public is allowed to the meetings of the House of Assembly in accordance with the provisions of Standing Orders and subject to whatever rules are set for their admittance and that the Chair has the right to, if necessary, refuse entry to particular persons if they continue to misbehave. I will not tolerate and I say this very clearly, interference from the public gallery in the work of the House. I think I should sound this word of warning because I shall take, most certainly, definite action if it happens again.

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

HON CHIEF MINISTER:

Mr Speaker, I am going to deal with the broad part of the motion which is the question of the Inquiry and the Minister will, of course, deal with the question of the power station in more detail. But before I go on to that I want to clear one or two things. First of all, the Hon Mover referred to something I had said about the now Minister. I have not got the time to do the research that he does but I am sure that if I had I would be able to look at the record when he and the Hon Minister were members of the GDM and the Leader of the Opposition was Mr Maurice Xiberras and Mr Isola belonged to that Group against the GDM in the minority as independents and the GDM came under continuous attack, of course, that foundered and each member of the GDM other than the Leader took his way and one went one way, one went the other, so I am quite sure that had I the time I could find equally derogatory statements made about the Hon Member and his then colleagues about their performance in this House. Dealing also with the question of Question Time, there I must say that I consider that the action of the Opposition was unwarranted, that we were discussing the question of anticipation on which there is an element of guidance in Erskine May, perhaps it is not very clear and perhaps we might seek to find our own rules in respect of that. There was no attempt on the part of the Minister not to answer the question, in fact, he answered them yesterday in the course

of debate, it was a matter of procedure to avoid duplication knowing the tendency on the part of Members opposite to repeat themselves over and over again with their own case. I accepted responsibility to the procedural side because as Leader of the House I have to take these decisions. I have nothing to apologise for, in fact, I think the performance of the Opposition was disgusting. To have gone out, let by the Hon Major Peliza, who kept on saying: "Vamonos, vamonos" and everybody following like sheep and then to stay out there listening to what was going on for the Hon Mr Bossano to come into the House. If they had stayed away as a protest one could have understood but they came back after the questions were over. The people of Gibraltar were deprived of having supplementaries on more than 60 questions on matters which at least at the time that they put them down on the Order Paper, the Opposition thought they were important. Pique, that is all that it was, pique and emotion for many reasons. One of them would be that the place was full of girls and boys of the Comprehensive Schools and the Hon and Gallant Member likes to show off when there is a big audience. We know that, we have had experience of that over the years that in fact on many occasions he has not even addressed the Chair but has addressed the gallery. This is very noticeable and we remember that very well but though we enjoy his performance and antics we must put them in their proper perspective. I understand, and I think it was also made yesterday on television, the Leader of the Opposition said that though they knew they could put these questions back on the Order Paper for answer they were not going to do so and they were going to leave them for written answer. They will get good answers, I can assure them of that. 31 Questions had been dealt with by the time the Hon Members left and properly answered and all satisfaction given, certainly supplementaries were fully explained on all the questions and indeed those other questions that were put after the Members left by the Hon Mr Bossano who had a number of questions on the Order Paper. If they had come back after these three questions had been called one could have understood it, but to stay away, then to go down to be photographed outside the House of Assembly and then to come back and say: "Well Done" to the Gibraltar Regiment and all that, whilst I read my report on the Gibraltar Regiment is really too childish for words. The point is that what we were concerned with was the question of element of anticipation and, of course, as I say we may want to have future guidance of these matters but I would like to say that each of the three questions related specifically to three points mentioned in the motion by the Hon Mr Restano. No 255 relates to the Preece, Cardew and Rider Report, No 256 asking for a full and comprehensive statement covering the events leading up to the acquisition of the new sets relates to paragraph 1 and Question No 257 relating to the Government's intention to purchase the 5 MW generators relates clearly to sub-paragraph iii. I say that whether the questions technically offend against anticipation rules, the Minister was perfectly justified from a technical point of view in stating that he would answer the questions in their proper context. The use

of tactics in this House is not the prerogative of one side of the House. Let me tell you that it was proposed to answer Question No 294 about Casola's Building in the same way. To say that the Government acted undemocratically because the Minister cannot be questioned in debate in the same way as his supplementaries is really not tenable. The rule that the Minister may only speak once in the debate is not an excuse because we continuously give way for questions to be put in the course of the debate and Members, so long as they are reasonable justified in asking to give way are normally given way until the discussion becomes completely impossible to control for proper debate to carry on. So much for the introduction of the Mover about his remarks on my remarks and about the absence of other people's remarks about his remarks which I am sure must embellish the records of this House. The question is, in the substance, that the Government considers the motion to be misconceived. That does not mean that all the difficulties that the Hon Mover has raised are not fully shared by the Government. In fact, it is perhaps a most difficult situation for a Government to be in and therefore it would be worthwhile wondering why the Government have found themselves in this position which is really a killing position for any Government. The most difficult and the most worrying one for any Government but there are good reasons. Unfortunately, events happen in this way that things happen and that they have this dreadful effect which we fully share; we do not under any circumstances want in this debate, whatever the results of it, underestimate the difficulties that are created by the power cuts. Let me say that and that nothing that I say in this debate in any way impinges on that sentiment which I can assure Members is perhaps the only matter that worries me in public life, the rest I can live with but this one is the most difficult one because we know that when it is happening a lot of people are suffering. But the Government consider that the motion is misconceived for a number of reasons. In the first place the Government is responsible to the House and to the electorate for the way in which it conducts its public affairs in Gibraltar and, of course, one of them is the performance of the running of the power station. The role of the Opposition, broadly speaking, is twofold. On the one hand an Opposition strives constantly to persuade the electorate that the Party in office should be substituted by the Party in Opposition and, by God, aren't they doing that pretty well since the last Election and the unexpected gift presented to the Hon Leader of the Opposition by the necessity of Mr Xiterras to leave Gibraltar. On the other hand, and for as long as it is unable to achieve this, its role should be a more constructive one, ie, it should do whatever it can to propose policies and measures which will redound to the general interest. It is, of course, particularly for this Opposition, understandable that they should attempt to use every possible way of carrying out its first role, a Public Inquiry is certainly a very comfortable method for an Opposition to attempt to employ. I will say that even the Public Inquiry suggested

smacks of typical colonialism, asking the Governor to do something. A third party would carry out an investigation and the Opposition would hope that the results would provide it with ammunition with which to attack the Government. The Government is not prepared to agree to this method being employed. It is perfectly prepared to defend its record on the Electricity Department and, indeed, any other Department and to answer any charges that may be levelled against it in the course of debate in this House. In proposing the motion, the Mover has of course made a number of charges against the Government in order to support his case for the Commission of Inquiry. The Minister concerned, as I said before, will answer these charges and will describe the complex circumstances which made cuts in the power supply necessary. But what the Government is not prepared to do is to allow the Opposition to abdicate its responsibilities for making its own case on this or any other issue or to distort the procedures of this House by in effect calling for a third party to arbitrate. After giving this matter the very serious thought that it deserves and requires the Government has come to the conclusion, first, that the holding of public inquiries into matters of administration on which there is disagreement between the Opposition and the Government would be inappropriate. Today the call is for an inquiry into the power station. If this were to be agreed, tomorrow or the next day there would be calls for public inquiries into any matters the Opposition might choose to take up. If the precedence were once established it would be extremely difficult to resist such calls. This is not in the view of the Government an acceptable way of doing business. The Opposition's role and duty cannot be substituted by an extraneous third party or by government by inquiry. Apart from the procedural and political considerations already mentioned, it is necessary in this particular case to ask whether an inquiry would in any event be helpful in the general public interest. The Government considered view is that it would not and that to hold an inquiry would do considerable harm in an area where everyone should be endeavouring to bring about improvements. It is no secret that since 1972 the situation in the Generating Station has not been an easy one. It has been alleged that the Government is at fault for not providing adequate plant in time but it is also public knowledge that industrial relations at the Generating Station have not been everything they should be in recent years. The Government makes no attempt to apportion blame over this, it is merely stating a fact. The Government has no doubt that if a public inquiry were to be held, all the difficulties of the past would be revived. Some, and most, we hope, have already at least been partially settled. There would undoubtedly be accusations and counter-accusations and mutual recrimination of the past events. The Government is making no attempt to judge where the fault lay or may be laid. An inquiry might well find that there was blame on both sides but what would have been achieved except to revive old disagreements and thus make the prospects of future harmony, so essential, that much more difficult. The Opposition would also hope that some political blame would emerge from such an inquiry but that is

something that they should work at themselves and if I may say so, without an inquiry, in this particular case the Hon Member has tried to build up a good case for the Opposition in that respect. I think, too, that another role of the Opposition is within its disagreement with the Party in office, to be as constructive as possible in the general interest. The Opposition has not chosen this course in this case. The Government, however, intends to proceed along the lines that we have already stated. Part (iii) of the motion calls for an inquiry into the short and long term plans of the Minister to provide for a continuous supply of electricity to the public and for a report on whether such plans are adequate to service the needs of the community now and in the future. This House, and indeed the public at large, have already been informed in detail of the long and short term plans. These will be repeated once again by the Minister when the time comes. The Government is completely satisfied that these plans are fully adequate to service the needs of the community in the future and in the very immediate future the more urgent needs of the community. What the Government does recognise as is implicit in what has already been said, is that there have been particular problems in this Department. Recently, the Government announced that it would be appointing a Committee of Inquiry to look into the role, structure and performance of the Public Works Department. It was made clear at the time, long before there was any question of a motion of censure or anything, that this would be the first in a series of inquiries into the efficiency of Government Departments and that the Public Works Department had been selected because it is the largest spending Department. It continues to be the Government's intention, once that Department has been dealt with, to inquire into the efficient workings of other departments. The Electricity Department will now be the next department to be tackled. As in the case of the Public Works Department the effort will be directed at finding possible ways of improving efficiency and keeping down costs. Also, as in the case of the Public Works Department, the inquiry will be conducted in consultation with the Unions concerned. I really believe that that is a forward-looking, cooperative exercise which should result in real benefit to the public and to the Department as distinct from a sterile, backward-looking investigation designed to serve only the political interests of the Opposition irrespective of whatever damage might be done in particular to industrial relations by reviving old and dead conflicts. The Government is fully satisfied that the power situation which has already improved recently, will be satisfactory over the immediate period and also in the long term. It intends as part of its previously announced programme of inquiries into efficiency of working of departments to turn its attention to the Electricity. That exercise, carried out in consultation and cooperation with the Staff Side, is more likely to ensure a stable situation for the future in the interests of all concerned than the inappropriate and rather suspect methods proposed by the Opposition. The other matter which is particularly relevant in this is that the setting up of an inquiry would bring about considerable

delays in exactly what is going to happen in the future. It could be said that whilst the inquiry was on nothing major should be done. If that were so it would mean that other than the relevant repairs etc, we would not be able to get on with plans which unfortunately have taken a long time to develop. The Mover was wrong in one matter, amongst others, and that was in saying that the reason why the Ministry of Defence could not come with us was because we do not run our power station properly and they do. That is complete nonsense. At the time when the proposal was made to have a joint power station there had been no cuts at all and our station has been described at that time as a well maintained, well run station and, in fact, as the Hon Member must remember, because he keeps records of all these matters, it has been stated here that there was local agreement about the joint power station. There was local agreement but unfortunately by the time it reached the United Kingdom and the question of expenditure was concerned, the answer was that they could not involve themselves in expenditure beyond 3 to 4 years and this entailed a much longer term. That accusation therefore is completely baseless. Also, if I may say so, and not by way of satisfaction but by way only of fact, that the power station at the Dockyard is not without its own troubles. Somebody in the Ministry of Defence, very highly placed, said that he had had power cuts a few nights previously and they are supplied by the Dockyard Power Station. They have had great problems and it is inherent in small stations that these matters happen. There was one matter which was mentioned in the course of the Supplementary Estimates yesterday which I think I must clarify because I am sure the Hon Mr Bossano was applying some information he had and making some wrong deductions about some information he had. It is not a fact that the old station was going to be scrapped in 1976 because the shift system was being altered. What happened then was that we were in a position to close down the old station all night and there was no need to have a shift there with the plant that we have in the outside one and, of course, this did not mean that those engines were not still fit to supplement and support the others. Old as the engines were, at that time and in fact they are still being very helpful, at that time it was not intended to scrap them but it was intended to do precisely what it is proposed to do now with the skid engines and that is to use them in support at peak hours and that is why it was felt that in the silent hours there was no need to keep that station open and therefore there could be a reshuffle of personnel. I am not going to go into the matter of what happens because it does not matter for this purpose but it matters in clearing up the deductions which the Hon Member made of his knowledge of the change in the shift system. I did say yesterday, because there is and this has not been stated by the Hon Mover, but there is a general feeling that the engines in the North Station are in such a shocking state that they are old and impossible to work. That is not the case, in fact, to some extent the Hon Mover has given figures that would show that that is not the case because he has given figures. It all depends, of course, in the life of the engines the amount of

hours that they work but on present rating and given normal circumstances, No 9 engine has an expectancy of good working life of 6 years, No 10 engine of 5 years, No 11 engine of 12 years, No 12 engine of 10 years and No 13 engine of 17 years. So really it is not that the engines themselves are unfit, it does not mean that it does not require supplementary power to deal with the increased demand required by a progressive society which is able to buy more and more electric gadgets, to make the lives of people much more comfortable and therefore the demands are bigger and it does not mean that we should not cope with that situation, of course we should, and the fact that for a number of reasons which again will be explained by the Minister concerned we have had this difficulty on two or three occasions but really the problem has been the long delay which in all good faith was taken by those who were dealing with it, a delay that happened to do something which looked so sensible that those who had been working at it for eighteen months came to the conclusion that it was the right decision. I do not say the only one, but one of the main reasons is that the idea of having one power station with plenty of surplus supply to the two authorities would bring about considerable savings in charges and capital plant in the long term and after eighteen months of enquiry it was considered to be the right thing but unfortunately for the reasons I have explained was not acceptable in the United Kingdom. That does not answer all the reasons for the delay. There have been other problems which I have mentioned but I feel that having regard to the difficulties we have had in the past and which fortunately now we are in a better position to deal with, an inquiry to bring about, to bring back, old conflicts to create recriminations and so on would do more harm than good and therefore we are unable to agree to this. In no way say by doing that is it in any way intended to minimise the importance of the problem and the fact that, as I say, once the Public Works Department Inquiry will be done, another one will be done in cooperation with the staff and the Unions, etc to make sure that the power station works well.

HON P J ISOLA:

Mr Speaker, I would have liked to have left my contribution till after I had heard the Minister for Municipal Services give his explanation but I think that the Chief Minister has raised a number of very important points of principle that I feel bound as Leader of the Opposition to deal with. I think he has attempted to meet what is an impregnable case for an Inquiry by a political attack on the motives of the Opposition for bringing this motion. I know that it is a well-settled principle that the best means of defence is to attack but when the position of the Government is completely defenceless as in this case it is, it has no defence for its actions, then I would have thought that the more honourable course for the Government to have taken in this situation would have been to accept an inquiry by expert and independent third parties in

the interest of the public of Gibraltar to have reassurance, and this is the main point in this motion, to have a reassurance about the continuity of supply in the future. The people of Gibraltar, if they have read, which they have not but we have as their elected representatives, Government statements in this House and Government assurances in this House and public statements by the Government on the power situation in the last twelve months, if they have read them all carefully, interpreted them and analysed them carefully, they can have no confidence in any assurances that the Government may give as to the power situation for the future because they have given assurances about the power situation in October, 1979, in March, 1980, I am only going back twelve months, and in July, 1980, none of which have been found to be correct and, indeed, Mr Speaker, when after the cloud burst of the August bank holiday Government said: "Clouds, this is why we have had power cuts", and then they blamed the little engine at King's Bastion, and said that as soon as that was put right everything would be alright and within five days of that public statement they came out with a press communique saying they had reviewed the situation as a matter of urgency and were now going to get four skid-mounted generators, a change in seven days of one of don't worry, everything will be alright, to one of extreme urgency, how can the public and how can a responsible Opposition put any credence on Government statements on the power situation, on any Government assurances. If the Government's record on this is open and frank and safe then I would have thought there would have been no objection and no need to object to a public inquiry. We want a Commission of Inquiry, Mr Speaker, and our main reason for that is not to go into the industrial relations in the past between the Government and the Unions, and if they have to be gone into I do not see any harm in doing that, that is not the main objective at all, the main objective is to have reassurance that the Government planning on our future power needs are not going to be as disastrous as the Government planning and assurances on our power needs during the last 24 months. We cannot accept a statement from the Minister for Municipal Services to the effect that everything is going to be alright because he has made that statement on at least four occasions in the last twelve months and he has been proved wrong within three weeks of making them. How can the Government expect us on this side of the House to accept assurances from the other side of the House and we are seriously concerned as indeed the rest of Gibraltar must be seriously concerned as to whether Government plans for the future are safe and as to whether Government plans for our power requirements in the future will meet our power requirements and we think there is a need for somebody to come out who is an expert in the matter and inquire into the whole situation of power in Gibraltar and an independent person to be able to tell the public of Gibraltar; "Alright, they are now on the right lines and everything should be alright". We need that reassurance, the public of Gibraltar need that reassurance and this is why we are asking for a Commission of Inquiry. As for the Chief

Minister's remarks that it was a typical colonial situation to ask for a Commission of Inquiry, the only thing I can answer to that is that if he thinks it is a typical colonial situation he is the Chief Minister, he has a majority in this House, come with a Bill to repeal the Commissions of Inquiry Ordinance but that forms part of the laws of Gibraltar and the only way we could see it being done was by asking for a Commission of Inquiry. It so happens that that Ordinance, like many other Ordinances on our statute book, refer to the Governor as the person who makes the appointment. Similarly, the Minister for Sport in his Committee, it is the Governor who makes the appointment although on his recommendation but there are many instances of Government committees where it is the Governor who makes the appointment, if that is colonial what is the Chief Minister doing about it? We have been extremely restrained, Mr Speaker, on this matter and I must tell you that we asked for a public inquiry because, and the main reason why we said that the time had come for a public inquiry, was the sudden decision by the Government to buy four skid generators, when only seven days before we had been told by some cynical guy in the Secretariat that the power cuts were due to a bit of cloud and one of the small engines in King's Bastion going wrong, but these had been repaired and everything was going to be alright, we had been told 5 or 6 days before and suddenly, 7 days later, when there are continuous and serious power cuts throughout the community the Government then realises, I suppose for the first time, what a very serious situation Gibraltar was in and said: "There is a need for emergency action now, we are in trouble". That is the first time the Government said it after about twelve months of debate and assurances in the House: "We are in trouble, we are now going to get four skid generators". And when that happened, Mr Speaker, as a responsible Leader of the Opposition, I became absolutely and entirely convinced that the Government did not know what they were doing and that they were just plugging holes as they came up and hoping that they would be able to go on plugging holes until the new 5mW generator was installed. They discovered that they were not able to plug holes any more and they had to get four skid generators. I think then I became really concerned as to whether one additional 5mW generator was going to solve the problem because I had not forgotten what the Minister for Municipal Services said in his statement to the House on 13th October, 1979. Mr Speaker, as you will recollect, on that occasion the Minister made a lengthy statement on the power situation but made no mention of the Government's intention to buy a 5mW generator. It was only after the motion on the adjournment in which my Hon and Gallant Friend, Major Peliza, and during his statement on this side of the House, we asked for assurances that there was enough generating capacity in Gibraltar to meet not only the needs at that time but also future needs with development that was going on in Gibraltar, it was only after we pressed the Government that the Chief Minister, not the Minister for Municipal Services, got up and said that he had had consultations in the back room and he could inform the House that they were going to get a 5mW

generator and that it would be in position and for use within eighteen months. I do not have to say that twelve have already gone and there is no hope of that particular pledge or assurance being fulfilled. But it is significant that the Government has only acted with regard to future power supplies in two situations, once in 31st October, 1979, when it was cornered in the House and assurances were sought and they suddenly decided in the backroom that they would buy a 5mW generator and again in August or early September, 1980, when Gibraltar was plunged in absolute darkness that they decided that they would have to bring some skid generators too. This, Mr Speaker, justified the Opposition in having serious doubts about the capacity and ability of the Government to supply Gibraltar with a continued power supply. As electricity is the most important essential commodity in our community I think it is fully justified for my Hon Friend to move a motion in this House to have a Commission of Inquiry set up to inquire into the needs for the future and to reassure the public about that because the Government cannot reassure the public because they have assured them so often and all these assurances have been misplaced as the facts have turned out. Mr Speaker, I heard the Hon and Learned Chief Minister say that the power situation was the thing that gave him the most worry in public life. I do not doubt it for one minute. In the Varyl Begg situation you can sort it out by paying £600,000, no problem, it is taxpayers' money. Other issues can be solved by paying from public funds but this one cannot be solved that way, this one the people are living with them, they have seen the failure of the Government, they see it there black upon black, constantly and every day. Of course it must be his worry and he knows he cannot do anything, that is why he got the skid generators, he must have turned to the Minister and to his management in the Generating Station and said: "We cannot go on living like this in Gibraltar. What must I do to give people electricity which every country in Europe gives constantly to all their consumers?" And then he was told to buy the skid generators, and when he said it would be expensive he was told to hire them to meet the situation. I know it must be for the Chief Minister a terrible thing for him to see at this late stage in his political life that he cannot give a continuous supply of power to the people of Gibraltar. The Hon and Learned Chief Minister knows perfectly well that if he went to the electorate today he would be thrown out, he knows that there would be a landslide. The landslide of Reagan would be peanuts compared to the landslide there would be if the people of Gibraltar were faced with this choice now. I suppose that the Minister for Economic Development would console himself by putting it down not to the power situation but to the trend in the world to lurch to the right. Mr Speaker, another thing I would like to say as to how the events in August convinced us about the need for an inquiry. Up till August the Government played down quite considerably the assistance it was receiving from HM Dockyard Generating Station. I remember reading letters from the Press Officer in the Government Secretariat, in the Chronicle, around July/August, showing percentages of the contribution of the HM Dockyard. It was something

like 3% of the generating capacity of King's Bastion which we know is very little and we saw this, and apparently the Dockyard was not helping at all and then suddenly, over a period of two weeks, the whole picture changed. The Government was falling over itself to thank the Dockyard for the help it was giving. I suspect what must have happened is that the Dockyard must have said that if they were going to be bailing them out all the time at least the Government should have the good grace to accept in public the assistance that they were giving. That must have happened although we will never know because like the Preece, Cardew and Rider Report, this is confidential and secret. As a result the Government got assistance from the Dockyard. Mr Speaker, the Opposition in my experience since 1972, has only asked for a public inquiry on two occasions so I think the accusation of making political capital or trying to make political capital on the part of the Opposition is less than fair and we have only asked for a public inquiry on two matters, this one and the Varyl Begg Estate and how right we were in asking for that inquiry in October, 1978, on the Varyl Begg Estate. It will be interesting to read that debate and what the Minister said as to how soon it was all going to be settled and we find that it is settled two years later at most disadvantageous terms to the Government. We asked for it two years ago and only on two occasions have we asked. We are not in the habit of doing this and in fact before asking for a public inquiry on this we actually moved a motion of no confidence on the Minister in March, 1980. We are forced to ask for an inquiry and we have asked for it for reassurance to the public that the Government's plans for the future as far as the power situation is concerned are well founded and reasonable and likely to produce a continued supply of electricity to the people of Gibraltar. Mr Speaker, I would like the Minister to answer this, why in August, why in September, do you make a decision to order skid generators when you are almost in darkness? Why didn't the Government in March say: "Is it possible, Minister, that we will have more powers cuts in August due to lack of generating capacity or engines breaking down, is it possible? And if it is possible should we not do something about it in March, 1980?" Nothing was done then. The Government probably thought that as summer was coming we would be alright. Little did they think that on bank holiday in August, Gibraltar was going to be plunged in darkness. But they have the expertise, we do not. They have the information available to them, why were these skid generators not ordered in March precisely to overcome the problems that we all now are faced with? These are good reasons to ask for an inquiry because the facts are there to show that the Government has erred to a very serious extent with regard to the power requirements of the community and that this requires investigation and not just investigation but assurances as to the future whether the buying of this 5mW generator is going to solve the problem. I do not think it is and I am not in the Electricity Department nor do I know what the Preece, Cardew and Rider Report says but I remember what the Minister said in his statement on 31st October, 1980, about the full generating capacity in the

station being something like 14mW and the peak amount required something like 13 or 12.7mW at that period of time. I also know now, having heard my Hon Friend Mr Bossano yesterday and the clarification statements of the Minister, that in fact the King's Bastion which I believe has something like 4mW of generating capacity, is really useless or coming to the end of its life very quickly. So therefore the 5mW that we are going to get new is only going to replace the 4mW in the Generating Station and its spare capacity will soon be only a couple of megawatts and by then the Marina Development will have been completed and other developments and there will be a greater demand. I notice that now the Government, when they did the contract documents, they also took an option for another 5mW generator. We were not told about that possibility until very recently. The same problem, ad hoc planning, and we are worried. The Chief Minister tell us that all those engines 9, 10, 11, 12, 13 have periods of life ranging from about five years to twelve or fifteen years. But five years is round the corner, Mr Speaker, because when Preece, Cardew and Rider reported was in 1976 and we are at the end of 1980 and one of their basic preliminary recommendations has still not been carried out which was to get a new 5mW generator, the contract has still not been awarded as far as I am aware at this moment of time. Up till today or yesterday it had not been awarded. These are matters for grave concern for the people of Gibraltar, for grave concern for the Opposition. We have done in our constructive role as an Opposition everything we can in the last 12 months and further back to impress upon the Government the urgency of the situation as we have seen it and to urge upon them to get more generating capacity. We have urged them it is the Government who has been saying everything was alright. We have done everything, we have moved the final thing that we can do in the House and that is a motion of censure on the Minister. There is only one thing left to us to reassure the public of Gibraltar that we are conscious of our responsibilities to them and to the community at large and that is to say: "You do not believe what we say that you have acted badly, that you have acted negligently. Let us have an independent third party, an expert, to come in and look at the whole thing and look at Preece, Cardew and Rider and see how far it goes and make sure that the plans for the future will guarantee continued supply of power to Gibraltar". That is the most we can ask the Government and if the Government refuse the Committee of Inquiry we will just tell the electorate "We have done all we can. The only thing you can do now is just physically go and throw them out if you are dissatisfied". We are asking for the inquiry and we have been very patient. We could have asked for this in 31st October, 1979, when my Hon and Gallant Friend asked for assurances and at the last minute a 5mW generator came up. But now, Mr Speaker, even all the experience and advocacy of the Chief Minister cannot convince a single person in our community that there is nothing wrong with the power situation and that the matters are in hand and that everything will be OK. I do not think there is a single person outside those Government benches in

Gibraltar who will believe that. Let us have an inquiry and at least let us find out. And if somebody comes round and says the Government plans for the future are perfect and with a bit of luck Gibraltar has no worries for the future in power supplies, we would be delighted to hear that and we would be able to tell the public that they have got another year but then the blue lining is there and everything will be alright. We will have been reassured and the public will have been reassured. The Government must understand that our reason for asking for an inquiry is because the assurances they have given have all been wrong and have all gone wrong, for one reason or another. They talk of us playing politics, it is the Government that has unfortunately been playing politics with the power situation. The Government has been unwilling to admit that they were wrong and that they were not making proper arrangements and have held back making emergency arrangements until there was no other option open to them, until Gibraltar was plunged into darkness and they knew then that something had to be done or the public would march on the office of the Chief Minister and that is when they announced the four skid generators. Mr Speaker, I hope the Government will do what I think is right in a situation such as this and if they have nothing to hide, as obviously they have, to agree to the appointment of an independent commission of inquiry. Mr Speaker, before I close I think I ought to make just short comments on the Chief Minister's interpretation of the walkout of the Opposition yesterday at Question Time. I think it is very much a matter of democratic principle. The Chief Minister sought to get round it today by saying the Minister could make a statement and he could give way and then questions could be asked. I know that the Chair is very liberal in these matters but I wonder whether one could have gone through the question time in the course of a debate. I think that would be an abuse of the procedure of the House and the Chief Minister must realise this. It is interesting to see that in fact the Minister yesterday, when we came to vote the £80,000-odd for the skid generators, started off by trying to resist being questioned on them. Eventually, he had to cede because he had to justify to the House his need for the money and answer the questions about them and we had quite a long series of questions and answers. That is not possible in a debate on a motion and the Government know this and I suspect that what the Government was seeking was to have one speech by the Minister nicely prepared, all written out, one speech which he makes and then he is not bothered any more. That gets printed in the Chronicle and everybody says that is fine. The GBC have a copy so it is easy to put it out. He does not have the embarrassment of being asked why this or why that and having to get up and answer it. That is the real reason why the Government decided not to answer the three questions on power yesterday, that is why we as a matter of principle thought it necessary although we were very concerned about the situation to leave the House at Question Time as a protest and as enforcement of the hope that that will never happen again in the House. We have always agreed when we ask a question and

the Minister says: "Well, Mr Speaker, I intend to make a statement to the House at the end of question time on the subject matter". We have always agreed in the circumstances to await the statement because, Mr Speaker, you then allowed us to ask supplementaries as if it was a question. If that had been the procedure that the Minister had suggested on Tuesday we would have accepted it but we could not accept a situation when the Minister says: "Well, I will deal with all this in the debate in a motion. I will make my statement and you will not be able to ask me a single question". That would be nice for him but that is in fact what the Government was doing. That was the Government's way to deal with a very embarrassing situation. Mr Speaker, we believe that Ministers are elected to the House and they have a responsibility to the House as a whole to answer questions and to clarify matters however embarrassing answers that have to be given may be in particular situations. I hope the Chief Minister at least considers that it is very much an important matter of principle for the House that Ministers should answer questions put in the House unless there are real overriding reasons for not doing so. They have a right to get up on every question, I know, and say they are not answering, and sit down. They have that right but I would hope that the Government would accept that that would not be democracy in Gibraltar that every time a question was put in the House that the Government didn't like, the Minister refuses to answer. That would not be right or proper in our democratic institution. I know the Government has been answering by the hundred but they stopped dead on these three and in order to avoid any repetition we thought it necessary to make a protest that would get home to the Chief Minister how seriously we looked at the matter. Of course we were concerned that we were not going to be able to ask supplementaries in 70 other questions, of course we were, it was a matter of great concern for us in that situation. We came back to the House after question time because this happened as a result of the attitude the Government was taking to questions and we carried on with the procedure of the House. Some have told me that we should not have come back at all but that is not the way a responsible Opposition conducts itself.

HON CHIEF MINISTER:

If the Hon Member will give way. The Opposition walked out and kept out of a whole session. I believe the Leader of the Opposition said that this had never happened before except once when I did it. He was wrong, completely wrong. The Opposition came here when Mr Hattersley was here, came here, heard prayers and went away, something we did not have anything to do with. We were deprived of the contribution of the Opposition throughout the whole meeting because Mr Hattersley was here and we had nothing to do with it. It may have been responsible, too, I don't know.

HON P J ISOLA:

Yes, I am afraid I didn't recall that situation when I went on television, I only recalled the earlier situation when the present Chief Minister walked out of the House. But obviously it is only done on serious occasions and it was a protest limited to the Government's attitude to questions. We do not want to do this. It is not a thing people like doing at all, but there are occasions and this was certainly an occasion because the most important local issue before the people of Gibraltar today is the power supply. To be refused answers at question time on that we felt attacked the very basic conception that we have of democratic Government and Opposition. So, Mr Speaker, I hope that the House is reassured about our reason, for wanting an inquiry and our justification for asking for one and I hope the Government will be able to agree to the motion in the terms moved by my Honourable Friend.

HON DR R G VALARINO:

Mr Speaker, Sir, before dealing with the motion by the Honourable Mr Restano I would like to answer a few questions, a few things which the Leader of the Opposition has said. First of all, I did not refuse to answer the questions because I felt there was anything to hide, I did not answer them because I felt and I knew that the questions would come up further in the debate as indeed I answered the questions yesterday. However, it seems to me shameful that the Opposition should have asked out and missed supplementaries on many important matters which the people of Gibraltar were concerned with. There is no way it can disguise the fact that this was a shameful act by the Opposition. Secondly, the Leader of the Opposition has got his facts wrong as usual. This is no novelty. The potential capacity of King's Bastion North is 14,100 kw, he got that one wrong and the potential capacity of King's Bastion South is 4,500. He got this one wrong until I corrected him. So there are two points where he was entirely wrong. On a further point let me quote from Hansards as the Hon Mr Gerald Restano usually does when talking at length. Let me quote from Hansard from the 5th of December, 1979: "What was however being generally overlooked is the fact"

MR SPEAKER:

Who is the Member you are quoting?

HON DR R G VALARINO:

It was myself, Sir. "What was, however, being generally overlooked is the fact that in the first 10-year period the demand grew from just over 6,000 kw in 1960 to 13,000 kw in 1970, an increase of 7,000 kw. This represented a growth rate which during the prosperous 1960's was typical of most of the developed

countries. The annual growth rate was of the order of 7% which meant that demand doubled every 10 years. In contrast and again in common with other European countries, demands during this decade of the 1970's had been substantially damped. In spite of this, countries like France are short of capacity at present. The Honourable the Leader of the Opposition said that everybody had plenty of electricity. He is wrong once again.

HON P J ISOLA:

Will the Honourable Minister tell the House something about the power cuts that the French people are suffering constantly?

HON DR R G VALARINO:

I would love to do so, Mr Speaker, but unfortunately I am not French nor do I hold a French passport like the Honourable Mr Restano, who would probably be better able to answer the question.

HON G T RESTANO:

If the Honourable Member will give way. First of all, that is a lie. I do not have a French passport, that is an absolute lie and I would like the Minister to retract his words immediately.

HON DR R G VALARINO:

Mr Speaker, if I am wrong I apologise. But, certainly, Mr Restano has been in France much more than I and so has Major Peliza and they can vouch for this.

HON MAJOR R J PELIZA:

Mr Speaker, if the Minister would give way. I have never experienced any power cuts in France, certainly not.

HON DR R G VALARINO:

Mr Speaker, with the short and rapid visits to Gibraltar and every other place round the globe I am not surprised that the Honourable Member has not suffered any power cuts. He has never been anywhere long enough to have any power cuts.

HON MAJOR R J PELIZA:

Mr Speaker, except in Gibraltar, if I may say so.

HON DR R G VALARINO:

Mr Speaker, I did not give way. To carry on with the subject at hand: "In fact, as far as Gibraltar is concerned" - and I am still quoting from the relevant document - Hansard 5th December, 1979 - "as far as Gibraltar is concerned the growth in demand from 1970 to date has been a mere kilowatt compared with the previously recorded figure of 7 kilowatts. To cope with this increase a machine with nearly 5,000 kw capacity was installed in 1972. Consequently, the reserve capacity in the system since that year, has been the highest in our history which records a short period during most of 1961 when the demand was higher than the total available capacity". That deals with the Leader of the Opposition's remarks. Mr Speaker, I will not give way as I have patiently listened to Mr Restano's motion on the subject and I think it is only right and proper that I should have my say now.

HON MAJOR R J PELIZA:

Will the Honourable Member not give way?

MR SPEAKER:

Order, I will not have any further interruptions. The Minister has said he is not prepared to give way and that is the end of the matter.

HON DR R G VALARINO:

Mr Speaker, the first part of the motion by the Honourable Mr Restano has already been dealt with by the Chief Minister. I echo the Chief Minister's excellent contribution and I further say that the Government considers the motion to be misconceived. The Chief Minister has gone into details regarding this part and has stated the life of the engines in King's Bastion North which the Opposition said that these were old engines and needed to be scrapped as soon as possible. Furthermore, I fully agree with his concluding remarks that the Government will not accept this motion. I further welcome the fact that the Chief Minister has stated that once the inquiry into the Public Works Department's role, structure and performance has been completed, the Electricity Department will be dealt with next. This will be of real benefit to the Department and not a useless inquiry designed to serve political aspirations of the Opposition. The reasons for the failure of the department to ensure a continuous supply of power to consumers of electricity over the past four years has been given in this House various times in statements to the House, both by myself and previous Ministers, in answer to questions and in detailed press releases. One of the biggest reasons for this fact - and I again quote the Hansard of 31st October, 1979, which the Chief Minister mentioned:

"Notwithstanding this delay, a Working Party was set up in October, 1978, to look into all 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." Finally, he says: "As recently as the 31st August, 1979, the Government was advised that the Ministry of Defence present and immediate future requirements for power could be adequately met by existing resources and consequently the Ministry of Defence could continue to pursue its current and separate development programmes as it considers the major capital investment in a new power station as put forward in the Working Party's report was not necessary."

MR SPEAKER:

What page is that?

HON DR R G VALARINO:

Hansard of the 31st October, 1979, page 20.

MR SPEAKER:

And you are quoting from your contribution, are you?

HON DR R G VALARINO:

I am quoting from my contribution Sir. Therefore, a very big reason for this which I have just mentioned, was the delay of a year, in fact more than a year, whilst Ministry of Defence considered whether it was feasible to have a joint enterprise or not. We finally found out from them that they thought - in fact I think by this time there was a change of Government in the United Kingdom - they thought it was not indicated and we were left as late as nearly the end of 1979, we were left on our own. The problems we are facing in Gibraltar are not unique to Gibraltar but are common to any small undertaking like our own. This is a fact which the Opposition has got to realise.

HON P J ISOLA:

If the Honourable Member will give way:

HON DR R G VALARINO:

I have said I will not give way. Our problems have been the backlog of work and the associated problems arising mainly from No 11 engine which suffered a broken crankshaft, the damage gear train on No 12 engine and the derating of No 13 engine. It was in March 1980 that the crankshaft of No 11 fractured. The ready availability of a new crankshaft for an engine which

ceased to be produced in the late 1960's was doubtful to all concerned. Nevertheless a new crankshaft was offered in April under a very attractive package deal for delivery in July. This signified that the engine could be restored by the winter. Members will recall the troubles and consequent power cuts we experienced in March when the big end bearing had to be changed in Engine No 13. The dispute on timings led to an investigation by the Industrial Relations Office and the Management Services Unit staff. The programme on maintenance of plant slipped downwards, principally because No 9, in addition to its normal major overhaul, required restoration of its foundation to be carried out and whilst engine No 13 was scheduled for release to undergo a major overhaul in early August, this had to be progressively deferred since on the 26th of July there was a breakdown in the gear train of Engine No 12, leading to a longer than normal outage for its top overhaul and subsequently a major overhaul had to be carried out on Engine No 10. In addition, the new crankshaft which was scheduled for delivery in July was delayed because it was received at Mirlees' works from the forgers in Germany for final machining during the works' holiday and thus the crankshaft did not arrive at King's Bastion until mid-August therefore delaying the recommissioning of this engine. The inability to de-commission engine No 13 in early August as scheduled followed during the month by progressively fast deterioration in performance and the late arrival of crankshaft for No 11 engine, led to an extensive review and the situation at the Generating Station was explained publicly by a press release on the 28th of August, 1980. It was after the above-mentioned review and in the light of the new situation it revealed, the Government took an immediate decision to acquire skid mounted diesel alternators in order to improve the situation and inquiries were made in the United Kingdom. Numerous offers were received through our consulting engineers and after detailed consideration, the Government accepted an offer from Messrs Woodlands (Worcestershire) Limited, for the provision of four package generators each capable of producing up to $\frac{3}{4}$ of a megawatt. The Woodlands' offer met the Government's main requirement. (1) relatively small size of set (2) ease and speed of installation through avoidance for the need for extensive civil engineering works (3) minimal size work, and (4) a combined output of about 3 megawatts and the earliest possible availability and delivery. These facts were explained in our press release of the 3rd of October, 1980, which also fully described the self-contained skid mounted sets. As you well know, one of the sets has already arrived in Gibraltar and is in the process of undergoing commissioning. The other three sets will arrive towards the weekend. Coupled with intensive maintenance work being carried out at present on other engines at the generating station, on which every effort is being made to achieve an early return to commissioning, the acquisition of the new sets will provide an adequate supply of power to meet the high demand of the winter period. I said in the House two days ago that I would be answering Questions Nos. 255, 256 and 257 during the course of this debate. The Chief Minister has already explained the reasons for this. I have now answered Question No 255 by describing the events which led up to the acquisition of the four generators. I have also covered the reasons for the failure to ensure a continued supply of power

this year. The reasons for previous problems I have already elucidated and have been dealt with during the preceding three years both by myself and other Ministers, here in the House and I have also described the short term solution in order to provide power for the needs of the community. In my opinion, to have dealt with these complex matters at question time would have been inappropriate and would have led to a repetition of this debate. In fact, I answered most of the questions yesterday during the Appropriation Bill and I am sure that Members opposite will have gathered all the information they wanted then, a day later, just the same as the answers that they would have got a day previously. The Leader of the Opposition was asking about the long term plan. What were we going to do for the future? How were we going to manage to ensure that we had no further cuts? He obviously misses what is going on around Gibraltar. The long term answer, and I have said this previously in the House, is obviously the building of a new generating station and I said this during a motion by the Honourable Mr Bossano at the end of March. As the House and the Members are well aware, two tenders have been received and they are in the process of being evaluated. A new 5-megawatt generator will be the first engine in the new power station at No 5 jetty with an option to have another 5 megawatt generator up to six months later. The first engine should be commissioned in the first part of 1982. That, Sir, answers Question 257 if, indeed, it requires an answer given the fact that tenders were opened publicly last week. This all came out yesterday in answers to questions from Members on the opposite side. Members should be aware that the skid mounted sets will be hired for a period of 18 months, though it is not considered that this equipment will be needed for a longer period. Government can further extend the hire period of 24 months depending on the progress of the new station. Hiring charges we dealt with yesterday but in case their memory fails them, it will be £11,546 per month during the first 18 months. This method of payment obviates the need for an earlier and more substantial capital outlay inherent in a purchase agreement. Moreover, on the hire agreement the supplier would be responsible for major repairs even if the engines blew up. The Government's position on the Preece, Cardew and Rider Report is clear. This is a confidential document to Government and will remain so like all other confidential documents, to whichever Government is in power. Let me remind the Opposition about the Beeching Report which was never published nor even made available to the Opposition members in confidence. Let me say finally, and I said this yesterday, that the provision of skid mounted generators never formed part of the Preece, Cardew and Rider Report and has been initiated entirely due to Government's awareness of the inconvenience to which the public have been subjected. That, Sir, is the answer to Question No. 255. The Opposition may now realise that they severely over reacted in yesterday's walkout, the day before, I beg your pardon. In my opinion this was a shameful demonstration by Members of the Opposition led by our travelling colleague. To sum up, Government is, however, satisfied that the situation has improved and is confident that it will continue to improve in the near future. Thank you, Sir.

HON AT LODDO:

Mr Speaker, mine will be a short contribution. It seems to me that Government forgets that this is 1980 and that we live in a better informed, more educated and more sophisticated society. A society where people cannot be fobbed off with bland statements which is what I believe we have been getting from Government on the question of the power situation. The catalogue of excuses given to the people of Gibraltar, as listed by my Honourable friend, Mr Gerald Restano, made very poor reading indeed. My attitude to the power situation, perhaps because I haven't been a Member of the House that long, is probably extra simplistic but I would think that if the Government has nothing at all to fear it would welcome a Commission of Inquiry and shut up the Opposition once and for all but I suspect the reason why the Government is reluctant to have an Inquiry is because it has something to fear. I recall that in this House we were told that the Government was not prepared or had not been prepared to make the Preece, Cardew and Rider Report available to the Members of the Opposition before the election because it might have been embarrassing politically for them to do so. The elections are now over, have been over now for a number of months, and we still haven't had this Report made available to us so if it is still a question of embarrassment I would suggest that the sooner they give us the report and get the embarrassment over the better and I ask this House is not the Government embarrassed enough already for having to admit that it needed to acquire 4 skid generators, and hired, at that. Is this House seriously expected to believe that the new generating station will be in operation in 18 months' time? I recall from the Hansard that the Chief Minister, in his statement of the 1st November, 1979 said that the 5 megawatt engine was supposed to arrive in May, 1981. We have just heard the Honourable Dr Valarino say that it will be commissioned in the first half of 1982. That is slippage of a mere 12 months in one year. I must say that I was extremely surprised that the Honourable Dr Reggie Valarino would not give way and answer questions after this House had been given to understand by the Chief Minister that he would. One other thing that puzzles me is that if these engines which we now have in King's Bastion, are to enjoy such longevity, I ask myself do we really need these four skid mounted generators? If the engines there are assured of so many years of useful life, what was the reason for hiring these skid generators? I ask myself these questions but I cannot answer them.

HON CHIEF MINISTER:

If the Honourable Member will give way.

HON AT LODDO:

Most certainly.

HON CHIEF MINISTER:

The point is that the mention is made in two different contexts.

The Minister has described the difficulties with regard to the engines but the mention of the longevity of the life was in respect of the fact that mention had been made, not here, I did say that, not here, but, generally speaking, that both engine rooms were completely unfit and should be scrapped. If they were all working now of course there would be no need for the skid generators but the Minister has explained the reason for the difficulties and the breakdowns that have caused the difficulties. I am very grateful to the Member for giving way.

HON A T LODDO:

I am grateful for the Chief Minister's explanation. Still I must say I am not convinced by the Minister for Municipal Services' explanation. As I said at the beginning we live in a far more sophisticated society, a society where people are better informed, better educated and they just will not be fobbed off with the excuses that have been given. With that, Mr Speaker, I come to the end of my contribution.

MR SPEAKER:

We will now recess and may I say that we will be starting at 3.15 promptly.

THE HOUSE RECESSED AT 1.00 PM.

THE HOUSE RESUMED AT 3.15 PM

HON J B PEREZ:

Mr Speaker, Sir, I would like to begin my contribution on this particular debate in connection with the electricity situation by saying that I was in fact quite impressed with the manner in which the Honourable Mover of this particular motion, Mr Restano, produced his arguments and his comments in support of this motion, although I must say that I cannot agree with some of the arguments and some of his comments but nevertheless I will begin by congratulating him on his presentation, on his research of this particular matter of substance and in fact it is quite clear to me and I think to all members of this House that, in fact, Mr Restano has done his homework as far as this particular motion is concerned. Mr Speaker, I think the main theme in the contribution made by the mover is that an inquiry is necessary because it is in fact in the public interest that we should have one. To that, Mr Speaker, I cannot agree. I would say, in my view, that it is not in the public interest to set up an inquiry as in fact suggested by the Honourable Mover in his motion. But I am not going to leave matters by merely saying that I don't think it is in the public interest because I intend to give Mr Speaker, what I consider, to be four very good and four very valid reasons why it is not in the public interest to do so, as he suggests. The first reason that I would give is that I do

not believe that there is anything practical to be gained out of this particular exercise. I would give, Mr Speaker, as reason No 1 that it is in fact a timewasting exercise and in fact involves a waste of public funds, that is reason No 1, because I do not believe that the people of Gibraltar, the public, are in fact concerned with the question of blame. What I believe is that the general public is concerned because they want a continuous supply of electricity. Reason No 2, Mr Speaker, is that I think that the setting up of an inquiry as suggested by this motion could lead to revive old scores, old problems, in the generating station and that, Mr Speaker, I don't think is conducive to an improvement of the present situation and neither do I believe it is in fact in the public interest to have this inquiry for this reason. Reason No 3: I think to set up an inquiry as suggested by the Honourable Mover may in fact result in a delay in the short term plan of the Government and that Mr Speaker, is not in the public interest either. Reason No 4 is that, as has been announced during the last six months, an inquiry is to be held following the inquiry into the efficiency of the Public Works Department, an inquiry is to be carried out as to the efficiency of the Electricity Department. In this respect, Mr Speaker, I would say that we would have a duplication, we would have two inquiries and it would result again in a waste of public funds. Mr Speaker, that is my fourth reason for saying that it is not in the public interest to have an inquiry on the basis suggested by the Honourable Mover of the Motion. Having given my reasons, Mr Speaker, I would like to make some comments on the contribution which was made this morning by the Honourable and Learned Mr Peter Isola, the Leader of the Opposition. In my opinion, Mr Speaker, I though his contribution was indeed a very poor one as compared to the Honourable Mover of the motion. I think the impression he gave me was that he himself had not done his homework on this particular motion, he had not done any research, he had not read questions and answers contained in Hansard, he had not read the press releases brought out by the Government, in fact, a complete and total distinction between the contribution made by the Leader of the Opposition was one more worthy to be made by the Leader of the Opposition was one more worthy to be made at Casemates before a general election than the one that he made in this House only eight months after a general election. I believe, Mr Speaker, that the Leader of the Opposition did not deal with any of the point which had been raised by the Chief Minister in his contribution of the motion. I think he completely disregarded the points which had been made, the very valid points that had been made, he has nothing to say on them.

HON P J ISOLA:

Perhaps the Hon Member will point out the ones that were not dealt with.

HON J B PEREZ:

Yes, I will not proceed to do so. Not only did he fail to comment or to reply to the points made by the Chief Minister but I think

Mr Speaker, that he twisted everything and many of the points which had already been raised in the debate and I think he did that being the good advocate that he is but let me remind the Honourable Leader of the Opposition, Mr Speaker, that he is not in a court of law. He is not addressing a jury, he is here in the Gibraltar House of Assembly and I would urge him to limit his contributions not on the finer points of advocacy or trying to dodge one, hedge this and not answer the question but to deal with the political issue which I would submit he has not done at all. The Leader of the Opposition said that he knew why Dr Valarino did not answer questions at question time. He suggested that it was a tactical approach because he didn't want to come under fire with supplementaries, that was the suggestion made by the Honourable Leader of the Opposition. I would suggest to him why he, in fact, failed to answer and to reply to any of the points made by the Chief Minister in the same manner as he has suggested why Dr Valarino failed to answer the questions. And the answer Mr Speaker, I think, is very clear. Because after hearing the points raised in the debate by the Chief Minister the Hon Mr Isola was fully convinced that it is not in the public interest to have a public inquiry on the electricity situation. I don't think it is a laughing matter, Mr Speaker. I honestly believe the Leader of the Opposition deep down realised that the points made by the Chief Minister were valid and it is not in the public interest to have an inquiry on the electricity situation in Gibraltar. That is what I suggest to him why he never made any comments to counteract or to reply to the points made during the debate. Mr Speaker, I also find and I feel that the attacks which have been made by members on the opposite side of the House or my colleague Dr Valarino have been most unfair in the past and I say so because most of the accusations levelled at my Honourable Colleague have been that he has failed to inform. He has been accused of failing to inform the public, failing to inform the House and that I think has been the major accusations levelled so far and I say I think it is unfair and I say so because if Honourable Members of the House

HON G T RESTANO:

Would the Honourable Member give way?

HON J B PEREZ:

Not at this stage.

MR SPEAKER:

Order.

HON J B PEREZ:

If Honourable Members opposite look at the Hansard as the Honourable Mover has done in moving the motion, if they would

have bothered to read press releases which I think is expected of a member of the House, they would have realised that explanations have been given continuously by the Honourable Dr Valarino on the electricity situation. Explanations have been given during every single meeting of the House of Assembly. I can understand that attitude, Mr Speaker, being taken by members of the public. Of course, housewives and elderly people and in fact the public in general are not concerned or do not read Hansard and do not really read every Government Press Release that comes out or even any press releases issued by the Opposition. Members of the public haven't got the time nor the inclination to read press releases and that I can understand because a member of the public is only concerned with having a continuous supply of electricity. I can understand that but what I cannot understand is for a member of the Opposition not to do that, that I failed to understand, if they are really responsible members of the House. I fail to understand that attitude. They know full well that the Honourable Dr Valarino has explained on many occasions why we have been suffering power cuts. He has said it in the House and as I say there have been numerous press releases in which the position has been explained. And that, Mr Speaker, was not the impression given to me by the Honourable Mr Isola neither was the contribution made by the Honourable Mr Lofdo. The impression they gave me was that they were still carrying on accusing the Honourable Dr Valarino of not explaining anything and that I thought and I think, Mr Speaker, is indeed unfair.

HON G T RESTANO:

Will the Honourable Member give way now?

HON J B PEREZ:

Not yet. Mr Speaker, the Honourable Leader of the Opposition also said that as far as he and his party were concerned they had asked questions in the House, they had even had a censure motion on the Honourable Dr Valarino and now they were, proposing a public inquiry and the Leader of the Opposition went even further. He said that by the Government not accepting a Public Inquiry he would now tell the people: "That is as far as I can go, there is nothing else that we can do". Except, he said, that he could tell the people to remove the Government physically.

HON P J ISOLA:

If the Honourable Member will give way.

HON J B PEREZ:

Yes, I will give way on this one.

HON P J ISOLA:

Because that is going a bit too far. I did not say that we would tell the people to move the Government physically.

HON J B PEREZ:

Oh, yes.

HON P J ISOLA:

I did not say that. I would ask the member to withdraw that imputation.

MR SPEAKER:

Mr Isola, what did you say?

HON P J ISOLA:

I said there was nothing left for us to do. We couldn't ask the people to throw them out, we couldn't jump over the desk and push them out. All we could do was use words, that is what I said.

MR SPEAKER:

In the first instance I think I remember you said, "I think we have to advise the people to throw them out of Government". Those were the actual words that you used in the first instance but then you corrected yourself.

HON P J ISOLA:

If the Government thinks we would suggest to the public that they should throw them out physically, we would never make that suggestion and of course we haven't.

MR SPEAKER:

Order. All I am interested in is in clarifying at this particular moment what was said in the first instance. You must certainly corrected yourself.

HON J B PEREZ:

I accept that, Mr Speaker, in fact I was going on to say that I personally took great offence to that remark.

MR SPEAKER:

Offence should not be taken at the comment once it was corrected.

HON J B PEREZ:

The point was, Mr Speaker, that I sincerely hope we do not get a repetition of that in this House. That is the point I wanted to make. I admit that it was retracted by the Honourable Leader of the Opposition but I sincerely hope that that suggestion whether it was made in a jocular manner, I hope we do not have any repetition of that because I took great offence to that. The Honourable Leader of the Opposition went further and said: "Mr Speaker, what should we tell the public now, there is nothing else we can tell them." Well, I am going to suggest to the Honourable Leader of the Opposition two things that we can tell the public which are still open to him and which he has not done. No 1. I would suggest to the Honourable Leader of the Opposition to tell the public the truth. All he has to do is look back at Hansard and press release and find the explanations which has been given by the Honourable Dr Valarino. That is point No 1 which I feel we ought to do. That is still open to him to tell the public because the public, for reasons which I have explained, may not have read Hansards, may not have read press releases but at least I think it is the duty of the Honourable the Leader of the Opposition to inform the public of the statements and the truth of the situation which has been very clearly outlined by my Honourable Colleague, Dr Valarino.

HON P J ISOLA:

If the Honourable Member will give way.

HON J B PEREZ:

No, I will not give way. Not yet, Mr Speaker, I will not give way. I will not give way until I finish.

MR SPEAKER:

Order.

HON J B PEREZ:

Point No 2 which I would suggest, Mr Speaker, to the Honourable the Leader of the Opposition that he can also do since he seems to be lost as to what he can tell the public. I would ask him, I would suggest to him, to tell the public that the Government have in fact got a short term and a long term solution which he knows, which has been announced in this House and if he doesn't remember what they are I will now tell him again for his own

benefit. Short term solution; The skid generators which have been purchased. That is the short term solution, Mr Speaker. The long term solution; the new Generating Station which is to be built, that is the long term solution. Since he seems to be lost as to what he can tell the public, why doesn't he tell them that - I will not give way, I have not finished, Mr Speaker - why doesn't he tell the public the short term and the long term solutions which have been proposed?

HON P J ISOLA:

Will the Honourable Member give way?

HON J B PEREZ:

No, I will not give way. Not yet. I think Mr Speaker that the behaviour of the Leader of the Opposition can be very clearly seen in one example which I am going to give now which explains quite clearly the attitude of the Opposition in this connection. That happened yesterday when we were asking the House to vote the money for the skid generators. I forget the figure now but I think it was £81,500. The decision was announced that Government had made up its mind to hire and not to purchase this particular equipment. But what is it that the Opposition do, Mr Speaker? Instead of welcoming this measure, which I expected them to have done, they now tell us that we are wrong in our decision of hiring and that we should have purchased. What I say, Mr Speaker, is that with this Opposition and the manner in which they are acting in connection with the electricity situation, if Government had come to this House and said: "We want the £81,500 to purchase the generators", the Opposition would have told us: "Why don't you hire, that is the best thing". That is what I say. That, Mr Speaker, is a clearcut example of the behaviour of the Leader of the Opposition and his Party in connection with the electricity situation in Gibraltar. Let me say that I find that Mr Bossano's view and attitude and stand was much more honest than the Honourable the Leader of the Opposition because Mr Bossano

MR SPEAKER:

No, no, let us say much more responsible.

HON J B PEREZ:

I beg your pardon, Mr Speaker, much more responsible. I thank you for the correction. Because Mr Bossano criticised the Government's decision of hiring instead of purchasing but at least he was responsible, let me use that word, Mr Speaker, in abstaining on that particular vote rather than the Opposition voting in favour of that money after they had criticised the Government for hiring instead of purchasing. Mr Speaker, I would pose the question, is this the attitude of a responsible and constructive Opposition or are these not the actions of an

Opposition whose sole objective is in fact to discredit Government, to try themselves to get into Government at whatever the cost. And not only that but totally disregarding the real public interest in Gibraltar. Mr Speaker, I say that this particular motion or what the motion sets to do, to set up an inquiry is, in fact, not in the public interest.

HON P J ISOLA:

Will the Honourable Member give way before he sits down? May I tell the Honourable Member, in answer to what he said before, that if he guarantees me space in the two Government newspapers I will certainly give them extracts from Hansards, without comment, of everything the Minister has said on power, and the Chief Minister, for the last 18 months and let the reading public decide. Unfortunately the DPBG has no newspaper so we are not able to manufacture news in the same way as the Government does.

HON J B PEREZ:

I would like to tell the Honourable the Leader of the Opposition that I am not aware that the Government has two newspapers. I am not aware that the Government has even one newspaper.

HON P J ISOLA:

If the Honourable Member will give way?

HON J B PEREZ:

I have already given way, Mr Speaker. I am not aware of any Government newspaper in Gibraltar, as suggested by the Honourable the Leader of the Opposition. That is point one. Point two, I can only say that that is the impression that I was given from listening to what I said was a very poor contribution which he made in this debate and he is to blame if that is the view that I took.

HON P J ISOLA:

If the Honourable Minister will give way?

HON J B PEREZ:

No, I am not giving way.

MR SPEAKER:

Order. You have the chance to reply. The Minister has finished his contribution.

HON W T SCOTT:

Mr Speaker, I think I ought to start by saying that I am quite willing to give way to any member of the House, and I include the Honourable Dr Valarino who denied me the courtesy earlier on this morning and in fact I wanted him to give way because he was mentioning one kilowatt and then subsequently 3 and 5 kilowatts again misquoting as he did yesterday. He should have said 1 megawatt or 3 or 5 megawatts. Mr Speaker, the Chief Minister's discourse this morning appeared to present a very rosy picture. I think he went through each and every engine both in the King's Bastion South and King's Bastion North.

HON CHIEF MINISTER:

If the Hon Member will start giving way, I never mentioned King's Bastion South at all.

HON W T SCOTT:

I stand corrected, Mr Speaker. But in the engines that he did mention he went into great detail on period of life and so on, and so forth and in fact he gave an impression that there was no problem with the electricity generating situation in Gibraltar as, indeed, most contributions from the Government side of the House. It would appear, certainly to me, Mr Speaker, that the Government are entirely blameless that we have no electricity generating problem in Gibraltar but then one looks back over the last 2 or 3 years and one asks oneself; "Is this a myth or isn't it a myth?", because other than District No 5, I think it was, we had something like 400 odd hours of power cuts within the last few months. Mr Speaker, earlier on this year, round about September, I wrote a letter to the Honourable Dr Valarino soliciting some information and the

HON DR R G VALARINO:

Will the Honourable Member give way? Did he say District No 5?

HON W T SCOTT:

Yes.

HON DR R G VALARINO:

District No 5 have had no power cuts.

HON W T SCOTT:

That is exactly what I said.

HON DR R G VALARINO:

Can I explain why District No 5 has had no power cuts?

HON W T SCOTT:

I am not asking for an explanation but if the Minister will volunteer one I would certainly hear him.

HON DR R G VALARINO:

Well, it is the hospital so there is no need for the Honourable Member to bring it up at all.

HON W T SCOTT:

Mr Speaker, what I said was that every district, other than No 5, had experienced power cuts. We on this side of the House I think are aware that District No 5 contains the hospital. I wasn't asking for an explanation as to why District No 5 had not experienced power cuts but I am grateful to the Honourable Member. However, earlier on this year I did have occasion to write to the Honourable Dr Valarino soliciting some information from him. I wanted to know what the total capacity of King's Bastion Generating Station would be under optimum working conditions, that is assuming that all machines were capable of supplying their full load and in reply I had a figure in excess of 20 megawatts. My next question was what was the total connected load that might be expected under the most severe of all conditions in Gibraltar, for example, Christmas Day, very very cold day when everybody is using their heaters, etc., and I got the figure of just in excess of 14.3 megawatts which leaves the factor of something like a third in excess and that presumably has been there since 1972 as has already been mentioned in this House. Perhaps, Mr Speaker, in 1972 that excess would have been perfectly capable of having certain machines or standby certain machines on maintenance and so forth but it seems to me, as has also been said on this side of the House, that for 8 years very little has been done to increase the generating capacity, not only to increase the generating capacity given the development that we have had, but less has been done on ensuring that that generating capacity, which could have gone up, in other words, the one that we have now, seems to me to have gone down even further. Mr Speaker, the Chief Minister's contribution also mentioned, I think he admitted, in fact, that the next stage in this Government's Commission of Inquiry would be investigating the Electricity Department. It is obvious that Government recognises that there is a need to investigate it, that is obvious on their own admission. I cannot understand why if there is a need and it would appear that there is an urgent need to do this, why it should wait until the Public Works inquiry is completed before they start on the electricity one. They could run concurrently unless of course they want the same people involved in both.

HON CHIEF MINISTER:

If the Honourable Member will give way. I did not say it was the same people, I said that it could be the next one because of the servicing of these Commissions and the work that has to be done. I will have something more to say in another context later on.

HON W T SCOTT:

I am grateful to the Chief Minister but I would have thought that the need, the urgent need, would have put the Government in a set of circumstances where they would have carried out this inquiry as soon as possible. I wonder, quite frankly, Mr Speaker, whether the planned development which should have taken place up to next year what would have happened to that and the electricity generating problem, whether the cuts would have been even more severe. I wonder in fact whether in the 1981-84 development programme they have taken due regard of this as well. Mr Speaker, on Tuesday we were under the impression that the Minister for Municipal Services, Dr Valarino, as the Chief Minister suggested, would make himself available to answer any supplementary questions during the course of the debate. Unfortunately, because he denied us the right, this was no longer true and I wonder whether he ceased to take instructions from the Chief Minister on that. One final comment, Mr Speaker, because I cannot let this opportunity really go by without making a comment on something that had happened earlier on and, in fact, yesterday. Yesterday, in the course of the debate on recreational facilities and so forth, the Honourable Mr Zammit made an unwarranted personal attack on my colleague, Andrew Haynes.

MR SPEAKER:

This has nothing to do with this debate.

HON W T SCOTT:

It has nothing to do with the debate but it was mentioned in yesterday's debate and, in fact, another attack took place during the course of this debate earlier on this morning by Dr Valarino to the Honourable Gerald Restano. Quite frankly, Mr Speaker, we on this side of the House will not take the bait, we will not involve ourselves in any personal attacks, we did not do it, as they did, in February during the general elections and we will continue not to do it.

HON MAJOR F J DELLIPIANI:

Mr Speaker, my interventions are usually brief and I will make today's one as brief as possible. I think I must congratulate the Honourable Mover on the way he has moved this motion. He has certainly done his homework. I think that he has slightly

misquoted some of the things that I have said on the energy situation in Gibraltar. I have never painted a rosy picture of the energy situation in Gibraltar, what I have done in the past is give a realistic account of how things stood at particular times of the year with regard to energy.

HON G T RESTANO:

Mr Speaker, on a point of order. Is the Honourable Member questioning my quotation of his own quotation which goes back to the meeting of the 17th of May and it was question No 129? I did no more than quote from his own statement then. Is he questioning that?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I am not questioning what is in the Hansard what I am questioning is the interpretation that the Honourable Mr Restano has given. What I have endeavoured to do in the past, is to give factual accounts as to the actual state at that particular moment of time of the generating station and its capacity to meet demands. I have also painted bad pictures at the time. I have also mentioned that even though the situation might be good at that time it has been good because the Dockyard have been giving us help that is why there haven't been any power cuts. I have mentioned that and I have also thanked the Ministry of Defence for helping us out during periods when we have been in trouble. But what I have done is to present the facts as they are at any given time because we are talking of machinery and you might have a marvellous Rolls Royce one day working in perfect condition and the next day that marvellous Rolls Royce could be absolutely useless. That is the situation that I have been presenting when I was Minister for Municipal Services. I have never tried to mislead the House in any way by painting a rosy picture, in fact, I might have been sometime too much of a pessimist and I have been accused of being anti-trade unionist. In fact I have been called the reactionary Major by my friends but I have never tried to mislead the House. I have given the facts as I have seen them at the time. I would point out, Mr Speaker, that some of the problems really are to be blamed on the Government Mr Xiberras and Major Peliza of 1969 and 1972 because one of the best run organisations in Gibraltar up to 1969 when they were in such a hurry to get rid of the Honourable Chief Minister as Mayor of the City of Gibraltar, was the Generating Station which was the pride of Gibraltar. You could actually eat from the floor, it was so clean. It was the City Council who met that demand - I will not give way - it was the City Council at that time, headed by the Mayor of Gibraltar, who was the Honourable Chief Minister, who planned during that great demand when it went up to I think it was 7% in demand, who planned that period between 1960 and 1969, when the demand grew by 7 megawatts. The figure of 10 years has been mentioned, well, out of those 10 years, 3 years they were in power. I will give way, certainly.

HON G T RESTANO:

I did not say 10 years, I said 8 years, from 1972, when the last engine was received in Gibraltar until 1980 where we are today. That is not 10 years it is 8 years and if I may say so I think that by 1972 the previous administration was no longer in power.

HON MAJOR F J DELLIPIANI:

Mr Speaker, when the generating station was in the capable hands of the Mayor of Gibraltar, the Chief Minister, we were able to meet an increase of demand of 7 megawatts. The increase in demand during the period 1970 to 1980 has only been in the region of 1.5 megawatts. In 1976 we had a total capacity between King's Bastion South and North of around 18 megawatts and the fact that we had 18 is proof that the Honourable Mr Bossano brought in the question that we wanted to change the shift work because we could do without King's Bastion South because we were able to meet the demand, we had 18, and our idea was to close it at night time because we only might have needed them at peak times during the day time. So in 1976 we had the capacity to meet the demand of today. But since then machines break down and no one would have expected a crankshaft to break down, no one can visualise it and once you see that it is going to break you cannot do anything to repair it, it is impossible to repair it. One would think that you had the Ministers there trying to break down cylinders and crankshafts. It is a fact of life that machinery breaks down. I have reported this and I have said this and I have given explanations of the problems that have been met. I will not go into the delays that have been explained already by the Chief Minister and other Members, but there have been delays because Government have been trying to see which was the best possible way and the most economical way to go into the future. Then we have problems with the foundations, the engines going out of realignment, the blower, cylinder brake, they are machines, they break down. But those are facts and those are the facts that I kept the House informed. I have never painted a rosy picture. I have given factual accounts of day to day happenings of all the machines, whether they were bad or good.

HON P J ISOIA:

If the Hon Member will give way. I think he is absolutely right there. Can he confirm, in fact, that during the course of the budget, I think it was in 1977 or 1978, he warned the House that a new generator was required. Does the Honourable Member recall that?

HON MAJOR F J DELLIPIANI:

I certainly recall that. You already have the explanations for the delay. I am not going to start repeating the explanations again. I always try to make my interventions as brief as possible.

so I will not repeat myself. I am concerned, like you are, because it affects my house too and it affects my pocket if we do not run an efficient service and there is need for improvement. I accept that. In that context, Mr Speaker, I would like to propose an amendment. My amendment, Sir, is to delete everything after "This House" and substitute the words "aware of the policy, previously adopted by the Government, of carrying out a programme of inquiries into the role, structure and organisation of Government Departments, welcomes the Government's intention to set up a Committee of Inquiry into the Electricity Department as soon as the Inquiry into the Public Works Department has been completed."

Mr Speaker proposed the question in the terms of the Hon Major F J Dellipiani's amendment.

HON G T RESTANO:

Mr Speaker, on occasions, the Honourable Mr Bossano has complained that his motions have been amended and that the only thing in his motion that has been left are the first two words which is "This House". I find that today even "This House", has been taken away and in the new amendment "This House" is included. Mr Speaker, the amendment, of course, is a ridiculous amendment. If we can compare the motion and what the amendment tries to achieve, we have two different situations. The motion is a responsible motion. The motion is a motion which asks for reasons, a motion which asks for examination and a motion which asks for long-term policy. What this amendment is trying to do is merely, and of course if it is carried out, the Government has a majority, but it is a ludicrous thing because what the Government is trying to say here is all praise to the Government. I don't know why the amendment doesn't say let us congratulate the Government for the power cuts that we have had during the past four years. I would gladly sit down and give way Mr Speaker, if it is an omission as the Honourable Mr Zammit says, and allow the proposer to include it in his amendment, I will gladly sit down and give way. It certainly gives me the impression, and if I can go through this amendment which in fact the Honourable Mover has said nothing about, he has talked on the motion, he has made certain points which I will reply to when my time comes to reply in winding up the debate, but he has brought out this amendment without giving a single comment as to why he is putting through this amendment.

HON MAJOR F J DELLIPIANI:

Will the Honourable Member give way?

HON G T RESTANO:

Yes, most certainly. We always give way on this side of the House, Mr Speaker.

HON MAJOR F J DELLIPIANI:

I explained that I shared that concern and that is why I want this amendment.

HON G T RESTANO:

-I am not debating that, Mr Speaker, what I am saying is that in my four years in this House I have never heard of anybody speaking on a substantive motion and saying this that and the other and then bringing an amendment without giving any explanation for that amendment. This amendment to a motion which really asks for a Commission of Inquiry says that the House is aware of the policy previously adopted by the Government of carrying out a programme of inquiries into the role, structure and organisation of Government departments, welcomes Government's intention to set up a Committee of Inquiry into the Electricity Department as soon as the inquiry into the Public Works Department is completed, but this leaves us the whole aspect of the motion, Mr Speaker. All this is trying to do is saying that the Government, perhaps, because the Opposition suggested that there should be a public Commission of Inquiry into the electricity situation, has thought "That would not be in our interest, so we are going to suggest another type of Inquiry. We are going to suggest a type of Inquiry which will be a secret inquiry". The sort of inquiry which will not see the light of day, the sort of inquiry that will not see the light of day just the same as the Preece, Cardew and Rider Report on electricity did not see the light of day in 1976 and from 1976 until today, which was the sort of inquiry which recommended to Government what it should do in order that the people of Gibraltar should have sufficient power supply during those years. But no, that sort of inquiry is not in the interests of the Government to have. The sort of inquiry which the Government is proposing, and which it is in its interest, is an inquiry which is going to be secret.

HON CHIEF MINISTER:

If the Honourable Member will give way.

HON G T RESTANO:

I will give way Mr Speaker. Of course I will give way to the Chief Minister and to any other Minister unlike the Minister for Municipal Services who refused to give way this morning, unlike the Honourable Mr Perez who refused to give way this afternoon and unlike, on one occasion, the Honourable Major Dellipiani. I will give way.

HON CHIEF MINISTER:

The question of giving way is as much a question of staying in a corner whilst you cross the road, and whether you want to push in or not. I think I am reasonably easy in giving way normally.

MR SPEAKER:

May I say that the matter of giving way is conditional on two things. In the first instance, of course, it is for the Member who holds the floor to be prepared to give way and, secondly, that I, as Speaker, authorise it.

HON CHIEF MINISTER:

I have just interrupted in order that the Honourable Member will not go on on a wrong tack, if I may say so, because I have the right to speak on the amendment and I propose to do so. I am not taking advantage because I haven't got the chance of taking the floor. There is no reason for him to say that this is going to be a secret inquiry. In fact, I think he ought to have reason to know that the one that we are setting up for the Public Works Department is not going to be a secret inquiry, and members opposite, at least the Leader of the Opposition, has already been approached by the Chairman of the Commission to see the people who are going to come to the inquiry and that is the sort of inquiry that is envisaged here, there is no question of any secrecy.

HON G T RESTANO:

It is not a question, Mr Speaker, of the Members of the Opposition being able to go to the Inquiry, it is the members of the public who should be allowed to go to the Inquiry and it is members of the public who should be able to understand and to find out what information and on what information the inquiry is going to be set up on. To my way of thinking this is certainly not envisaged or is not highlighted in this amendment which the Honourable Major Dellipiani has brought to the House. Neither, as I am reminded by the Honourable Leader of the Opposition is any mention made in this amendment that the report of the Inquiry Committee will be made public or not. Nothing of this is mentioned in this amendment. A couple of the Government contributors to this motion have been kind enough to say that I did my homework when I presented the motion but I am afraid, although I would like to return the compliment, I cannot do so on this amendment, Mr Speaker, I cannot return the compliment to Major Dellipiani on this amendment. I think this amendment is just about the poorest amendment that I have, in my four years in this House of Assembly, ever had from the Government side. I have never seen an amendment to a substantive motion which deals with the suffering, the misery that people are going through the power cuts that we have in Gibraltar, this amendment has been put in trying to amend the motion saying that the Government is doing everything right. And when I see 444 or 440 hours of power cuts in four months for the people of Gibraltar and the people of Gibraltar have had to suffer that, the misery it has caused, for an amendment of this nature to be brought to the House saying that the Government is doing everything right and without even substantiating what is in this amendment is, I think, a very, very poor performance from any Member of the Government. Mr Speaker, I, certainly, will not

brook any support for this amendment. I think it is not only ridiculing the motion, it is not only ridiculing the Members of the Opposition but it is ridiculing the people of Gibraltar who have suffered all these power cuts and not just the 140 odd hours in the last four months but the power cuts that have been suffered in the last four years. Therefore, Mr Speaker, I think it is wrong, it is not decent to have this sort of amendment put forward on this type of motion.

HON CHIEF MINISTER:

Mr Speaker, I can see that the Honourable Mover, having done his homework and having worked on this for a long time, he gets a little frustrated when he sees that the motion is traverse, which is what it is, traverse in the sense that there is a substitute motion, this is perfectly in order and it has been done many times, and no doubt will be done many times by successive governments here and in all parliamentary democracies. If we had voted against the motion then he would easily have said: "There you are, they don't want anything to be done about it. They are so happy that they don't want anything to be done about it". The motion itself does not have to state the suffering to which we have all agreed this morning. The motion is a matter of fact and procedure. The Commission on which the public are going to be invited to submit evidence, this is how it has been envisaged, I am talking about something else because it is the same as is proposed here. The Commission, as it is envisaged, is that the public will be invited to submit representations. I am sure that anybody who may have been affected, more or less on the lines pointed by the Public Accounts Committee, and other people, Unions, representative associations and so on, will be giving evidence and Members of the House of course. I would have thought that, certainly, the Members of the House, if they are asked to contribute to the Commission, will get a copy of the report.

HON G T RESTANO:

If the Hon Member will give way. Will the Members of the Opposition also be allowed to see the Preece, Cardew and Rider Report?

HON CHIEF MINISTER:

I am talking now of the Commission and I am not talking about the Preece, Cardew and Rider Report. I am talking of this commission. That was ordered by the Government, the support of the House is being asked on this one. Whether the Members opposite agree with it or not this is a motion of the House of Assembly. The other one is one of the many reports that the Government receives and I was going to make a reservation because it may very well be that any report, I don't say this one, I don't say the one of the Public Works Department, any report which goes in depth into any matter could well have part of it which though available to the Members opposite, may not be in the public interest to be made public. That is the

sort of procedure on which we ourselves have agreed in Government in respect of the Commission on the Public Works Department. Let me also make clear that it is not intended and it was never intended when I made the general statement long before we had any indication of this motion, that the same people were going to do all the inquiries nor that Sir Howard Davis was going to be the Chairman of all the inquiries of all the departments. This was an ad hoc one. This one is one which we would have other people and the reason I say after is because I wanted to see the other one launched, it doesn't have to be till the end of it and, seriously speaking, we were thinking in terms, particularly in this kind of inquiry, of an industrial relations expert to be a member of this Inquiry.

HON MAJOR R J FELIZA:

Will the Honourable Chief Minister give way?

HON CHIEF MINISTER:

Yes.

HON MAJOR R J FELIZA:

Has he read the amendment? Does he realise that it says "as soon as the Inquiry into the Public Works Department has been completed".

HON CHIEF MINISTER:

This is the member's amendment and I am telling you how it is envisaged.

HON MAJOR R J FELIZA:

Is this a Government amendment or is that a private member's amendment?

HON CHIEF MINISTER:

It is not a private member's amendment, it is not my personal amendment, it is a Government amendment. There is no question about it. I hope that if in fact we could make progress and we could get on with it before this is completed, there is not going to be objection on the part of the House because the motion said "as soon as it is completed". But if you don't say that and then it is not ready then we would be under fire for not having done that. One of the important factors that is envisaged in this inquiry, is somebody who may be a real expert on industrial relations because I think, as I said this morning, without apportioning any blame, this is one of the aspects of the matter that is very important in this respect. Of course, the new

Power Station will make that aspect of the matter much easier because the working conditions will not be as difficult as they are now at King's Bastion. It is a serious attempt to deal with a matter which concerns us but which is done for the public good. This will avoid all the difficulties that I mentioned this morning when saying why we were opposing the Commission of Inquiry. It avoids all that because it is a forward looking inquiry and not looking backwards to find and apportion blame and create animosity. The other thing of course is that it would not stop the progress of what is being done now which a public inquiry as proposed by the Opposition would do. Mr Speaker, this is a serious and proper amendment not to leave the matter, if we oppose as we do very clearly the motion of the Honourable Mover, not to leave the matter in vacuum, not to leave the matter as if we did not care but to reflect the thinking of the Government as expressed by me in opposing the motion.

HON A T LODDO:

Mr Speaker, to me, this amendment far from being a forward looking amendment is a backward looking one and one full of self-praise. To me, this amendment is a farce and makes a mockery of the work of this House. As a very junior member of this House, this amendment I find totally unworthy of a Minister. If I might borrow a phrase much handed about by the reluctant answering Minister, it is utterly shameful.

MR SPEAKER:

Mr Bossano do you wish to speak on the amendment?

HON J BOSSANO:

I wish to speak on the amendment but if you will allow me I would like to make some reference to the original motion since I am going to be contrasting the amendment with the motion. I don't see how I can do one without the other. In any case it seems to me that since the amendment is going to be passed by Government majority, when I stand to speak on the motion if I do subsequently, it will be the amendment that I will be speaking to because the motion will disappear. Let me say first, Mr Speaker, that I would have voted in favour of the unamended motion but I propose to abstain on the Government's amendment. Let me try and explain to the House why I propose to vote in that manner and how I react both to the bringing of the motion and to the contributions that we have heard so far on the subject. I do not like normally deviation much from the subject matter under debate, Mr Speaker, but it has been a very wide-ranging debate which has dealt with almost everything under the sun other than power cuts. The Honourable and Learned Member said he could not keep the public adequately informed because he lacks access to newspapers which he claimed the Government owned, two newspapers. In fact, he does have access to a bulletin where recently he has devoted more space to me than he has to the power cuts. The Honourable Member complained in that bulletin about my frequent absences from this House. All

I can say, Mr Speaker, is that if some of his Members made the habit of coming here and listening to what one has had to listen today all day, since this morning we have been talking about a motion that I think was brought seriously to the House and put forward with serious arguments initially by Mr Restano, but after that the debate just seemed to go completely haywire with one moment people debating about the way of giving way and another moment people debating about whether the motion was a Government amendment, or an individual Member's amendment, and it seems that we tend to have a situation where every time somebody speaks up the next speaker then devotes his entire attention to counteracting the previous speech regardless of whether it has anything to do with the subject we are discussing which is whether an inquiry into the history of the present situation regarding power supply and the policy for the future

HON MAJOR R J PELIZA:

Are you not doing the same thing?

HON J BOSSANO:

Perhaps I am guilty of doing the same and if I am let me say that I am doing so perhaps in a less emotional tone of voice than the Honourable and Gallant Member is wont to do. And if I am doing so, I am doing it in the forlorn hope, totally wasted, I accept that, that I shall be able to penetrate somehow through the intelligence of Members of the House and perhaps have some effect so that none of us have got to keep on doing it any more. If I fail on this occasion then I accept the validity of this criticism that I am being guilty myself of what I am criticising other people of doing by criticising them which is what I am doing, and stop doing it altogether. Then I shall probably limit my endurance of the ordeal even more than I am trying to do nowadays. Let me say, Mr Speaker, that essentially the original motion, as I saw it, had two elements in it and that was firstly, an inquiry into the history of the problems that we have facing us today in the supply of electricity. Secondly, an inquiry into the solution of the problems that we have, projecting it into the future. In that context the only argument really that has been used against an inquiry into the history and if one is going to say one is against the amendment, then one is against the amendment because that part of the original motion is not reflected in the amendment, so is it important that we should have an inquiry into the history and is there an argument against not having an inquiry into the history. An argument has been put by the Honourable and Learned the Chief Minister and I think picked up by the Honourable and Learned Mr Perez in his contribution and that is the question of raking up the past and opening old disputes and possibly creating friction in the Generating Station. There may be a risk of that happening but I think that even if there was a risk, the risk should be taken if the Opposition feel so strongly that the matter needs to be aired in public to the extent that even if that risk is pointed out it is a risk worth taking and I think it is a matter of judgement by the Government. What I do in the House when I

speaking, Mr Speaker, is to try and influence the judgement of the Government by expressing my opinions as dispassionately as I can, even if I manage not to please everybody. I think the Government should have taken into account that if they really feel that a great deal of the way that the problem is being tackled by the Opposition is effectively with an eye on electioneering and an eye on vote catching then, certainly, a refusal by the Government into opening up the past history of the situation is one that carries a political prize. It may be that they think that the risk of creating friction within the Generating Station is big enough to warrant paying the political price that has to be paid for it. I don't know that it is, I am not completely convinced in my own mind but I know that it is genuine to say that it is a sensitive area, that we have had extremely bad relations there and that they are on the mend and they have been on the mend now for I think well over a year and that it is in the interest of Gibraltar and of every member of this House of Assembly that we should have good industrial relations in the generating station regardless of whether that helps any Government to survive, whether it is the Government that is there today or the Government that hopes to get there next, which is that of Mr Isola, or if the GSLP ever gets there. It is more important, I think, for Gibraltar that we should have good industrial relations in that department. I certainly took the point when the Honourable and Learned Chief Minister made it as a serious point that he was making and not simply as a red herring in the context of the debate. Nevertheless, having given weight to that point, Mr Speaker, and assuming that the implications of what he was saying would be understood by members of the Opposition if they had wanted to go ahead with the motion that still went in to look into the past, I would have supported that motion because I think, on balance, it is better to air things publicly than not to do so. Let me say at the same time, and here I am guilty as the Honourable and Gallant Major reminded me a few minutes ago of doing what other members do, let me say at the same time that in fact the Opposition in their previous censure motion must already be convinced any way that the responsibility is the Ministers. It seems to me slightly contradictory first of all to censure the Minister for his incompetence and certainly to accuse me in their Bulletin of not being here to support them in it and then to hold an inquiry to establish whether there was incompetence or not. I would have thought that if the inquiry was going to be held it would be held for my benefit because they are all already convinced since they have already attempted to censure the Minister for the result of an inquiry which is not in fact now going to be held unless the Government changes its mind which is not likely. Let us then, Mr Speaker, pass to the part of the motion that looks into the future, the third element, which I think in fact was the element that was stressed most strongly both by the mover and by the Leader of the Opposition. The mover in fact said at one stage that he did not want to apportion blame, he said he would be careful not to point a finger at anyone. So we are not talking about a censure motion although in fact some of the contributions may have given that impression. We are not talking about that. We are talking about establishing the facts and I believe that that is a desirable thing and this is why I

fully support an attempt to do so. But if we are concerned about the people of Gibraltar rather than concerned about making speeches or scoring debating points or saying "Hear, Hear" and banging the table, if we are concerned about the people of Gibraltar then we must be concerned to restore at the earliest possible moment an efficient supply of electricity and to plan to ensure that that efficient supply of electricity subject to totally unexpected and unprecedented mechanical breakdowns which can happen anywhere in the world, subject to that which nobody can preclude, that that should last us well into the future. If that is our concern and that is what the third part of the original motion does, then I think we should try and see to what extent what the Government is proposing meets that or fails to meet it. I think the original motion is more specific and to that extent it is better because it sets as its objective specifically what the needs of the electricity generating station and the supply of electricity are. It talks about the short term and long term plans to provide a continuous supply of electricity and so on whereas the amendment that the Government has put, in the context of what was said in the Public Works, seems to me to be an application of a particular method of analysing how the department is working, that is, we are saying, "We will look to see how the department is working today in the Public Works and we will look to see how the department is working today in the electricity generating station". That, if the Government thinks it is a good thing, has nothing really to do with the power cuts. If the Government thinks that it is a good thing to do it in the Public Works it is not because there is a comparable situation in the Public Works to that in the Generating Station and therefore that might have been a good thing to do anyway in the Generating Station and in any other Government department, if it is a good thing, I am not completely convinced that it is a good thing because I haven't had time enough to think about it, I haven't had time to discuss it with other people to be able to say I am for it or against it this is why I am abstaining. If I was convinced that it was the right thing to do then I would vote in favour even if I was risking being accused of not being a socialist by supporting the Government on a particular amendment, that doesn't bother me. Therefore, I think that the amendment cannot be said to be doing the same job as the third part of the original motion. I think it would have been better, if the Government was not prepared to accept raking up the past for the fears that they expressed and I think if we are totally honest with ourselves I think that is probably not the only reason why they are not prepared to rake up the past, I think it is because there have been, I am certainly convinced in my own mind there have been serious shortcomings in decisions that have been taken in the past in the Generating Station. I think the Generating Station is suffering from past indecision from a long time in arriving at a policy, and I know that it is easy to do so from the Opposition, I know it is easy to say to anybody who is in Government: "You are taking too long to make up your mind" but when one has to take a decision then, on the one hand, you may be undecided between two alternatives with the best intentions in the world, Mr Speaker, and that indecision can create a more serious situation than if you chose the wrong one. I think the Varyl Begg Estate is an example of that. If the

original wrong decision had been to construct and pay and then sue, well, we might have on this side at the time considered it the wrong decision, I don't know, at the time in fact we were pressing for that to be done but certainly with the benefit of hindsight that would have been better than what was done but I think it is easier of course always with the benefit of hindsight to point out where the wrong decision was made and it is easier to do it when one does not have the responsibility for making the decision oneself. I accept that point fully, Mr Speaker. This is why I try in my own contribution to balance my criticism of where I think the Government is going wrong with an attempt to persuade them that I am doing so not in order to undermine their political support but in order to influence their political behaviour in order to improve their effectiveness as a Government rather than bring them down. For that reason I think that the original motion as far as the third part is concerned which is the part that was to my mind most congenitally defended by the Honourable Mr Restano and in fact by the Honourable Leader of the Opposition, who said that the reassurance that people wanted about something being done for the future could no longer be produced by expectations or fulfilment of Government hopes which have so often failed to materialise in the past. I think that is valid and I think that to the extent that people felt that something positive was now going to be done to plan for a continuous supply of electricity, that third part of the motion met it. I don't think, quite frankly, what the Government is proposing is a substitute for that unless, in the case of the generating station; this inquiry they are proposing is really going to be doing what the original motion wanted rather than the sort of exercise that we are going to be having in the Public Works. I think it would have been better if the Government didn't want to accept the motion as it was, if they hadn't done to the Honourable Mr Restano what they usually do to me, and taken everything out and instead let the last paragraph there and simply have taken out the first two paragraphs of the motion.

HON MAJOR R J FELIZA:

Mr Speaker, I think one bite at the cherry is quite enough for me and perhaps a bellyfull for the other side of the House. I think I would like to deal with both in one go and, hopefully, try and convince the Government how wrong they are in rejecting the motion that my Honourable Friend Gerald Restano has thought fit to bring to this House. One should start by realising how important power supply is to our community, perhaps one of the most important services of the Government. This affects us both domestically and also industrially. It not only causes inconvenience, it can also cause quite a lot of cost to people such as those who have frozen foods and it can cause a lot of disruption to our second major industry in Gibraltar which is tourism; it can drive away tourists, never to come back again, it is in any case a terrible image to our society what is going on now with electricity. I feel very sorry that this is happening in Gibraltar. I used to be very proud when we never had any power cuts, never. I remember the days when this was something very unusual and strictly because the area required

maintenance. In those days we used to remember what was happening at the other side of the frontier and we used to make fun of that situation there. Now, unfortunately, it may well be the other way round. I am very sorry to see what is happening, Mr Speaker. It appears that even the Chief Minister himself hasn't realised how serious the situation is. We heard him say yesterday that if you carry on saying that there is a critical situation in our supply people are going to believe it. I was really surprised that he made such a statement and then I thought that it was perhaps because he is lucky enough to live in a district where there are very, very few power cuts and therefore perhaps because of that he hasn't felt it. The same I believe, Mr Speaker, and you, by coincidence, also in that lucky position. I don't think it is because he is Chief Minister, I am not suggesting that, but that happens to be the situation. As the situation got worse, I think we managed to get, after many questions after a long period, we managed to get the Minister responsible to make a statement. I think it was on the memorable day of the 31st of October last year. Unfortunately, he behaved like a robot because it is very difficult to get him off the written statement and make him give lucid replies. This is very unfortunate. Either he is reading from a paper or he is being told by the Chief Minister sitting next to him what the answer should be. This, I think, is very confusing even for him because the poor fellow does not know what the next reply should be. In fact Mr Speaker, he said today "I echo the words of the Chief Minister" and after that I thought of a tune but I said I will not sing it. You all know which tune it is, I am sure.

MR SPEAKER:

Order.

HON MAJOR R J FELIZA:

And so, Mr Speaker, on that memorable day, my friend the Leader of the Opposition who has been accused of being irresponsible today, tried to get the Minister to let us know what is absolutely vital to get more generating power in Gibraltar as quickly as possible. The answer, time and again, was: "No, everything is under control". And so, quite honestly, Mr Speaker, I was sceptical about it and realising that the situation was going to get worse, not better, I thought of raising the matter on the adjournment. It was then, Mr Speaker, that the Chief Minister produced the rabbit out of the hat, the 5 megawatts engine which immediately, instantly, you have heard of instant coffee, Mr Speaker, this was really instant Government, immediately he said everything was under control, we shall have a 5-megawatt engine working in 18 months' time. I remember his words. I had given a date and he came flashing in through the door and said: "What the Gallant Major has said is nonsense. We are having a machine here in 18 months' time. And, quite honestly, coming from the Chief Minister, I said well, he must be right. Although having heard assurances before and not having seen them carried out I must say that deep in me I thought,

well, I hope that this is so. Of course, time continues to tick, and here we are now over a year since that famous statement. Is there any likelihood that we shall have this 5-megawatt engine in 'six months' time? I wonder whether the Chief Minister would like me to give way to give an explanation on that point, Mr Speaker, I gladly would. What did we hear later? I cannot remember the date but I will look it up, I think it was in March this year that we were told that it would take another six months. There was slippage, the usual slippage, Mr Speaker. Then we were told later on it would be round about the end of the beginning of 1980-81. The latest is, I believe, round about the middle of 1982. Mr Speaker, are we really going to have it round about the middle of 1982, are we sure of that or are there going to be other excuses for the matter being delayed? And are we going to be told by the Government that we are trying to play to the gallery, that we are just trying to make political capital of this, is that a fair comment Mr Speaker? Are they really convinced that we should sit down and accept delay after delay, agree with the Chief Minister giving assurances that are not fulfilled? We would betray the role of an Opposition if we were to behave in such a manner. I think we would even lose the respect of the Government itself and therefore Mr Speaker, we are more than entitled to raise this matter time and again as it becomes necessary. Perhaps this explains the walk out, Mr Speaker, which we were told was shameful. I know that my Honourable Friend on my left doesn't like it. I don't think he likes Members of the House moving from one subject to another but he does it himself and I think that before preaching he should set the example. If I may say so I have seen him sailing around the buoy most of the time, going round and round the buoy in practically every issue that we discuss here and finally abstaining.

HON J BOSSANO:

I am still waiting to hear the Honourable Member's views either on the motion or on the amendment and I have been listening to him for a long time, Mr Speaker.

HON MAJOR R J PELIZA:

Mr Speaker, it is coming. He will hear about it and I hope I will convince him. In fact, I thought he was convinced about the motion. At one point I thought he was going to vote with us but then he said he would abstain.

HON J BOSSANO:

If the Honourable Member will give way. It wouldn't be the first time that I have been convinced of something and he has unconvinced me.

HON MAJOR R J PELIZA:

As long as I can make him vote, Mr Speaker, one way or the other, I shall be happy. I wouldn't like him to carry on abstaining, that is what I don't like.

MR SPEAKER:

Let us come down to the motion.

HON MAJOR R J PELIZA:

Mr Speaker, I believe that we have a responsibility not just to make sure that we have a supply in the future but that the people of Gibraltar have respect for our institutions. What do you hear when you go down town now? Some people say it is the Union that has caused all this trouble.

MR SPEAKER:

Yes, but we are not going to digress from the subject.

HON MAJOR R J PELIZA:

This is leading to the reason why we should have the inquiry Mr Speaker, It is very important.

MR SPEAKER:

It may be but it is for me to decide whether it is relevant.

HON MAJOR R J PELIZA:

I will say why it is necessary to have these details.

MR SPEAKER:

We are not going to go round the subject and we must come to the subject.

HON MAJOR R J PELIZA:

Let me start first backwards, Mr Speaker, and then I think you will see what I am driving at. I will get hold of the motion. "The reasons and causes for the failure of the Department for Municipal Services to ensure a continuous supply of power to the consumers of electricity in Gibraltar over the last four years". This is the motion.

MR SPEAKER:

Order. Perhaps you are misdirecting yourself. The motion is on whether a Commission of Inquiry should be appointed.

HON MAJOR R J FELIZA:

No, I agree with you. Let us start from the beginning. It is a question of having a Commission of Inquiry and one of the objections, Mr Speaker, from the Government was that it might stir up old problems in the Electricity Department. In fact, Mr Speaker, to make sure that I am absolutely right in what I am saying I am going to look at the notes. I will start with the Chief Minister. He said that one of the reasons why he objected to this was because it smacked of colonialism in that we were getting the Governor involved.

HON CHIEF MINISTER:

I didn't say that, I didn't give that as one of the reasons, I said that they had chosen what is typically a colonialist decision, that is all. I only remarked that, I didn't give that as a reason against it. I gave much more cogent reasons against it.

HON MAJOR R J FELIZA:

Whether he likes it or not that is what he said, Mr Speaker. If he wants to give a different interpretation now that is another matter. In fact, my Honourable Friend the Leader of the Opposition spoke immediately after him to refute that, to show that that is the way it had to be done legally in Gibraltar, there was no other way, and that if he felt that it smacked of colonialism he should alter the law. Mr Speaker, the other one was that it might start old industrial disputes in the Generating Station with the Unions. Another one was that it was for political reasons and no other that we were doing it. This is why I say it is important to clear the air as to where the responsibilities lie. There might be more than one reason of course, as to why we are going through these difficulties. One of them was, Mr Speaker, and I said this, you hear people say that it is the Union's fault. You hear other people say that it is all being flared up by the Opposition, to make it a political issue, and you hear some people say that it is the Government's fault. What better, Mr Speaker, than to try and put this in its true perspective because whatever happens it brings politicians into disrepute, the Unions into disrepute, the civil servants into disrepute. Isn't it better to find out what the real causes were and having found out then, in an absolutely impartial way, we shall know what has gone wrong. If it is an Act of God or a number of Acts of God, then we shall know as well. I cannot see that in any way can do any harm, Mr Speaker, in bringing about a better working state of our power supply of which in my view we are in bad need of doing and putting it right once and for all. Mr Perez, for instance Mr

Speaker, said that this was a waste of public funds. I don't think it is a waste of public funds if in fact what we are going to do is to ensure that there is no repetition of this in the future. He said many other things, Mr Speaker, which I was going to try and answer but, really, paying a bit of attention to what Mr Bossano said before I am trying to stick to the subject as much as possible and I will let what he said go by but not, Mr Speaker, because there are no answers to what he says. I think every accusation he made, particularly of my Friend Mr Isola, I think has got a very good answer. He talks about the bringing of alternators as being part of the short term policy, I think it was more of an emergency. I don't believe that by the haste in which the whole operation is being set up that there was any previous planning. The whole thing had to be done as an emergency perhaps knowing now that the assurance given by the Chief Minister that the generator would be in place in 18 months obviously couldn't take place, it was decided to bring the four skid generators. I think it is also unfair to suggest that simply because the Government has hired the alternators we said they should buy them. There are very good arguments as to why we think the four alternators should be bought. I think it is appropriate even now, Mr Speaker, that something should be said about that to make it absolutely clear that it is not that we are just negative but that we honestly believe that in the situation that we are in today, and in this I think my Honourable Friend, Mr Bossano, also agrees, it would be better to buy them. It is a much safer way of investing our money, it is a way of keeping some resources up our sleeve in case, as the Honourable Major Dellipiani pointed out today, that you never know. No matter how new the machines may be, no matter how new they may be, if a crankshaft breaks, it breaks, and it takes some time to put right. Well, if that is generally their thinking I would have thought that as a precaution I would have bought these alternators but, no, they hire them because they feel now that after the crisis is over there will be no more mechanical faults. That doesn't make sense. Then because we suggest buying them we are just trying to be anti-Government. I think the Government should realise that that is not the attitude of the Opposition. They may believe it, in their own defence, because, I agree, they are on a very sticky wicket with the electricity there is no doubt about it, and they feel that anyone who offers criticism, particularly from the Opposition, is just trying to get at them. That is not the case, Mr Speaker, we are not trying to get at the Government we are trying by every possible means to ensure that people get their supply as soon as possible, that people do not suffer a repetition of this and that we do find where the whole cause lies, or what the causes are. I think it is vital that we should otherwise we are sweeping the dirt under the carpet again and that does no good to anybody. The resentment will go on for ever, the discussions as to who is to blame will continue for ever. This is like a tooth that hurts you, you try to put a filling, it doesn't work, it continues to hurt, what is the answer, Mr Speaker? Pull it out. And we have got to do it in this instance. This is the only way to come to the end of this problem in a fair manner, free from any political bias, and we start afresh. That is to me the honourable way of tackling this matter. If you compare that with the amendment, where do we go

then? We continue the wrangling for ever, that is what it is going to be. Whether we like it or not the inquiry is going to be carried out by the Government. To me it means this: "This House, not wanting to face the terrible situation of the power supply in Gibraltar, wishes to keep the people in the dark." That is what this amendment is, Mr Speaker, and I do not believe that that is the way we should proceed. Mr Speaker, I have many, many points because a lot of accusations have been made at the Government, a lot of things have been said that really have nothing to do with the motion that we are discussing. I can understand that in debate it is natural for that to happen. I do not want to keep the House on this matter any more. I do hope and this I sincerely say although I don't suppose I am going to convince them, that it is in the interest of Gibraltar, it is in the interest of our institutions, of the Unions, of our civil service so that people have credibility in us and particularly of the Government, that we should carry out this Commission of Inquiry, we should set up this Commission to fulfil the functions that are set down in the motion. I don't know whether in their heart of hearts some of the members do not feel that it should be done. I don't think it will do any political damage to the Government, particularly if they are really not to blame. I do not believe for a moment that this is going to cause industrial upheaval. For all we know their inquiry may cause more upheaval because what will happen if they have that kind of inquiry and the inquiry finds, for instance, that there should be no overtime or that they should do away with a number of staff. What would happen, Mr Speaker, then? That could well create industrial problems. Mr Speaker, I do not believe that that is so serious so as to overlook all the other good points that the setting up of a commission has. I believe furthermore, Mr Speaker, that if this were to be a free vote, this is my honest belief, if this were to be a free vote, all the members of this House including members of the Government who really want to see this matter cleared up would vote in favour of the motion.

HON H J ZAMMITT:

Mr Speaker, I would not have spoken or addressed the House on this motion, Sir, because my policy has been throughout my time in the House of Assembly to refer to matters about which I have knowledge but this is an issue which I think deserves some contribution irrespective of one's particular knowledge of the intricacies of the present power situation in Gibraltar. What alarms me is the attitude of the Opposition. In two instances in this meeting of this House, we have come here with two solutions, the Varyl Begg and the power situation. The skid-mounted engines are going to relieve the misery that the Honourable and Gallant Major Peliza speaks about and which he has been already told he is possibly the least qualified to talk about the misery because, although the Chief Minister and the Speaker happen to live at a particular area where they suffer very few power cuts, the Honourable Major lives in a place where there are no power cuts and therefore he is completely unqualified to talk about the misery the people of Gibraltar suffer. I will accept it from any other Member of this House to say that but

certainly not from the Honourable and Gallant Major. I will now give way, Sir.

HON MAJOR R J PELIZA:

First of all, Mr Speaker, I was just going to save him the trouble saying that I do go to England and come back again. I had the intention, in fact, of saying that at the beginning of my contribution in order to save all the other Members repeating that. Secondly, Mr Speaker, I was just going to tell him that I am absolutely entitled to speak on matters referring to Gibraltar. I have been elected by the people of Gibraltar to stand in this House and no amount of shouting by the government to say that I come and go to England is going to shut me up. That I must make quite clear and so I think they could save their breath because they are not going to shut me up. I am entitled to speak, in fact, I have to because I have been voted here, not on one occasion but on two occasions, Mr Speaker, on two elections and the second one with more votes than the first one.

HON H J ZAMMITT:

Needless to say Mr Speaker, as long as I am in this House of Assembly and as long as the Honourable and Gallant Major lives his happy life in the United Kingdom, I will remind him that he is the least qualified to talk about the misery that the people of Gibraltar are going through, be it electricity, be it housing or be it any other matter. Mr Speaker, having said that, I feel that what I was saying about not being able to understand the Opposition in the two issues that we have brought to the House on this particular meeting is that although the Government, as the Honourable Mr Bossano has said, will never be praised, we will never ever be thanked but at least one would expect a certain amount of sympathy that here we have 4 skid engines that will get us over the hump of the present crisis. But rather than welcome that they pick on items that we should have bought instead of hiring. The Honourable Major Dellipiani said, rightly so, and I think the Honourable Mr Brian Perez mentioned it, if we had bought the engines and spent £340,000 to buy them, then we would have been criticised for buying them and accused of throwing tax-payers' money down the drain. That is why they talk of overspending and spending wrongly because the misery the people of Varyl Begg have gone through, I think, is priceless, whether it is £600,000, £100,000 or £1m. And the members opposite should welcome the fact

MR SPEAKER:

We are not going to go into the question of Varyl Begg. Major Peliza has been talking about the misery suffered by people due to the power cuts and as long as you keep to that you are quite able to continue.

HON H J ZAMMITT:

Very well, Sir. I was trying to say, Sir, that one would expect the Opposition when they see that the Government is trying to do something about it, to be constructive but, no, everything that we do apparently to the Opposition is absolutely wrong and that is the attitude that one sees in this House. I have reasonable experience in this House now, I am not here for the first time, and it is that, Mr Speaker, that puts the matter very much in doubt. The Opposition attack Government in every possible way to ridicule whatever we are doing just for political motivation. And that is what they must realise, that there are many people, as the Honourable and Gallant Major Peliza said, if you walk up the street some people say the Union are to blame but if he walks up Main Street and was here in Gibraltar longer to listen to what people say, there are people saying that it is political gimmickry on the part of the DPBG.

HON MAJOR R J FELIZA:

This is why I say we must have a Commission of Inquiry Mr Speaker.

MR SPEAKER:

Order. You will not give way any more.

HON H J ZAMMITT:

Most certainly, you are the Speaker, Sir, and I will abide by your ruling. I will not give way. That is why people equally say that it is political gimmickry of the DPBG in trying to stir a storm in every single teacup that is not sufficiently sweetened for the Opposition and that is what loses credibility as it has been attempted so many times to try and bring down the Government. That is what the Opposition must realise, that there are issues where one can make an issue of but when people see that there are attempts at trying to solve their problems, people are quite reasonable but not when they are led into believing that death is round the corner. That is why, Mr Speaker, I fail to understand the Opposition. I sympathise with them, I had power cuts, very severe power cuts and I have illness at home, Mr Speaker, but I realise the situation and I very much welcome the arrival of the skid generators. Mr Speaker I have seen some very healthy contributions from the Opposition and there are matters that one has to sympathise with but when they start talking on these issues without in any way trying to admit that there is an attempt to alleviate the situation then, of course, it loses all merit because if the skid engines weren't here, if we hadn't hired or bought or whatever, we couldn't tell the people within two or three or four weeks time there will be no power cuts. And that is what the Opposition should say to the people although they may disagree with it. I know most of the members opposite are very

inexperienced but I think the Leader of the Opposition is a man of high political calibre and I think, Mr Speaker, he would be very much advised to have a little get together now and again and talk seriously to his members as to the manner they should address the House and not try to cover over and pull wool over people's eyes time and time again with one sole idea and that is to discredit Government as much as they possibly can whenever they can. Thank you, Sir.

HON P J ISOLA:

I want to speak on the amendment only and nothing else. As a man described by no less a person as the Minister for Sport as being of high political calibre, let me say what I think about this amendment. I think it is a political hoodwink. I think that this amendment merely seeks to pander to the need and the desire which the Government is well aware of from the people to have some sort of inquiry because the Government knows that if the original motion was put to the vote and was defeated, as it would be, because the Government have a majority, there would be a lot of people and many among their own supporters and sympathisers who would say: "If there was nothing wrong, if everything was well and all the work had been done properly by all the Ministers, what are they afraid to hide? What are they afraid of? Why did they vote against the motion?". Therefore, there was a political need for the Government to put forward an amendment that included the word 'inquiry' so that people can say: "Well, at least they have agreed to an inquiry, they are going to have an inquiry. After they finish with the Public Works Department inquiry which may take three years, but don't worry, they are going to have an inquiry."

HON CHIEF MINISTER:

I think the Honourable Member knows that we said that it was expected that in the first quarter of next year the Inquiry into the Public Works Department will be ready. I mentioned the time.

HON P J ISOLA:

I know it is expected that in the first quarter of next year the Public Works Inquiry will be ready. It was also expected in October 31st that by June of 1981 the new 5-megawatt generator would be in operation. These are things that are expected but I don't know whether they will happen or not. The Government felt there was a need, as I said, to have an inquiry, they know there is a need, so the Honourable and Learned the Chief Minister remembered these committees of inquiries that he is going to set up to investigate the efficiency of the different departments and he says: "Let's put that one in and we will give it to the people that we are having an inquiry". That is why I call it a political hoodwink because if you look at the terms of reference, Mr Speaker, of the present Government Inquiry in the Public Works Department, it talks of inquiring into the role, structure and organisation of the Public Works Department and to

advise on the most appropriate, efficient and economical arrangement for carrying out the functions at present laid on the department. In other words, the organisation of the department, see how it is going. That is not what the people want. Mr Speaker, that is not the whole purpose of us being here today and arguing. As the Honourable Mr Bossano said, what we are concerned about is not how the department is run, what we are concerned about is the power situation and as to whether the department has made adequate arrangements not just now, we know that they haven't made adequate arrangements for today and we are not ungrateful for the skid generators, let the Government not get us wrong, what we argued about the skid generators was whether the Government should have purchased them rather than hired them and I am not going to go through the arguments, we argued this yesterday. And we voted for the money because we wanted the skid generators whether they were hired or they were purchased. I don't see the point the Honourable and Learned Mr Perez was trying to make, perhaps lack of experience made him make that point, I don't know. But that is why we voted for the money because of course we want to do everything we can do to give people continued power supply that is why we voted for the £81,500. We thought we should have been voting for £390,000 and bought the engines outright but we voted for the £81,500 because we thought that if that is the only way the Government is going to have them, by hiring them, alright, we will give them the money to hire them at least we will do that little bit on our part to relieve the power situation. But what we are concerned about, Mr Speaker, and what this amendment fails to provide for completely is (a) that an inquiry should start as soon as possible so that the Government is not caught, talking metaphorically, with its trousers down again. Because if the Committee of Inquiry that the Chief Minister hopes to set up is set up around June next year, and after it has been hearing everybody's recommendation and after it has seen everything that is going on, it decides that it needs another 5-megawatts generator for the future needs of Gibraltar, it will be too late, Mr Speaker. That is why in the Opposition we want an inquiry now, we said a Commission of Inquiry, well, we could have another kind of inquiry we do not mind, but let the inquiry, Mr Speaker, let the motion that is approved by the House, let it look at the power situation because that is what we are concerned with. We are not concerned with whether the generating station should have two engineers or three engineers or whether it should have 10 shifts or 5 shifts. We are concerned with ensuring a continuous supply of power to the people of Gibraltar now and we are also concerned that somebody independently, some third party, should be satisfied that the arrangements for the future are also adequate and therefore we have to vote against this amendment because for us to support this amendment, even in this stage, even though it concedes some sort of inquiry, would be a betrayal of the interests of the people of Gibraltar that we represent in this House and to whom we have obligations where power is concerned. I know that it is easy in a situation such as the power situation in Gibraltar, it is easy to make political capital but I would like to remind Honourable Members opposite that the last DFBG release on the power station situation was when the Government announced its intention to order four skid

generators and we expressed concern at how the situation had developed in the course of 7 days. We said this merits a public inquiry. From that day, even though power cuts had been constant for over, I would say now, over four weeks or even five weeks, the DFBG have done nothing else than put down a motion in the House for a public inquiry. We could have done a lot, I can tell you, because the complaints were coming through to us left, right and centre, and I think people say it is the DFBG's fault because a lot of people regard us as being Ministers as well, everybody in the House is a Minister as far as a lot of people of Gibraltar are concerned and we are being blamed for it, Mr Speaker, as well. So, Mr Speaker, as I said, I am only going to speak on the amendment because I am not allowed to speak on the rest as I already have given my views but the amendment is not acceptable to us because it fails to fulfil the important criteria of an independent Commission of Inquiry and an Inquiry into the future needs and that it should take place straight away. Finally, Mr Speaker, I cannot sit down without congratulating myself, if I may say so, of finding myself having moved two motions in the House consecutively and my Honourable Friend Mr Bossano actually supporting us twice running. That is an achievement. Let me assure him that although I believe there was one issue of the "News and Views" in which we are somewhat critical of him and I am sure he will agree, rightly so, on questions like the Varyl Begg Estate and so forth, let me remind him that against one issue of the "News and Views" we have quite a few issues of another newspaper to square against that one. But anyway Mr Speaker, we hope that the Honourable Mr Bossano will continue to support our motions where they are obviously in the public interest. I am glad to see that he, being a Union man himself, a member of the Transport and General Workers Union, is not afraid, although he recognises the dangers, is not afraid of an inquiry into the power situation. I think that is important. I think we are all conscious of all the problems involved but we think that an independent inquiry would clear the air for everybody. But as he said, and as I repeat, the concern of the Opposition is mainly to the third part of the motion which looks to the future. That is what we are concerned about and that is why we vote against the amendment because the amendment makes no provision of any kind for the future. This concerns us and is not a question of abstaining, it is a question of rejection as far as we are concerned.

MR SPEAKER:

If there are no other contributors to the amendment I will call on the mover to reply.

HON MAJOR F J DELLIPIANI:

Mr Speaker, the last remark from the Honourable and Learned Leader of the Opposition attributed to the Honourable Mr Bossano in that though he saw the danger of the public inquiry especially in relation to industrial relations, he was not afraid, it might be because he is not afraid because he is not in Government and it is easy for him not to be afraid. But, certainly, we in

Government do not want to contribute to any situation where industrial relations will go back to the days of 1972. There has been progress in industrial relations and we want to maintain this kind of progress. It is certainly easy to say I see the danger but I am not afraid. I see the danger and I am afraid because I do not want the situation that existed in 1972 and in 1976 to happen all over again. This amendment of mine is a genuine amendment. If the Opposition thought that the Government were going to accept their motion, they must think we are stupid and I don't think I am stupid. I am not as astute as the Leader of the Opposition but I am not stupid. They knew that they didn't have a chance of getting this motion through and my amendment is a way of showing concern with them in the situation and having a kind of inquiry but not necessarily the same inquiry we are going to have with the Public Works Department. We can suit the inquiry to meet the requirements of this particular situation and, surely, that is better than an outright rejection of the original motion but of course they are not going to vote for this amendment because they are not stupid either. And so what it boils down to is making political capital out of the whole situation. They are concerned but they are talking to the public, the bigger the public there is the more they mention the old women the children and they go on and on and on. We are all aware of that because we all suffer from it. Even the Honourable and Gallant Major is suffering from it since last week. We have already gone into the future because we have ordered a 5-megawatt engine with the option to add another one so we are looking even further ahead and with the present position that we have now with the skid generators, when they are in operation by the end of the month we will have enough power to see us through right up to when we have the next 5-megawatt engine and the one after that because at the moment once they are all fully in operation we will have something like 18-megawatt which is more than enough. Thank you, Sir.

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 A J Canepa
The Hon Major F J Dellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon J B Perez
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 A J Haynes
The Hon P J Isola
The Hon A T Loddo
The Hon Major R J Peliza
The Hon G T Restano
The Hon W T Scott

The following Hon Member abstained:

The Hon J Bossano

The amendment was accordingly passed.

The House recessed at 5.35 pm.

The House resumed at 6.00 pm.

MR SPEAKER:

I will remind members that we now have the motion, as amended.

HON A J HAYNES:

Mr Speaker, having listened attentively to the debate and taking into account everything that has been said, I console myself with the thought that one cannot fool all the people all the time and as such Government's efforts whitewash their bungling mismanagement will one day come to light. I reject the Government's proposed amendment.

MR SPEAKER:

If there are no other contributors I will call on the Hon Mr Restano, to reply to the motion as it now stands.

HON G T RESTANO:

Mr Speaker, we have been debating electricity since 10.45 this morning and I don't want to be very long but there are one or two points which I would like to mention in winding up the debate, and go through some of the contributions of the Government members. First of all, the Chief Minister in rejecting the motion as it stood, said that the Opposition in suggesting that there should be a Commission of Inquiry was abdicating its duties and something similar was also said by, I think, the Honourable Mr Perez. I would like to say that by asking for an inquiry the Opposition is certainly not abdicating its duties, on the contrary, the Opposition has been asking questions in this House for the last four years on the electricity situation and the point has been reached where Government continues giving what I consider to be misleading statements and the only way that the public of Gibraltar could really find out exactly on whose fault the power cuts lie would be in a Commission of Inquiry. The Chief Minister also said that to have a public inquiry would not be in the best interests of the public. My contention is that it is not that it would not be in the best interests of the public, it would not be in the best interests of the Government to have a public inquiry because their

failures would come to light and their lack of planning would be seen by the whole of Gibraltar. Instead of the type of inquiry that the Opposition has asked for and which the Government has rejected out of hand, the Government comes up with a proposition of a small inquiry on efficiency which they say is going to be public, well, I don't believe that it is going to be public. I don't believe that that inquiry which they propose to set up and which in any case as has already been pointed out by some of my colleagues, is only to look into the efficiency of the department, will certainly not be made fully public. I also know that that inquiry in the amendment has been said should be after the Public Works inquiry has been completed. It is wrong to wait for an inquiry on one department because an inquiry is required on one department before starting an inquiry in another department when it is absolutely obvious that an inquiry is necessary. Next, Mr Speaker, I want to talk about some of the points raised by the Honourable Mr Perez. He said that an inquiry was a waste of public funds. Mr Speaker, that to me was the most cynical statement for the Honourable Member to make, to say that it would be a waste of public funds to find a solution to the power problem in Gibraltar is nothing less than cynical and he should be ashamed of having brought out that statement. If there was any area in Gibraltar where public funds were worth spending it would be in the solution of the power problem. Mr Perez also said that old scores should be forgotten and this of course is the type of policy which the Government has held for many years, in other words, let us sweep any problems under the carpet. Any problem that comes up, any problem where they might be the slightest piece of Government inefficiency, well, let us forget about it, let us sweep it under the carpet and let us say: "Oh, why bring up old scores". He also said that the Opposition had accused the Minister for Municipal Services of failing to give information, this of course is untrue. We did not accuse the Minister of failing to give information, what we complained about and what we criticised the Minister for was for failing to give the correct information. It is very easy to say, yes, there has been a break in this in the crankshaft of such and such an engine and such and such an engine had a fire and there was this problem, but what we want to know, the explanations that the Opposition wants to know and I am sure the whole of Gibraltar wants to know is, is it just coincidental that all the machines have been breaking down consistently over the past four years, surely, there must be a reason for that. That is the sort of information we wanted the Honourable Minister to give but the Honourable Minister did not give that. Another point brought out by the Honourable Mr Perez this afternoon was that he felt that the Opposition was too critical of the Government and he said that because we have criticised Government's decision to hire rather than to purchase the four skid generators, the Opposition was only doing this as political convenience, shall we say. That accusation of course I want to reply to. The point is this. We were told that the skid mounted generators would be used for between 18 to 24 months. The facts are that the money which the Government will be paying out in the hire of those four generators is going to be wasted in so far as at the end of the two years Government will not have these machines, they will go back to the United Kingdom and that, of course, is provided that the Government doesn't need those

machines for more than just 24 months. But if the Government purchased those machines now, at an equivalent hire charge of three years those machines would then belong to Government, they would, still be relatively new and they would still have another 7 years approximately, of life. Therefore, at any future date when there might be a requirement for supplementary power those machines could be there for such an emergency and that is the reason why the Opposition feels that the decision that has been taken of only hiring the machines is the wrong decision and that the money will merely be thrown away, it won't be thrown away because obviously during that time we will have the use of those four skid generators but at the end of that time there will be nothing tangible that the Government would have for the £200,000 that will have gone towards the hire charges. The Honourable Major Dellipiani in his contribution said that it was not true what I had said that he had given a rosy picture. Well, I quoted what he had said in May, 1977, where he said that all the engines were virtually fine and in good condition and that was a factual account that I quoted. He may not have misled the House but his statement may well have been a miscalculation of the facts. Mr Speaker, very briefly I want to go back because I don't think that the contribution of the Honourable Mr Zemmitt is worth mentioning in any way. On the contribution of the Honourable the Minister for Municipal Services. I am sure the contribution of the Honourable Dr Valarino must have made the Government and the Chief Minister very, very proud indeed, it was such a good contribution. He said that the only reason why the Opposition was bringing this motion was for the political aspirations that we might have on this side of the House. I can assure him that that also is the most cynical attitude to take. If he thinks that the Opposition are prepared just to come to this House and put forward motions for political aspirations I can assure him that he is very wrong indeed. He felt all along, and we have been feeling all along, and the record of our concern on the power cuts, on the generating station, on the electricity situation in Gibraltar over the last four years is shown in the number of times that we have broached the subject in this House. He mentioned as reasons for the power cuts the backlog of work that there had been but he did not give us any reasons why there had been the backlog of work and that if he had been a responsible Minister is what he would have been telling this House about. He told us of fast deterioration in performances of engines. It is very easy to come and say that there is fast deterioration in the performance of engines but why is that happening and why is that not being put right. That is what he should have been telling this House, not bland statements perhaps written out by somebody else for him. He also confirmed that the skid generators did not figure in the Preece, Cardew and Rider Report in other words confirmed too that it had been a last minute decision, a panic decision of Government, because they had not followed the recommendations of the consultants a few years ago. One last point that I would like to make, Mr Speaker, is that the incident of the walk-out on Tuesday has been raised by a number of members and the Chief Minister when he spoke about this walk-out, said that he had advised his Minister not to answer questions in this House at question time because he would be answering questions during the debate

and that the Minister, of course, if there were supplementaries to be put would sit down and give way to any member of the Opposition who wished to ask any supplementaries. That, of course, has been proved absolutely false, Mr Speaker, because whilst the Chief Minister said on the one hand that his Minister would give way to answer supplementary questions, the Minister himself refused time and again this morning to give way at all. And I can only, Mr Speaker, repeat the Chief Minister's own contribution in the Budget debate of 1977, when he was referring to the Honourable Dr Valarino when he was talking about electricity and who is now the Minister that in those days and I think it is still true, didn't know what he was talking about and that he got all his information completely wrong. Thank you, Sir.

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 A J Canepa
The Hon Major F J Dellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon J B Perez
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 A J Haynes
The Hon P J Isola
The Hon A T Loddo
The Hon Major R J Peliza
The Hon G T Restano
The Hon W T Scott

The following Hon Member abstained:

The Hon J Bossano

The motion, as amended, was accordingly passed.

HON A J HAYNES:

Sir, I have the honour to move the motion standing in my name which is that: "This House calls on the Government to take immediate action to alleviate the appalling living conditions of the Government tenants in Casola's Buildings and considers that nobody should be compelled to live in Government accommodation that has been certified or found to be unfit for human habitation". Mr Speaker, the motion is in two parts, the

first part is concerned with the resolution required of the House that immediate action be taken to alleviate the living conditions of the Government tenants and I shall address myself primarily to the present living conditions at the said building. One could start with the roof which is not at all waterproof, it is covered with tarpaulins which are laid in a haphazard fashion, some of these tarpaulins have perished and such serve no useful purpose. Again, some of the tarpaulins are bundled so that they are not, even if they haven't been perished, are not effectively placed. And again I question whether with the state of the roof as it is, the tarpaulins are of any use. Certainly inside the building one sees immediately that with or without tarpaulins and with or without well placed tarpaulins, the damp penetration and the rain penetration are acute. It is so bad that plaster come away from walls, that electrical installations cannot be installed on each and every wall which means that if the tenant is going to have any light in the room he has to have a cable brought in from another room lying loose which, of course, is unsafe. As you can imagine, and this House I am sure is aware, it is not easy to live in a place like this. Similarly, one cannot put wall paper on the wall because if one does it just peels away within a question of weeks, if one paints the wall one finds that it blisters quite soon and that as such it is expensive and demoralising to find oneself continuously having to repaint the wall. If one attempts to replaster it one finds that the plaster will not grip and it will come away and when one comes to the actual floor on the building these are marked with holes which in many instances are the entrances or exits to rat tunnels or nests for rats and one can see by close examination that these have been gnawed through. There is dry rot, rising damp and every other kind of slowly degenerating substance or formula. This means, Sir, that the corridors round the house which communicate one flat with the other are in many places dangerous. The wood is so slight that the weight of a mere child will go through. There have been some efforts by the Public Works Department to correct this particular nuisance and one can see wooden struts put up to hold the floor but of course, this doesn't give one much confidence in the building as such and these certain areas which are still dangerous to walk on. Similarly, there is no running water in the flats per se. One can, at personal expenditure of about £100, I am told, have piping installed but again the tenants who have no wish to live there, and are not of means, do not for the most part believe that it is a worthwhile investment. It detracts from the feeling they have and the wish they all have that one day they will leave. If they see themselves making a capital expenditure then the sense of permanence will further depress them. They will feel that if they instal pipes for water they will never leave. Then I come to the circumstances in which the tenants find themselves. Outside the building until quite recently, the Northern perimeter was heaped with piles of rubbish. These have been there for a considerable period of time, one can number it in years. Fortunately in the last month or so, a great part of this has been removed by the demolition gang presently occupied in the Gaswork site. Another circumstance which the tenants have to face is that of abandoned flats within Casola's Buildings and these abandoned flats have, so

I am told, been occasionally occupied by an alien, say, a Moroccan and his girl, they made the place squalid and then they leave. Of course, this has resulted in numerous vermin by way of rats, mice, fleas, cockroaches, mosquitos and every other nuisance existing in that building. Of course, these live on the rubbish that one can find outside and more especially in the

abandoned flats which are stacked with the piles of refuse. And when one comes to the actual refuse that the tenants produce which they store in the internal patio of the building, I have noticed from the numerous occasions on which I have visited the building that these are not collected, as elsewhere, on a daily basis. I have seen the traditional tin dustbins full of recent refuse stored in the correct place and left there for some time and it has not been emptied on a daily basis. Of course this helps perpetuate the difficulty and the hardship of living with vermin. The other condition that tenants have to face is that they have to collect their own water from a fountain opposite the building. This means that every drop of water you use you have to personally fetch and carry. One doesn't realise if one has the marvel of running water just how inconvenient it is and just how much water one uses, just how inconvenient it is to carry all that water and since these people as I have said before not people of means, they do not have servants or help to help them carry the water or to make sure that they have ample supplies which means that when you have children and they want to bathe in the summer in a tub, you pour the water into the tub and you cannot keep replenishing it when it gets dirty, the drinking water has to be collected, and for the old people living in Casolas who don't live with anyone else it is a genuine hardship. It has come to my notice that the system whereby they collect water has changed somewhat for the worse inasmuch as on Sundays it is not always possible to get water. Mainly my concern with the circumstances under which the tenants find themselves is that of hygiene and corresponding danger to health and, perhaps, more emotionally but certainly more ostensibly the lack of hygiene affects the children at Casolas Building and there has not been an occasion to date when on a visit I have not been informed of a new disease, illness or other disturbing account for one of the children there. The kind of illness I am talking about can range from colds to dysentery which has been diagnosed, analysed and treated. It is particularly worrying for the parents of these children to see that there is nothing they can do to protect their children and their children are forever suffering. On those grounds alone I would urge this motion to be passed. Having said all that, and again referring to the conditions, I may add that I was genuinely impressed as I was when I went to Varyl Begg where the rain penetration problems are of a comparable nature, there, as well as in Casola's, I was impressed with the genuine efforts taken by the tenants to make the most of what they had. The standard of tidiness was quite high. Their efforts in the winter which I have not yet had the misfortune to witness, however, are different. There they live in a tangle of buckets and basins which collect water which makes the whole place damp but the courage with which these people have faced these appalling conditions is remarkable. Among the hardships

of daily life at Casolas in the summer, for instance, one cannot put the fridge against the wall because it would become infested by cockroaches unless one draws it slightly away. The windows of the flats nearest to the abandoned flats are nailed shut the year round which is of course unpleasant in summer. Similarly, the doors that have to be open during the day at night are sealed with towels or anything to ensure that nothing gets in and again similar efforts are made with the floor and the ceiling but I have often been told there are occasions when the rats will not be denied entry and they gnaw a new hole or they break through the seal and there are plenty of rats. Similarly, if one leaves a plate of food in the summer for more than half an hour without attending to it it will become covered in ants and I have seen children's legs bitten and covered in sores and again, only recently a sewage pipe burst under the floor of a kitchen this of course leads to smells and it is intolerable that people should live like this. It is not possible for them to win the battle against the elements and so in winter the main concern is of rain penetration, in summer it is the vermin and for the old it is the same hardship all the year round. Mr Speaker, that these conditions should exist in Gibraltar today is an indictment not just of the Government but of our city because it is not a new problem this has existed for some considerable time. And I ask myself, why has this been allowed to exist and to remain? Generally, one can say that when the Public Health Department, now the Environmental Health Department, are notified of any nuisance they act with remarkable alacrity and I think the whole of the Bar will vouch for that dogged persistence and when it comes to a private landlord they hound him until he does effect the repairs they require necessary. But it is not the same, generally speaking, when it comes to a battle between the Public Health Department and the Public Works Department or another Government Department. One hears of notices or reminders being allowed to pile up in the Public Works Department, which are effectively and cynically ignored. Certainly this seems to be the case of Casola. As I said I went to Casolas Building following a complaint, an individual complaint. I was so shocked at what I saw that I decided that something must be done for the whole building and I wanted to do this without bringing it to the public attention so I wrote to the Minister for the Medical and Health Services, the Honourable Mr Perez, and if I may I will refer to my letter in which I asked: "Could you please tell me whether the Environmental Health Department has been informed by complaint or otherwise of the state of Casolas Buildings at Rosia Steps and, if so, for how long have they had cognisance of these conditions. Also could you please tell me what steps have been taken by the Environmental Health Department on this matter and what repairs and works have been recommended, if any. Could you kindly let me know the present position, i.e. whether works are to be effected in the near future and if so what these works consist of. I am asking these questions as I have visited Casola's Buildings recently and I am appalled at the state they are in and the conditions under which the tenants are living." This letter, Sir, was dated the 15th August. On the 2nd of September I wrote to the Minister for Housing and I said "I am writing on behalf of the above-mentioned tenants i.e. the tenants of Casola's

Building, in the hope that those who wish to be rehoused will be enabled to do so before this coming winter at the latest. You will appreciate that the conditions at Casola's Building are appalling and that as such the matter of rehousing tenants should be treated as extremely urgent. Accordingly, I request a meeting with you and I ask that this be convened next week at the latest." Shortly after the Minister phoned to inform me that he would receive me the next week. At this time I was still in the dark as to my request for information from the Minister for Medical and Health Services but on the very day that I was to meet the Minister I had a chance meeting with the Minister for Medical and Health Services and he told me that the letter would surely be answered but the gist of it and the main point that he knew regarding Casola's Building was that it had been certified unfit for human habitation. Then I had my meeting with the Minister for Housing and the effect of it was that though some individual tenants may be helped in the near future, that no action will be taken for the whole building except that in the next development programme that it should feature. He could not even offer a tentative hope in terms of years other than 4 or 5, which I interpreted from the next development programme. I informed him that I was not satisfied with his answer and I consulted the tenants of Casola's and arranged for a petition to be staged in the Lobby of this House. I also appeared on television and showed some photographs which I had taken of the building. Sir, the petition read as follows: "We the undersigned deplore the present living conditions of the tenants and residents of Casola's Buildings. We believe that no one should be obliged to live in premises which have been declared unfit for human habitation and that as such no one should have to live in such slum conditions. We ask for assurances that Government will ameliorate the position as regards Casola's Buildings and for an undertaking from Government that no Gibraltarian will in future be obliged to live in premises declared unfit for human habitation". This petition was made open to the public on a Saturday morning and in the short time that we were there I think it was two or three hours, we collected 578 signatures, it worked out at about four or five a minute. I felt somewhat ashamed at the time seeing tourists and others comment and look with horror at these photographs but I did not regret my decision to have a petition and, again, I was encouraged by the tenants of Casola's who showed courage as always. I sent the petition to the Chief Minister, since it was addressed to him, and I enclosed a letter saying: "I inclose herewith a petition to you. The petition, as you will observe, deplores the present living conditions of the tenants and residents of Casola's Building and asks that your Government give an undertaking to ensure that no one will in future be obliged to live in premises declared to be unfit for human habitation. I would note that our petition was open to the public for signing approximately two hours i.e. from 11.00 am to 1.00 pm on Saturday the 20th of September. The decision to campaign publicly on the matter was taken as a result of the House Minister's failure to give me any assurances on the above. I will also note that at our meeting on the 12th of September, Mr Zammit stated that he would refer the matter of Casola's Building to you. i.e. the Chief Minister. Mr Zammit in effect said that your Government's decision was to do nothing to ameliorate the position for the next four to seven

years. As you will understand and as I informed Mr Zammit, such a decision is unacceptable to our Party and as a result we have consulted public opinion and obtained popular support for our action. If, following this letter, your Government fails to act in accordance with our reasonable and humanitarian petition then we reserve our rights to proceed in whatever way we consider best to achieve the humanitarian objectives of this petition". Later on, Sir, I sent a reminder to the Chief Minister and I apologised for sending it under the wrong letterhead. When I realised I had sent it under the wrong letterhead I immediately rectified the position by again writing but, unfortunately, Mr Speaker, to date, I have still not had any reply.

MR SPEAKER:

What was the date of the letter sent to the Chief Minister?

HON A J HAYNES:

The 22nd of September. I received two letters, one from the Personal Assistant of the Chief Minister which acknowledged receipt of the petition and shortly after a letter from the Chief Minister saying that he had received it and would deal with it but he was waiting for Mr Zammit to return from the United Kingdom. Of course, Mr Zammit has been back for some time now but as I say, in effect, though they have acknowledged receipt of the petition there has been no answer to the request of the petition and I think though the Government should and rightly be given time to consider the affair i.e. they should be given time to consider that once they have accepted in principle that there is a need, an urgent need to deal with the matter, then by all means take a month to decide what they are going to do. On a sadder note, Mr Speaker, there are a number of things. My first expectation when I found just how bad Casola's Building was, was that Government would immediately do something without allowing it to go public. Then when it went public I expected that if not from a humanitarian sense of duty at least from a sense of shame they would act and still they have not acted as I have said but the only sad note in this affair is that recently one of the tenants has been given notice to quit. Is this, Sir, an attempt by Government to minimise the problem by reducing the number of tenants? If so, it is tantamount to political bullying.

MR SPEAKER:

I think that is a remark which is uncalled for. I don't think we should use those words in the House.

HON A J HAYNES:

Sir, I withdraw it but I would like an explanation. Mr Speaker, that is the first part of the motion, that immediate action to

alleviate the living conditions of Government tenants be a resolution of this House. If this House accepts this resolution then the second part should follow. It shouldn't be so difficult to have one with the other and that second part is that this House considers that no one should be compelled to live in Government accommodation which has been certified unfit for human habitation. Again, I feel that I shouldn't even have to make this point a resolution of the House. I should say it is obvious that no one should be obliged to live in premises certified unfit for human habitation but given the circumstances that there is at least one example where this is so, i.e. that at Casola's, I ask that Government ensures that it never happens again or that if it does happen again that those people be given immediate and steadfast rights and that is why I ask this House to also accept the second part of the motion. Lastly, Mr Speaker, I note again certain embarrassment that I have to bring this up but I hope that it will serve some purpose.

Mr Speaker proposed the question in the terms of the Hon A J Haynes' motion.

HON J B PEREZ:

Mr Speaker, Sir, I would like to first of all say that I will limit my contribution to the part for which I am responsible for and what is the Environmental Health Department and I would like to clear one point first of all and maybe I can give way to the Honourable Mr Haynes to help me on this one, and that is that he is speaking about Casola's Buildings. As far as my department is concerned we look at Casola's Buildings to consist of not only 17/19, Rosia Steps, but also to include 21/23, Rosia Steps. Perhaps, the Honourable Member could confirm whether he is referring either only to 17/19 or 21/23, Rosia Steps.

HON A J HAYNES:

Mr Speaker, I refer to the whole of Casolas, in fact, the people come from more than 17/19 Rosia Steps. It is the general area.

HON J B PEREZ:

The point is, Mr Speaker, that my contribution will be based on both 17/19 and also 21/23 Rosia Steps so I may be making some statements as to certain tenements which have been declared unfit for human habitation by my Department which may, in fact, not be 17/19, Rosia Steps, it may refer to other sections of Rosia Steps. I would like to make that point clear. Mr Speaker, the Environmental Health Department, arising from visits of inspection as a result of complaints by the tenants, are very much aware of the very bad living conditions which are quite clear at Casola's Buildings throughout the last few years and, if I may explain to the House what the position is as far

as the Environmental Health Department is concerned, what the procedure is and what has been done by the Environmental Health Department, I will then deal precisely with dates and with individual tenements which have been declared unfit and passed on to the Housing Department. The position is as I explained to Mr Haynes, I did meet him on one occasion apart from the letter which I also wrote to him, and that is that the Environmental Health Department proceeds in three ways. The first one is, after they receive a complaint from the tenant or from their own initiative, all the defects which are considered to be nuisances or prejudicial to health are in fact reported to the Public Works Department which, as the Honourable Mover well knows, is the department responsible for repairs in Government owned premises. These reports which the Environmental Health Department submits in fact contain detail of the defects and in fact seeks their abatement or their repair in a satisfactory manner. Once this report is made to the Public Works and the report is made in writing, it is then really up to the Public Works Department who decide on their own priorities in the context of other commitments they may have, availability of funds and, in fact, their own their actual manpower. That is one way in which the Environmental Health Department can proceed and has, in fact, proceeded in connection with Casola's. The second manner in which the Environmental Health Department can proceed is that when it finds that there is an urgent matter like things which are obstructed, they are reported verbally to the Public Works Department and they are asked to expedite the matter as soon as they can. The third manner in which the Environmental Health Department can proceed, Mr Speaker, is by declaring persons, individual flats, unfit for human habitation. In this type of case it is, in fact, the Director of Medical and Health Services or the Chief Environmental Health Officer who certifies to the Housing Manager that the tenement in question would be declared unfit for human habitation by a Court of Summary Jurisdiction and a Prohibition Order made under Section 84 subsection (2) of the Public Health Ordinance. Once such a certificate is issued, this in fact classifies the family as dispossessed for the purposes of Clause 9 of the Housing Allocation Scheme. Mr Speaker, as far as Casola's is concerned, and I include also 21/23 Rosia Steps, all these procedures have been carried out by the Environmental Health Department for the last number of years. I am informed, Mr Speaker, that some tenants in Casola's have in fact been given other accommodation throughout the years but, perhaps, the Housing Minister, the Honourable Mr Zammitt, can give more information than I can on this. The present position is that as far as the Environmental Health Department are concerned we have a total of 7 families which we have asked to be given alternative accommodation, in other words, there are 7 tenements within 17/19 Rosia Steps and 21/23 Rosia Steps that my Department has declared unfit. I think that was a question which the Honourable Mr Haynes had for an answer at this particular meeting and there he has the answer although the Opposition walked out at the time but there you are, there is your answer. As far as my Department is concerned there are 7 families which are categorised as dispossessed as far as the Housing Department is concerned. As I have already said, Mr Speaker, we are very well aware of the terrible conditions which at present exist at Casola's but there is one thing that I would like to make quite

clear and that is that the tenants of Casola's cannot expect that by having a motion in this House merely in respect of Casola's Buildings, that they enjoy or that they have priority over other tenants who are living in similar conditions. In other words, although we have full sympathy with the way in which they are living and I am sure my colleagues will in fact give more information as to what can be done or what will be done, I would like to make quite clear that although they have all our sympathy they cannot expect to jump over those who are living in similar conditions in other parts of Gibraltar.

HON MAJOR R J PELIZA:

Will the Honourable Member give way?

HON J B PEREZ:

Yes.

HON MAJOR R J PELIZA:

Can he indicate where there are similar living conditions in Gibraltar?

HON J B PEREZ:

The Honourable Mr Zammit will give the information he seeks. There is another point that I would like to add and that is, Mr Speaker, that as far as the Environmental Health Department is concerned there is no doubt whatsoever that Casola's is a slum. We have no doubt about that, we are not querying the position as explained by the Honourable Mover of the motion as to the living conditions there. We are very well aware of those conditions as far as this department is concerned but we must also realise that we in Gibraltar are not in fact immune to slums. The Honourable Members on the other side always like to refer to other European countries and around the world and I think every country has its slums and it is only a question of time, a question of availability of money, availability of funds, that the slums are actually demolished and the tenants are rehoused to new accommodation.

HON MAJOR R J PELIZA:

Mr Speaker, I think it is very important that we should hear what other Ministers have to say.

MR SPEAKER:

Members are free to speak as and when they wish to.

HON J BOSSANO:

I support the motion before the House and let me say, Mr Speaker, that I would like to take the opportunity to apologise to the Honourable Member, Mr Haynes, for having mentally misaligned him when he first started this campaign. I thought that it was in fact a political gimmick but I have been impressed by his sincerity in the way that he has presented his motion. It is clear to me that his social conscience has been moved by observing conditions which obviously have shocked him and as well as talking about the motion I would like therefore to take an opportunity to analyse how it is that places like Casola's Buildings exist and help, perhaps, to move the Honourable Member's political conscience more towards socialism now that his social conscience has been moved because it is clear, as far as I am concerned, that the essence of the problem, and we need to take urgent action to put right an area that is identified as one that is a blot on the community but we also need to know how it is that such areas exist and I think the Honourable and Learned Mr Perez is absolutely right when he says that the crunch is money. Therefore, if we want to help people in need we must also be prepared to support the provision of funds that are necessary to provide for that need and I am prepared to support the provision of the funds that may be necessary and to carry part of the responsibility that may be required if we need to take money away from those who have got more than they need to give it to those who have less than sufficient to meet their basic requirements. I also propose to move an amendment to this motion to insert the words "or private" after the word "Government" in the sixth line; between the word "Government" and "accommodation". In doing so, I am dealing with the second part of the motion which the Honourable and Learned Mr Haynes said followed logically from the first, if we accept that the conditions in that area are unacceptable and we accept that it follows that we cannot tolerate people living in Government accommodation that is declared unfit, then we must logically accept that people should not be allowed to live in private accommodation that is declared to be unfit and that is the reason for the amendment. I am not suggesting for a moment that Mr Haynes deliberately omitted private accommodation. I am just pointing out that there can be tenants living in private accommodation that is also declared unfit and if we are asking at the House of Assembly the Government to assume that there is a social and political responsibility for ensuring that people are not living in unacceptable conditions, then the question of the ownership of the property is secondary. It is, of course, I think, more reprehensible that it should be Government because after all you have one Government department saying that the place is unfit and another Government department tolerating that it should continue to be occupied. I am sure that the debate on this matter will gain from the Honourable Mr Loddo's contribution if he chooses to delve into his past experience of unfit accommodation in Gibraltar. I am not familiar with the exact conditions of the tenements in question but I can tell the Honourable and Learned mover of the motion that I know just how serious a housing problem we face in Gibraltar and for me essentially it is part and parcel of the inequality of society

which we continue to tolerate politically because we are not prepared to do what is necessary to put it right. I welcome a commitment of the House of Assembly to attack such inequalities. I welcome, in fact, the political education of the Honourable Member in the courage that is required in certain areas of the working class population to overcome the disadvantages which an unequal society present them. I think the Honourable Member placed emphasis on the young children living in that area and I would ask members to consider whether children born in that sort of environment are starting off with the same chance in life as others. This motion, for me, goes beyond merely a housing problem, beyond merely the unacceptability of saying that the place is unfit to live in and allowing that to be perpetuated, it goes to the root of what political commitment is all about. I welcome the motion, Mr Speaker, and I wholeheartedly support it.

Mr Speaker put the question in the terms of the Hon J Bossano's amendment which was resolved in the affirmative and the amendment was accordingly passed.

Debate continued on the Hon A J Haynes' motion, as amended.

HON M K FEATHERSTONE:

Mr Speaker, I would like to associate myself with the Hon Mr Bossano and congratulate the Honourable and Learned Mr Haynes on what was I would say for him his first major speech, free in most instances from his usual invective, constructive and to some extent, educational. Now, Sir, as the Honourable Mr Perez has said, lamentably Gibraltar like most other big cities, has its unfortunate areas, its depressed areas, what might be called slums. This is not a thing that we have been without ever but over the years successive Governments have done their utmost, and in their time the City Council, to try and get rid of them. I remember some 25 years ago when I first joined the City Council, we had a very bad area which was known as 'Patio Danino' one of the worst slum areas you could possibly come across, worse, I think, even than Casola's Building because the whole building was tottering and on the point of collapse, and eventually it was taken over and now we have the Police Barracks buildings which I think are a credit to Gibraltar and this, of course, is the intention to do with all the slum areas we have. The Honourable Major Peliza talks about are there any others? Well, we have one building which is again on the point of collapse. We have some people living in the transit centre in Town Range where they do not even have the benefit of electricity. They are living in an old building surrounded by wooden slats that they have put up themselves and the only illumination they have is by one of these little butane lamps. Cooking, again is a very difficult thing to do and they are living in the most miserable of conditions and it is our hope that they will soon be moved at least to some better area. We would like to support this motion but we cannot do so because, obviously, this would to some extent put one depressed area in advantage over other depressed areas and it is the Government's whole attitude that

all these areas must be looked at and as much must be done to remove them from the face of Gibraltar as quickly as possible. But this takes time. We have, as the House well knows, a vast modernisation programme. An area which was not as bad as Casola's or Rosia Steps but an area which was delapidated and which was in need of modernisation was the Lime Kilm Steps area and this has been tackled and has been approached. Castle Road area is another area which is again being modernised. It was an area which was falling into decay which was an insipient slum and therefore I do not think it can be thrown in the face of this Government that we are doing nothing whatsoever. But each one must wait its turn. We would like to do them all at once but unfortunately neither do we have sufficient labour or sufficient money or even sufficient space to do everyone at the same time. The one thing that I would take issue with the Honourable Mr Haynes was his remark that notices are sent to the Public Works Department and are - if I can read my own writing - effectively and cynically ignored. That, Sir, I would give the lie to forthwith. If the question had been put to me - Question No 294 - I would have followed the same procedure as my colleague the Honourable Dr Valarino and said that I would leave the reply to that question until a later part when the motion came and this might have had a second walk-out. But I am willing to give all the facts that I would have answered in that question. We have, over the last two years, been requested by the Environmental Health Department to do a number of jobs and these have been done. In No 19, treat walls affected with penetrating dampness; replace missing wall tiles; replace missing floor tiles; renew defective ceiling boards, repair leaking WC pans, replace window panes, repair cracked window-sill. In No 14, carry out repairs to sewage installation. No No 21/23; repair loose soil pipes, No 19 again, renew inter-septor.

MR SPEAKER:

Order. I am not going to tolerate any further interruptions from the public gallery. If I see that this is happening again I will have no hesitation in clearing the public gallery. The proceedings of the House of Assembly will be conducted with the decorum it is entitled to and without interference from the public.

HON M K FEATHERSTONE:

Thank you, Sir. In No 36 roofs were leaking, ceiling boards were loose, floor boards were affected with dry rot and the electrical installation was defective. All the above repairs have been carried out. Those were given to us on request from the Environmental Health Department but apart from that, 47 other requisitions have been done. This is no small amount and I do not think that it is completely true, as the Honourable Mr Haynes would say, that the Public Works just cynically ignored all requests if they happen to come from Casola's Buildings. But, of course, when requisitions do come in they have to be looked at with a certain measure of care because,

obviously, if a building is in such a dilapidated state that it is going to cost more to repair than really it is worth doing, one has to exercise a measure of judgement and decide whether to do it or not. It is the judgement of Public Works that Casola's Building, per se, is not worth repairing. It is a building which, sooner or later, and I hope sooner, will be demolished and a new building put in its place and this is part of the plan we have for the Gasworks or Vineyard scheme which is to go ahead in the next development programme and I will inform the Honourable Mr Haynes the next development programme is due to start in 1981 and it does not mean that it means four or five years waiting. This could be the first parts of the development programme so it might mean a wait of six to nine months before something was started. The intention of course is to start in April 1981. We have, and I accept this, a list of other repairs that have come in on the 24th of October from the Public Health Department and these relate basically to the WC's on the upper and lower yard, the rear of the lower yard and on the first floor and first floor North and I have given instructions that these are to be done expeditiously because they are real-essentials as they are detrimental to health if they are not done as a sense of urgency. If the Honourable Mr Haynes had got in touch with me and told me that the tarpaulins were in a dilapidated condition, or were not put in the most effective places, we would have done something. It is a pity that he didn't get in touch with me, he knows I am quite accessible and we would have done something to deal with that but I will see that whatever can be done to alleviate the roof leaks by improving the situation of the tarpaulins, will be done. The question of no running water. I accept that there is no running water there, this is not a thing which is so rare in Gibraltar, there are many areas without running water and of course, as the Honourable Mr Haynes has said, the tenants do not wish to invest any money in putting in running water because it would perpetuate the possible time they would be considered liable to stay in that type of building and that is exactly the same reason why the Public Works Department doesn't wish to pour in a lot of money on a building which in itself is not worth spending a lot of money. I take the point that the dustbins are not emptied on a daily basis. I will look into this and the Honourable Mr Haynes has my word that as far as is possible the dustbins will be emptied on a daily basis. I cannot see any reason why they should not be but if there is any specific reason why it has I will inform him and I will see that it does not occur again. A sewage pipe burst. Well, Sir, this is one of the things that can happen anywhere. We have had pipes bursting in Varyl Begg Estate, a reasonably new building, we have had pipes bursting in Humphreys, this can happen anywhere. I can only be of service by saying that should there ever be such a burst it will be repaired with the utmost urgency. I am happy to see that the expression "political bullying" was withdrawn. I am not sure, Sir, with regard to the fountains not being available on a Sunday. I will look into this and again I will see that the water should be available on Sundays because I do not see any reason why people should have to put up with the difficulty of no water on Sunday, they have enough difficulty with having to cart the water in anyway. As far as the abandoned flats are concerned, there is nothing

at the moment that Public Works can do other than to board them up to stop anybody squatting in there although this is not an easy thing because if the squatter is determined he will break down the barricade that we have put up and this has happened in the past. I think, Sir, that that shows that the Public Works does understand the position as far as is possible, is willing to help as far as they possibly can within reason and without pouring what one might say good money after bad and, as I have said, the situation is that the Government does appreciate that this is an unfortunate area, has got plans for it to be ameliorated as soon as possible and I can only ask the people living there to have a little more patience, they have been very patient up to now and this is appreciated. We do understand the difficult conditions in which people live but as I have said they are not the only area and if we were to accept this motion as it has been put it would put one area in advantage over others who are living in just as difficult conditions. Thank you, Sir.

HON MAJOR R J FELIZA:

Mr Speaker, I am very glad that my Honourable Friend, Andrew Haynes, did bring this to the notice of the House. He certainly captured the attention of this Assembly as I have never seen anybody else do it before. In silence, we all listened to what he had to say with very graphic description of the sort of conditions that there are still people living in. One, I think, can hardly believe this as most of the time we see the better areas of Gibraltar and one is inclined to forget that that even now there are pools of slums in our little Gibraltar. I think he has done a great social good by bringing it to the notice of this House, because notwithstanding that the Government may be aware of these conditions, there are many other problems that need attention and through silence these places where a lot of suffering is going on, are clean forgotten. He has done, therefore, a good social action by bringing this matter to the House. Of course, he tried by every means to bring this to the notice of the Government by other ways. I, personally, am not quite satisfied with the answers of the Government so far. There must be a way of giving first aid to the situation. We just cannot say that people in those conditions will have to wait until their turn comes. Personally, if I were living under those conditions, and I am sure the Minister himself who has spoken tonight would find it very difficult to accept the situation. I am sure that they would do something to try and face what is obviously very, very wrong. My Honourable Friend, Mr Bossano, pointed out that these things require funds. He went slightly off at a tangent to express how from seeing a situation like that you move into some sort of political philosophy, and I agree. But in this instance it is not due of lack of funds. We know we have had plenty of funds available for development programmes which unfortunately have just been sent back and we have not used it up. This I think is a great tragedy, that we have had the money in Gibraltar under the development programme to put this right and we haven't done so. We have had houses in Varyl Begg Estate empty because of the procrastination of the Government.

MR SPEAKER:

No. 1 am not going to have that under any circumstances.

HON MAJOR R J PELIZA:

Mr Speaker, we have had empty houses in Varyl Begg Estate, this is a fact.

MR SPEAKER:

Order. Let us speak about the subject before the House.

HON MAJOR R J PELIZA:

As I say, Mr Speaker, it is not due to lack of funds, I think you must accept that there have been empty houses.

MR SPEAKER:

I have not got to accept anything. I am here to play the game by the rules. I have called you to order and you will keep to order.

HON MAJOR R J PELIZA:

Can I say that there have been empty houses in Gibraltar for a long time in Gibraltar, Mr Speaker?

MR SPEAKER:

I have not objected to that.

HON MAJOR R J PELIZA:

That is what I mean, there have been empty houses, which if the situation had been properly administered, that would not have happened. And, equally, I think, if this Government had been more efficient with their development plan this situation might have been over by now. I think it is fair to say this because if we don't the complacency that has existed in the past may continue and it is all very well to talk in this House very quietly, very logically, if at the end of the day we are all going to go home and forget about it.

HON M K FEATHERSTONE:

If the Honourable Member will give way. I have given a commitment of what the Public Works are going to do and I do not intend to go home and forget about it. I shall be telling

the Public Works tomorrow morning that this must be done.

HON MAJOR R J PELIZA:

Mr Speaker, I am very glad to hear that and what I say will only help him not to forget. I am not really acting contrary to what he wants to do and therefore he should have no objection whatsoever but it is more than that and I am coming to that, Mr Speaker. It is vital that the Government of Gibraltar in its priority should put housing first, there is no doubt whatsoever about that, Mr Speaker, that must be No 1 priority. Secondly, they should build houses as fast as possible. Thirdly, something should be done for the people who are in those conditions today and it should not be looked at purely and simply on whether it is cost effective or not. The situation of those individuals has got to be looked into and if in the process it is going to cost more than in fact we accept that the house cannot be rebuilt because it is not I think economically viable that we should do so, I think some patching up, some money has got to be dedicated to make the lot of those people a little better than it is today for the period that they have to wait there. I don't think the Minister for Public Works put it that way and I would like him to take that into account and perhaps bringing an extra vote to this House. I think this side of the House will be prepared to support such an action because in fact the Minister has not given a definite time as to when these people, these and the others that are affected. Will be able to find decent accommodation. I would like to hear, Mr Speaker, and I think it would be very satisfying for the people living under those conditions, if the Minister could say with some certainty "You will be out of that hole by such a date". We have heard today that there are going to be plans for more housing and that they will come out eventually, that is what I interpreted, but no definite date. I think the people that are living under those conditions if they were given a date by which they know they are going to be changed into better accommodation, I think they would feel much happier and in a much stronger position to put up with the conditions that they are living in. Furthermore, Mr Speaker, I would say in the situation that people living in slums today are, the Department of Public Works should not leave it to those who make the complaints. I think it is in the interest of everybody that someone should be appointed from the Department to do the rounds and try and make sure that things are put right because although the Minister says that things are done, one has to accept that in a department where obviously they are very hard at work and lots of reports are coming in, it is possible that those who need most priority don't get it. We have the instance of the tarpaulins where the tarpaulins obviously have broken and the rain is coming in and it took some time from what we have heard here today before that was put right. If, because of the circumstances that this accommodation is in, we have someone doing the rounds, that would have been seen pretty early and perhaps would have been changed even before it broke. Mr Speaker, I think that that is another thing that if I were the Minister for Public Works, I would try to institute. Briefly, what I say is (1) the conditions are as they are through bad administration of the

Government in not carrying out their development programmes as they should have done, it is not through lack of money. (2) It is important that something is done to ameliorate the position even if this is going to cost more than was envisaged, and this side of the House is prepared to pay. (3) a definite date should be given to them in conjunction with the new development programme as to when they are likely to change accommodation. Finally, Mr Speaker, I would have someone especially dedicated to go round these areas to make sure that the position is not allowed to get worse than what it is today. I, of course, fully support the motion and I am sorry to hear that the Government is not going to.

HON H J ZAMMITT:

Mr Speaker, once again I too must say that the whole debate has been spoilt by the Honourable and Gallant Major because one cannot but say how sympathetic one has looked at this case from its inception, not only when the Honourable Mr Haynes came to see me after having written me a letter but because I am unfortunately in the hub of receiving constant letters and complaints from tenants from Casola's building. And not only Casola's building but many other buildings that are in Gibraltar that are worthy of particular attention. Mr Speaker, one of the questions asked is, why do such areas exist? The simple answer is that such areas exist because it was not until after the war, the Second World War, that the elected Government of Gibraltar began to construct housing for the people of Gibraltar. I am told that the only building that was erected by the then City Council was Harrington Buildings in Cumberland Road, and, therefore, Gibraltarians had to live in the old houses that were privately owned and a number of Gibraltarians lived in Spain and came over.

HON MAJOR R J PELIZA:

If the Hon Member will give way. Perhaps the Minister will correct me on this one but I think Humphreys Estate was built during the time of the City Council.

HON H J ZAMMITT:

It was done in 1947, Mr Speaker.

HON CHIEF MINISTER:

The City Council was very deeply concerned with the construction of Humphreys Estate.

HON MAJOR R J PELIZA:

Yes, but it was the Colonial Government who built it.

HON H J ZAMMITT:

It was done on a par basis with the Gibraltar Government in 1947. I think that Sir Joshua Hassan made his first civic triumphant walk into politics in 1944/45.

HON MAJOR R J PELIZA:

I happened to be a City Councillor at the time.

HON H J ZAMMITT:

Anyway, Sir, be that as it may, I think certainly Humphreys was built in 1947, shortly after the war. The old buildings all round Gibraltar, Willis's Road, Flat Bastion Road, Casola's Building, etc, have been standing in some instances, for well over 100 years. Some of these buildings, were returned to Government upon the termination of a private lease, have been returned to Government in quite appalling conditions. This is why I would ask the Honourable Mr Bossano that when he inserts the word "private" there is particular danger because we cannot control who a private landlord puts into his accommodation. We find in the Housing Department all too often that no sooner does the private sector put somebody in, that two days later the same person goes and complains of it being unfit and that person jumps the queue of people who have been waiting at Casola's Building for the last 7 years. So we have to be very very careful when we do this and how we do it because we certainly have control over our own dwellings but we have no control whatever on private dwellings and I can assure the Honourable Members opposite that I have encountered this in a particular patio on more than one occasion where the Public Health Department has condemned by Court Order only to find that the landlord is able to patch it up, paint it up, spray it up, in goes another tenant and three days later, because the house is in an appalling condition of dampness, as the Honourable Mr Haynes says, wallpapers cannot be put up, they cannot paint, the same tenement is condemned again and I think it is unfair that we should allow people to jump the queue of people who are patiently waiting as I say like the people in Casola's Building. I think the Honourable Member wants me to give way.

HON J BOSSANO:

I was just going to say two things, Mr Speaker, One is, in fact, that the motion reads "that nobody should be compelled to live in Government accommodation" and therefore it doesn't say that Government has to re-accommodate people who are living in Government accommodation, but I think it is logical if they are not compelled in Government accommodation they are not compelled in private either as a matter of principle. Secondly, I think that from my recollection, from my days in the Public Health, in fact a building is condemned when it is not repairable at reasonable cost. Therefore, it should not be possible simply to patch it up and say it has been condemned

and then to recondemn it. If that is happening then there is something seriously wrong and it should be looked into.

HON H J ZAMMITT:

Mr Speaker, I won't labour that particular point. I would just say, Mr Speaker, that I would like to talk about Casola's Building because when the Honourable Mr Haynes came to see me, I think it was early September, if I can remember correctly, he wrote to me on the 30th of August and he went through the list. At that particular time, Mr Speaker, I had no information in the housing department that Casola's Building or any tenement of Casola's Building had been rendered unfit. I can tell the Honourable Member in this House that we have had reports from Public Health dating back to 1975 when a Mr Davis was decanted. In November, 1977, on public health recommendations, we decanted a Mr and Mrs Chigley. In March, 1979, we decanted a Mr Hodges, in November 1979 we decanted a Mr and Mrs Smith and family, I assume. In December 1979 we decanted Mr Golt, senior; in January 1980 we decanted Mr Stuart and in October, 1980, we decanted Mrs Byrne and therefore on the 24th of October, this year, I received a letter in Housing from the Chief Environmental Officer and there are three tenements out of a total of 17 tenants in Casola's Building, but I must emphasize in all fairness that I am prepared, and I am only prepared on documentation for Casola's Building and not the 21/23 Rosia Steps that my colleague referred to. Casola's Building is 17/19 and that is the one that I know about because, may I say, Mr Speaker, the motion does mention Casola's Buildings and I certainly didn't come with material for Humphreys. I have certainly armed myself with information concerning Casola's Building. Now Mr Speaker, in the cramped situation that the tenants are living in Casola's Buildings there are in fact 36 tenements. We have been decanting people as I say since 1975 to October 1980, mainly on public health and public works requirements, but we have allowed no one to take over those tenancies and in fact I know that tenants there occupy, and we don't mind them doing it, occupy the vacant places purely because we don't want to put other people in houses in those conditions. So you can see, Mr Speaker, that we have certainly moved in decanting and when the Honourable Mr Andrew Haynes came to see me, I had the files and I was able to tell him that in one particular case; and I will not mention names, because I don't think it is fair Mr Speaker, in one particular case there is an applicant that stands with very high pointage. In fact, it is one of the 3 houses that have now been condemned as unfit by the Environmental Officers. In the other case, out of the four we had, we were able to decant one person earlier before the report came through. This leaves me, really, with urgency in looking into three families in Casola's Building. Mr Speaker, what happens here is that these tenements that have been certified unfit will go to the Allocation Committee who will then give them the necessary classification of points for housing.

(Interruption from the Public Gallery)

MR SPEAKER:

Order.

HON H J ZAMMITT:

Sir, so the action is that those 3 in Casola's Building will go to the Housing Allocation Committee for the Housing Allocation Committee to award the points necessary for further action. I was about to say that I must be absolutely clear and make myself absolutely clear that there are other people in Government housing who live in very similar if not worse conditions than Casola's. I was asked by the Honourable Major Peliza earlier on; "What other places?" There is a place in which we have to decant people within the next month. I don't think I should make reference to it, Mr Speaker, but if the Honourable Member would like to know I would be very pleased to inform him. There are other places that have been certified unfit in Devil's Gap Steps, in Willis's Road, in Crutchett's Ramp, that is on Government side only but there are many other places that receive equal treatment in the private sector. I don't think it is very easy to say that we should drop everything and just attend to these cases. These cases of course will be attended to in the best manner we can but things have to be taken in their stride. Mr Speaker, it is precisely because we find ourselves with an old housing stock that this Government took up a modernisation programme. It is precisely because there are people living without running water and communal toilets that the Government embarked on a modernisation programme and it is absolutely futile and ridiculous for the Honourable and Gallant Major to say that there were funds available

HON MAJOR R J PELIZA:

If the Hon Member will give way. This is the whole point. This is where the Government have gone wrong if I may say so, Mr Speaker, because modernisation takes a long time whilst if the effort were put in building new houses then I think there would be more houses available. Therefore, priority (1) is build more houses and then when you have the opportunity gradually modernise. It is not that we are against modernisation but I think the priorities are wrong.

HON H J ZAMMITT:

Mr Speaker, but we are doing that, we are doing two things simultaneously and modernisation cannot be such a bad thing because MOD down in Rosia Road has modernised flats. It is advantageous and it has its merits. Mr Speaker, the Opposition oppose and always have opposed modernisation and let me say one thing Mr Speaker, no one suffers more than I do as Housing Minister because, invariably, I am faced with two things. Does the scheme punish people on the waiting list and give advantage to people living in substandard accommodation? One isn't a magician and if you have three, you have three and you cannot make six, Mr Speaker. People must realise that there are many

people living in Gibraltar in quite appalling conditions and we are doing our utmost and I would ask the Honourable Member, or Members for that matter, that they may like to have a walk around Gibraltar and see the amount of decanting that we have done in preparation for both modernisation and new housing. In fact, it was but a few weeks ago that I walked around with the Chief Minister and although I see it in paper I had not seen it in practice. Road to the Lines is virtually decanted completely, all Tank Ramp is being decanted. Lime Kilm Steps has been decanted, Flat Bastion Road has been decanted, and slowly we are improving our housing stock, we are not perpetuating slums because I am afraid in all sincerity there are houses that I wonder somehow how they stand, never mind how people can live in them. But there are obviously restrictions, we haven't found the goldmine yet.

MR SPEAKER:

Let us return to the subject matter of the motion.

HON H J ZAMMITT:

Mr Speaker, one thing I would like to say is that under no circumstances would any tenant of Casola's Building be condemned to living there longer than he would have to live there if he installs his own fresh water supply. That is absolute rubbish. If a person in Casola's qualified on points he is out, he or she or they are out whether they have running water or no running water. I would advise them, as I do in many instances, not to instal running water because I do not think they are going to be there all that long. I also must make it a point, Mr Speaker, that I did not say to the Honourable Mr Andrew Haynes that the people at Casola's Building were condemned for four to seven years. I understood him to say that in the letter he sent to the Chief Minister that I had said that the people in Casola's are condemned to live there for the next four to seven years. That is not so.

HON A J HAYNES:

I did say that in my letter to the Chief Minister that in effect what the Minister was saying amounted to 7 years or so.

HON H J ZAMMITT:

Well Mr Speaker, that is not the case because there is one tenant there that the Honourable Member knows who will be out, I think, within a month.

HON A J HAYNES:

I did say that as regards individuals he did offer some hope but not treating the building as a whole.

HON H J ZAMMITT:

Mr Speaker I cannot treat the building as a whole because the building has not been condemned by the Public Health Department. All I can do is view those tenements that have been reported to us as being unfit for human habitation. Those are the three that I can certainly give hope to. And I can give hope to more than three because there are some that are going to qualify as soon as new houses come our way. On the advice of the Environmental Health Department I have three tenants living there now that I have to pay particular attention. I repeat that attention has to be paid in conjunction with the other 80 or so cases that we have in the Housing Department.

HON J ROSSANO:

If the Honourable Member will give way. He mentioned a number of previous tenants that have been decanted. Given what he said about what could happen in the private sector that somebody is brought out of a private dwelling and then somebody goes in, can he tell me, in fact, that this does not happen in Government accommodation?

MR SPEAKER:

The Minister has said that in Casola's Building it hasn't happened but you may wish to confirm that.

HON H J ZAMMITT:

Mr Speaker, I was coming to that point. If the Honourable Member will bear with me for a second because there is one particular point that I regrettably have to say and that is that my concern at this stage is that as a result of a letter dated 24th October, from the Public Health Department, it was the first time, subject to the people we had decanted earlier on, that we were now faced with an unfitness problem in three tenancies. What I did say to the Honourable Mr Andrew Haynes was that they were not going to be decanted, that is the entire block under this modernisation programme, they were not included in this programme and therefore they could well be in the next but by that time I would assume some of them would be out. Mr Speaker, I think the Honourable Member will now realise that when we have decanted somebody from Casola's Building, we have preferred purely to avoid having more people living in that condition not to allocate the vacancy left. I must say, and I would not like to have said this, but the Honourable Mr Haynes made reference to the Housing Department adding insult to injury by sending a notice to quit. Mr Speaker, the person that was given notice to quit happens to be a squatter. It is not a notice to quit in the legal sense, it is somebody who has been asked to leave. Mr Speaker, I know it is lamentable but that person has no right to be there. That person has not a tenancy agreement, that person moved in there and has stayed there and therefore I cannot, under any circumstances keep quiet about it because I

think it doesn't do us any good. If we decanted Casola's building and then found that people were going to move in there, and this is the point that the Honourable Mr Bossano mentioned, that we find that some of the places that are condemned by Government unless they have boarded it up are squatted straightaway. Then one finds purely from a sense of sympathy that everybody of course says there are children and one can cry one's eyes out. There are children, there are married families. But Mr Speaker, that is the situation. I can assure the Honourable Member and I thank him for his concern in this particular case, and I think the Honourable Major Peliza, for once spoke something which I listened to with interest and that is the attention that all members of this House gave to the Honourable Andrew Haynes because this is a very serious, emotive matter which we all sympathise with and we would all like to help. I would just like to say that as far as the Government is concerned we certainly sympathise with the tenants of Casola's Buildings as indeed we sympathise with the tenants of many other housing estates and patios inherited by Government over the years and the concern that Government has had in this has been very well exemplified in our modernisation programme in our decanting programme and I hope that the forbearance that the tenants of Casola's Building have shown in the past will not have to be borne for much longer.

HON MAJOR R J PELIZA:

If the Hon Member will give way. I wonder whether the Minister could say if the four points I put forward could be implemented by the Government?

HON H J ZAMMITT:

Mr Speaker, the four points made by the Honourable and Gallant Major Peliza are four of the many points that Government tries to do in housing. One couldn't say "Eureka" to what the Honourable Major Peliza has come up with. It is quite basic. Of course we don't like to see people living in Casola's Building. Of course we don't like to see people living in very bad conditions.

HON MAJOR R J PELIZA:

Perhaps the Honourable Member did not listen to my four points. There were four points which I think if the Government could give an undertaking I think it would make the position of the tenants there a happier one. Whether the Government can act on them or not is a different matter. I asked him because I thought he might be the last speaker.

HON H J ZAMMITT:

First and foremost there are priorities and my concern is that I

ask the departments concerned to tell me what their priorities are. I just cannot decant all Gibraltar.

HON MAJOR R J PELIZA:

I didn't say that.

HON H J ZAMMITT:

What the Honourable Major Peliza very well knows is that neither the Minister for Public Works or the Chief Minister or myself as Housing Minister, will tell somebody in Casola's that they are going to move into Humphreys in December, 1981. We cannot give a date Mr Speaker and the Honourable Member knows exactly why we cannot give dates. There are circumstances very much beyond Government's powers and I have made the mistake in the past, with the best possible intention, having been assured that something would be ready by such a date, to have told that person, that person goes and buys furniture and that day comes three months later, and that person calls me a liar. Never again will I tell a person you are coming out on such and such a date. Never again. I made that mistake once very much to my detriment. Therefore Government cannot, as much as it would love to, commit themselves to an exact date.

The House recessed at 8.00 pm.

FRIDAY THE 7TH NOVEMBER, 1980

The House resumed at 10.45 am.

MR SPEAKER:

I will remind the House that we are still on the motion on Casola's Building moved by the Honourable Mr Andrew Haynes.

HON P J ISOLA:

Mr Speaker, I would like to speak on the motion and keep myself to the terms of the motion rather than embark on a wide ranging review of Government policy or what Government policy should be on housing, generally because I am certain that the conscious of all Honourable Members must have been stirred by the presentation of this motion by my Honourable and Learned Colleague, Mr Haynes, who I think has gone through considerable and painstaking trouble to bring to the notice of the House, as indeed of the public of Gibraltar, of the plight of one section of our community and of the dreadful conditions under which they live. I don't think we have had a more lurid description of living conditions ever in this House than we heard from the Honourable and Learned Mover of the motion. I am glad, in a

way, that the response of the Government has been rather more sympathetic than I thought it might be and it is in the spirit of constructive criticism that I am speaking to the House today. I think the Honourable and Learned Mover can congratulate himself on having achieved quite a lot for the persons that he is genuinely trying to help and whose cause he is trying to further. I think the statements that we have had about the possibility of rehousing them are rather more encouraging than the statements that the mover made to me of what he had heard prior to bringing the motion to the House. I hope that the concern, not just of Members of the House but also of the great number of people who signed the petition to the Chief Minister, has had its effect because I think this is a genuine case of people living in appalling conditions. I think that the motion, from what we have heard and from what has not been denied by the Government spokesmen, demands that some action be taken to alleviate the appalling conditions of the Government tenants at Casola's Building. I was glad to hear from the Minister of Public Works that he himself would take immediate action on a number of points that were brought up in the debate by the Honourable and Learned Mover. I know they are small points but at least it is some improvement. That the fountains would be available on Sundays and not closed so that people can draw water, that rubbish would be collected every day, and so forth.

HON M K FEATHERSTONE:

If the Honourable Member will give way, I am sure he would like to. Instructions have already been issued.

HON P J ISOLA:

I am very glad to hear this and the only point I would say, Mr Speaker, is that I think it is a great pity that the Minister for Medical and Health Services, whose responsibility it is, as being the Minister responsible for the Environmental Health Department, that the Minister for Medical and Health Services has done no more than send notices of nuisances to the Public Works Department. I think the debate has shown a singular lack of cooperation between Government Ministers on this particular issue. I will give an example. It seems, from what the Minister for Public Works has said in the House that he himself has not been made personally aware by his colleagues, whose responsibility it is to look after, for example, environmental health, about the conditions of the people at Casola's Building, and it seems to me that if the Minister for Medical and Health Services, the Minister responsible for environmental health, had done a little more than just sign notices but had picked up his telephone and called for a meeting with the Minister for Public Works then, perhaps, something would have been done to alleviate the appalling conditions under which these people live earlier than now. And I myself feel, talking in the first part of the motion, I myself feel that it would be very useful if the Minister for Public Works were to pay a visit to Casola's Building, with one of his high officials, inspect the place and see in what way the appalling conditions there can be alleviated

because I am sure it must be the view of all Members of this House that nobody in Gibraltar should be compelled to live in premises that are unfit for human habitation. The plight of the people there should be improved. It seems to me from what I have heard that the Minister most able to do this is the Minister for Public Works. I would hope that he would take up my suggestion and visit the area and see in what way the conditions can be alleviated. Mr Speaker, I don't think this is a case of throwing good money after bad. I think it is a question of ensuring that certain minimum standards of health and hygiene are maintained in Government accommodation. If this is going to cost money, well, so be it, the money should be spent. Money is collected from taxpayers every year in huge amounts for the general good of the people of Gibraltar and I think it is a perfectly justified expenditure to use this money in alleviating the appalling conditions in Casola's Building. I would ask the Government and I would ask the Chief Minister in particular, to give us assurances that the Minister for Public Works or people from his department will go and visit Casola's Buildings and see what they can do to improve the living conditions of the people there.

HON H J ZAMMITT:

If the Hon Member will give way. I think one could not but agree with that particular statement that the Public Works should go around or for that matter Public Health but I wonder if the Honourable Leader of the Opposition is aware that a Minister during the Integration with Britain Government administration of 1969/1972 asked the Public Health Department not to condemn Casola's Buildings?

HON P J ISOLA:

I am not aware, Mr Speaker, I am not aware, I don't see the relevance of it to this motion what happened eight years ago or nine years ago how that can be relevant with this motion I just fail to see. I am talking about the present living conditions there and I was giving way, I hoped, to a helpful remark to make the living conditions better but not to remarks such as the one that has been made but of course I am always happy to give way even if the interventions are quite irrelevant. But I do hope that that invitation will be taken up because I think that all Members of the House are agreed that people should not be allowed to live in appalling conditions and if they have got to stay living there for 3 months or 6 months or 9 months, at least make it livable, and I am sure that the amount of money that is involved cannot be large as compared with the sort of general Government expenditure. I think that the Honourable and Learned Mover would be very happy to hear assurances from the Chief Minister these things will be done as quickly as possible. If we can have the sort of speedy action that we have had, for example, from the Minister for Public Works who gave the assurance yesterday on these two minor points but I think points of some importance, and is able to tell us today it has been done, if we can get that sort of action from the Public Works Department

then, I think, in this House, we would be at least happy that the motion brought to highlight the plight of these people has had some result even though it might not have been passed. Then I would hope, Mr Speaker, and I think the suggestion made by my Honourable and Gallant Friend, Major Peliza, that there should be some sort of supervision or an eye kept on properties such as Casola's Building that are in a bad state, some constant eye kept by a fairly senior surveyor in the Public Works Department, some sort of regular inspection, I don't say it has to be every month, but, say, every 3 months of whatever period of time is thought necessary, to ensure that certain standards are being maintained. I think that the Minister for Medical and Health Services should himself take his responsibilities where environmental health is concerned rather more seriously than, perhaps, he does. I do not think it is sufficient for him to be able to get up in this House and say he signed 47 complaints and that they have been lodged with the Public Works Department. He has ministerial status, he can go further than just through his officials, I think he should take the matter up in Council of Ministers and express his concern if his notices are being ignored and especially in places like Casola's Building where we know people are living in appalling conditions, we know it now after the visit of the Honourable and Learned Mover to the place, having been put on notice of this, I think the Minister for Medical and Health Services should go with one of his high officials, too, and see for himself the conditions and press rather more strongly than he has for the alleviation of the situation. Mr Speaker, I feel it necessary to say these things because I can see there is sympathy in the Government for the motion but I think that the sympathy should be translated into action and I think that in situations like this, especially with departments with wide ranging responsibilities and wide ranging duties, liabilities and so forth, unless the Minister personally takes an interest in areas such as Casola's Buildings, then nothing will be done, I think if this motion succeeds in getting Ministers to take a personal interest in what is going on in these areas and doing something about it then I think the Honourable and Learned Mover can feel satisfied about it. Mr Speaker, going to the second part of the motion, that nobody should be compelled to live in Government or private accommodation that has been certified or found to be unfit for human habitation, I think that is a sentiment with which we all agree and I agree with the amendment moved by the Honourable Mr Bossano entirely but I think, with respect to him, that there are two different situations with Government accommodation and with private accommodation. I think with the private accommodation what the Government should do, having heard what the Minister for Housing said, I think there is a fairly simple situation there. If premises in private accommodation are certified unfit for human habitation and on that basis somebody is given accommodation from those premises, I think the legislation should not allow those premises to be used again for human habitation without certification from the Development and Planning Commission and the Health Authorities, that those premises have now been rendered fit for human habitation to the satisfaction of the Development and Planning Commission. Not just that they have been dolled up a bit. The Development and Planning Commission

should have power to put conditions to the sorts of work that will have to be carried out in those premises. I think this would rid the Government of abuse which obviously we all agree should be got rid of. There should be stringent conditions. If the Health Department says that certain private accommodation is unfit for human habitation then I think the Development and Planning Commission should come into the picture and the premises should not be allowed to be used for anything until work to the satisfaction of the Development and Planning Commission have been carried out and, Mr Speaker, there is a case in point just along the road here about which my Honourable Friend, Mr Restano, has raised a number of question in the House. Those premises were not just unfit for human habitation but were a danger to the public and required protection. In that sort of situation the law should be that those premises, once an order for demolition for repairs has been made they should not be allowed to be used or let until they have been repaired to the satisfaction of the Development and Planning Commission. That is the way to get rid of abuse, in my view, in the private sector. I think in the Government the situation is very different because the Government is its own master and therefore unless the Government accepts the responsibility and says: "Here are premises that are unfit for human habitation. I either empty them or I improve them so that they are fit," there is nothing anybody can do and I think the policy the Government should adopt is obviously to accept the principle that nobody should be compelled to live in accommodation unfit for human habitation and having accepted that principle you either empty them or you make them suitable. I know this is not easy but I think this is a principle that the Government just has to accept. The Government cannot allow their own tenants to live in premises unfit for human habitation. It is just not moral, it is just mustn't be done, the money has to be spent to make them habitable. It is just as simple as that. So, Mr Speaker, I hope that this motion brought by my Honourable and Learned Colleague with the very best intentions to help a very much deprived section of our community, will have positive results even if it is not passed.

HON ATTORNEY-GENERAL:

Before the Honourable and Learned Member resumes his seat can I speak on a point of clarification. Mr Speaker, the Honourable and Learned Member referred to the need to go to the Development and Planning Commission if premises were unfit for human habitation but he will of course be aware that at the moment there is machinery for repairing premises that are unfit and for prohibiting their occupation until such time as they are rendered fit. I would just like to clear whether the Honourable and Learned Member is saying that that isn't an adequate machinery and that there should be improved machinery.

HON P J ISOLA:

I am glad to hear that, Mr Speaker, I don't know whether the machinery is adequate or not but having heard the Minister for Housing complain of what is happening, I assumed there was

nothing that could be done about it. If the machinery is there to do the sort of thing that I am suggesting, I am very glad to hear it and all I ask the Government is to use it and use it quite ruthlessly because there is no question about it that properties are valuable in Gibraltar and I think in certain areas the Government would be very justified in using that machinery.

HON CHIEF MINISTER:

I was going to deal with the point raised by the Honourable the Attorney-General because the position is somewhat different. In the first place I do not see why the Honourable Member who has just spoken should be surprised that we have shown sympathy in this matter. That is the whole purpose of Government, to try and better the position than ameliorate the suffering of the people. That is what we have been doing all these years but what was mentioned yesterday by the Minister for Housing must be taken into account and that is that it has fallen on this generation to house the people properly because nothing had been done in 250 years prior to the war. Nothing had been done except Harrington building by the City Council at the time when they were going to become the Housing Authority for the first time and then the war came and the whole thing was stopped and nothing was done except that building. Then the impetus that was given to the Housing immediately after by the then City Council and later by the Government, has re-housed I think about 4/5ths of the total population of Gibraltar that required housing. By any standard, in proportion to the territory, that is a very great achievement. But of course there are many black spots and I am afraid that whilst the debate yesterday and this morning carried on on lies which are understandable and I think the main benefit of this motion is really to draw attention to the public at large of the situation of some people rather than members of this House who are acquainted and if they are not acquainted they should jolly well be acquainted, certainly the members of the Government are. If we refer back to the earlier part of these proceedings when we were busy with the supplementary estimates, Honourable Members will see on supplementary estimates No 2 when £320,600 were asked for it said on the margin that it had not proved possible to redeploy to the extent previously envisaged the maintenance section labour force to the heavy maintenance programme and tenants' requisitions must be attended. These supplementary requirements will be partly offset by a saving of £150,000 on the backlog of heavy maintenance. We were asking the House for more money earlier on, before this motion came and before notice of motion was given, we are asking this House to divert money in order to do precisely what the Minister said he was doing in respect of Casola's Buildings and in respect of the others so that there is no question of lack of money in respect of repairs. There is, of course, the question of the limitation of the labour force and the demands that are brought on it. The other thing that I should like to correct is that the Minister doesn't sign nuisance notices, these are signed by the Chief Environmental Health Officer. This is a section of his department and this is done all the time. I have a letter here from the Chief

Environmental Health Officer when I asked for a report arising out of the motion, where he says, amongst other things; "The Environmental Health Department periodically inspects the premises and all defects discovered and tenants' complaints found to be justified are reported to the Public Works Department for necessary action". This is another proof that though the people have a perfect right and they do continuously lay complaints about nuisances which the Public Health Inspectors go and look, also they have the practice of going regularly without being asked to see these places and see what can be done. So the system is there. But it gets to a bottleneck when demands of the various black spots that we still have in Gibraltar, which gradually we are getting rid of, get into a bottleneck in the Public Works Department for lack of labour, I would have thought mainly. Money we have asked for, it has been voted, and monies will be available but, of course, there is the limitation in respect of labour which sometimes requires that things take a little longer to be done. I, myself, when someone brings to my notice a particular bad situation I write a note to the Minister. When he wasn't here, he was at the Commonwealth Parliamentary Association Conference, I wrote to the Director of Public Works. I had a note from him the other day explaining about a particularly bad flat for dampness and so on. We take a continuous interest in the matter. And as I say, the debate was going along and has come along good lines except, as usual, when the Honourable and Gallant Major goes into it like a bull in a China shop because he tried to explain yesterday that having a situation such as this is a sign of bad Government. I challenge him to tell me in which City in the World there are not black spots like this one. Whether in London, where he lives, there are no slums to be cleared, of course there are.

HON MAJOR R J HELIZA:

Mr Speaker, I cannot understand why he takes such a negative attitude to my contribution. Whether there are slums anywhere in the world, I think our aim should be not to have them in Gibraltar. If that is the attitude that I am taking I cannot see why he should object to that.

HON CHIEF MINISTER:

That, of course, is perfectly tenable but to try and tie that up to responsibility of Government who have not cleared all there is then I must tell him that this is inherent in every City, unfortunately, because population has grown at a quicker rate than estates and because the demands of people are bigger now and they are not happy with just anything as they were 20, 30 or 40 years ago and people are entitled to have proper accommodation and giving them proper accommodation slows down the rate at which the others who are waiting can get it, that is the question. Housing is a big problem in Gibraltar and has always been particularly since nothing was done for 150 years and to show that and to show the problem of housing, in two years and 10 months of the IBWP Government they had three

Ministers for Housing and when you change Ministers it is because something is going wrong. Three Ministers, Mr Caruana, Miss Anes and then Mr Xiberras. Three Ministers of Housing which shows the problems that housing brings. I really must pay tribute to Mr Zammit who has been able to put up with this department for more than five years and has stood up to the great pressures which are brought to bear on him and on all members of Government but much more to him because he is primarily responsible. Therefore the Government has got a good record of which we are proud in respect of relief of housing. As he said the other day we went up to Road to the Lines where we have vacated there virtually a whole block of flats, this slum area has been cleared and will be built into proper housing and what he has had to do is to provide houses for about 200 people, to decant them, in order that either the houses can be rebuilt or modernised and that has been a great strain on the people on the waiting list and, of course, people in Casola's Buildings and others whose pointage has been high and who have not reached the stage because of the other demands on the housing requirements. There is no question about the fact that we are sympathetic and we understand the problem of Casola's Building and other similar places in Gibraltar. If the motion was in general terms, that the Government's aim should be to clear everybody out of slums, that we would accept because that is what we are doing but if you put one motion and then you put it in such a way that it highlights a particular area against the other then it breaks the whole of the priorities and it would not be fair for others who have not had the advantage having a Member to highlight their particular difficulty to get behind because of this. So the fact that we cannot subscribe to the motion is not because we are not sympathetic and because everything that can be done will not be done. Of course it will be done but as the Chief Environmental Health Officer said Casola's Buildings are a badly designed pre-war Communal Services tenement which over the years has unfortunately become a slum because of the way that part of the premises have been used, that is the overcrowding and so on. Therefore that one, together with others, will have the priority and the fact that the Minister has taken an interest, the Minister will take an interest in anything that is brought to his notice but to expect people to believe that the Minister for Health must know of every nuisance notice that is served by the Public Health Department, or that the Minister for Public Works should know of every item, every requisition, that comes into this department from repairing a door knob or a water closet system and so on is, I think, expecting too much.

HON P J ISOLA:

If the Honourable Chief Minister would give way. The reason why I made the complaint with regard to the Minister for Medical and Health Services is that these things were highlighted in public, he did have a letter from the Minister and I would have thought that in this particular area he might have taken a closer interest than just finding out how many reports had been made, that is the only point I was making.

HON CHIEF MINISTER:

I wasn't dealing with the Minister for Public Health at this stage, I was dealing with the Minister for Public Works. I first of all said that the Minister for Public Health cannot know all the nuisance notices and the Minister for Public Works cannot know of all the requisitions. What I am saying is that it does not require a motion, with the greatest respect, it does not require a motion, though we do not resent in any way that the motion should have come, I think it highlights the position. I hope people will get more conscious of this generally so that when the taxation has to be paid for the loans that have to be made in order to bring further housing is brought to the notice of the people, they also know that this is done also in order to be able to carry the benefit of housing to the people who deserve it. In that respect this motion has a good educational value. I am reminded that in fact the first letter of the Honourable Mover was acted upon because, as a consequence of his letter, 3 further flats were certified unfit and therefore placed higher in the priority list. In a problem of this vast nature of course anything that is brought to the notice of the people at the top ameliorates the position. It happens to me, people approach me and I take note and I write and perhaps something is done earlier because it has been brought to one's notice, but we must not forget that the department has got to deal with notices of people who haven't got either the advantage of being able to tell either a member of the Opposition or a member of the Government and that is going on all the time. That is what I would like to make quite clear, that we are compassionate, we are conscious of the matter, we have shown that over the years by the amount of money that is being spent and let me give you notice that the next Development Programme, as has been decided already, will carry housing as a top priority but let me put you on notice that according to whatever we may receive by way of development aid, we are going to go on with housing as a top priority even if we have to pay for it. Let me tell you that the cost of building nowadays would make the economic rent of a flat not being able even to be paid by people in the high income group and they still will be made available at rents that can be paid by people in the lower income group. I don't know whether there are any lower income groups but, anyhow, of the type that have not been able to have a house before. That is the policy of the Government because I entirely agree that the question of housing is not just individual comfort, it is a social problem, it brings about unhappiness amongst families, it brings about quarrels, unnecessary quarrels, it brings about stresses and strains with people suffering from depression and all sorts of things not only because they haven't got proper accommodation but because they have to share it with people with whom sometimes, for reasons that one should not interfere, cannot get on together and they have to live together. All these matters are very much in our minds, all these matters are the matters that we have been fighting for all the time since we have been in Government and there are the monuments of the work that has been done all over the place by one and the other, everybody has thought that housing was a problem. We were talking in the previous motion about the identity of the people.

More people would remain in Gibraltar and make good contribution to Gibraltar if we could have more housing. My colleague tells me that from England 300 Gibraltarians have applied for housing accommodation in Gibraltar. Well I think, economically, apart from the strain that they would put on the funds as will be seen later on when we deal with the programme, Gibraltar could become economically more viable if we had Gibraltarians who were committed to Gibraltar, who came here not just in order to spend a period but to come here and commit themselves to living in Gibraltar and making Gibraltar the ideal place that we all want it to be and part of which is still, despite everything, the envy of many people from outside.

MR SPEAKER:

Well if there are no other contributors I will call on the Honourable and Learned Mr Haynes to reply to the motion.

HON A J HAYNES:

Mr Speaker, notwithstanding all the kind words and ideas and promises I still feel that Casola's Buildings is like Humpty Dumpty that had a great fall and all the King's Horses and all the King's men will not put it together again. Generally stated the argument of Government is (1) that they are doing the best they can but that Casola's will have to wait its turn. That sounds reasonable and I suppose it is feasible but how long do they have to wait and how long do they have to wait before they are even the next on the list? If Casola's was the product of a recent disaster then Government would be entitled to say: "We cannot deal with it just now because we have other commitments of long standing to which we have to attend". That is not the case of Casola's, Casola's has been a slum for some considerable time. This brings me to the point made by Major Peliza which I feel is a valid point and which I endorse wholly which is that a date, a target date should be given to the inhabitants of Casola's. That, I know, will give them the kind of hope that they need in order to continue living there. It would also help Government to keep it firmly in their minds by having a date. This question of date and morale bring to mind a point made by Mr Zammit that it doesn't make a difference to the points of an individual tenant whether or not he installs water pipes. As I said it would give him a sense of permanence, that is my point, it was not that they would lose points if they made a capital outlay and buy pipes, it is just that these people can only live there in the hope that they will not be staying and as such if they make a capital outlay then, per se, they will be convincing themselves that they are going to stay and that is intolerable. The point as to whether they would have more or less points does not come into it. We have heard from Mr Rossano that he is prepared to vote money to deal with it as soon as possible and I am grateful to him for that and his amendment and I hope that the Government will avail itself of the willingness of the Opposition, generally. Again on this point that they are doing the best they can, I can only say that I believe that they are doing the best they can but I do not

think it is good enough and I have a firm belief that members on this side could do better. This boast, more or less, of the Chief Minister that here is Mr Zammit who has been putting up - those were his words - with the Housing Ministry for five years. Well, I think when one comes to say that he is putting up with a Ministry it is time to leave and I hope that in the day when I as Housing Minister start feeling as though I cannot do it any more then I would have the political courage to resign.

HON H J ZAMMITT:

If the Honourable Member will give way. I can assure the Honourable Member, and I told him when he paid a visit, if the Honourable Member at the next elections promises the people of Gibraltar that he will solve Gibraltar's housing problem within his four years, I gave him my assurance, and I stand by it, I will vote the 7 AACR members, leave myself out and vote for the Honourable Mr Haynes.

HON A J HAYNES:

Sir, I don't intend going in my own. The other point that was general in the argument of all the Ministers was that one should not give the tenants of Casola's priority since there are other places just as bad. I think that was a quote from the Honourable Member, Mr Perez, and perhaps at this juncture I should note I did not in my speech yesterday acknowledge that I had received a reply from him which I had, in fact. I note also that the Honourable Member is concerned and he has on the various occasions when we have spoken privately shown a genuine concern as I think everybody in this House has shown. However, I will not accept that statement that one cannot give the Casola's tenants priority because there are others just as bad. We have heard the Minister himself say that when premises are certified unfit for human habitation then the tenants are classified as being dispossessed. The law itself gives them priority. Where that the tenants of Casola's have that status, there is no need to give them priority, the law has given them priority because they are classified as being dispossessed.

HON H J ZAMMITT:

If the Honourable Member will give way. Of course they are given priority together with the other tenants that have also been dispossessed but I dare say there must be 80 or so in the same bracket. They obviously are assessed by the unfitness certificate and they are given points but not because the house is rendered unfit today does that person get top priority. I mentioned places such as Devil's Gap Steps, Lower Castle Road, where there are equally bad cases.

HON A J HAYNES:

Sir, I am not quite sure that I understand the point made by the Minister.

MR SPEAKER:

The point made by the Minister is that people who are dispossessed go into a particular list and they take priority in accordance with the points that they have and the time they have been dispossessed. Just because a person has been dispossessed he is not entitled immediately to jump the queue. I think that is what the Minister is saying.

HON A J HAYNES:

Unfortunately with an ideal government of course the mere fact that one is dispossessed will automatically entitle one to a house and that is the kind of priority that I ask for the people of Casola's. There is no point in being given either a priority rating if in fact it is just hypothetical and nothing will come of it. Certainly, I think the people of Casola's would feel that until they see something concrete, until they are given a date, until they are offered genuine accommodation, they will feel that whether or not they are given priority it would be just so many words and of no value and that is why I believe that the Government should commit themselves and should accept this motion. I think they should take the bull by the horns because that way they will force themselves to comply with the measures contained in the motion in the same way that if they give a date to the people of Casola they would be (1) helping the people of Casola's, giving them hope and (2) they will be committing themselves to a target. Again, if they commit themselves to the terms of this motion, as amended by the Honourable Member, then, perhaps, all those other people who live in appalling conditions will come forward, they will be given some hope by this House.

HON CHIEF MINISTER:

If the Honourable Member will give way. The opposite will happen, that is, that the people who are in as bad a condition will say: "Why have the people at Casola's Building got priority because a Member got interested while we have to wait?" If it is a matter of priority it must be on merit and of course they have a lot of merit but there are also other people with merit.

HON H J ZAMMITT:

Could I ask the Honourable Member to give way one last time. Could I have it from the Honourable Member if he feels the priority should be such 'to the detriment of the general housing waiting list'. In other words, people who have been waiting 10, 12 years in the normal waiting list, is the Hon Member saying he would like Government to stop the waiting list and give priority to all those cases that are unfit for human habitation?

HON A J HAYNES:

Mr Speaker, this is a point which I have often thought over and it is something I give much importance to, I don't suppose the Minister would expect me to say that I expect them to be given no priority i.e. to wait their turn living in their appalling conditions, wait their turn at the back of the queue which seems to be endless but, again, as I said yesterday in the USOC debate it is Government's role to find a solution, it is for us to point out the mistakes. I know your problem is not an enviable one. You have so many people waiting to be housed that whether in fact you give priority to one or another you will still be discriminating against many but I believe our Government would not fall into such a trap. If you give the whole of housing the importance it requires, then you will solve the problem and this brings me really to Government's political and moral obligation to support the motion. I found the Chief Minister's speech was entirely consistent with the motion and yet at the end he shied away. Similarly, in the 1976 AACR manifesto, the Government committed itself to proceed with the construction of new flats and at the same time carry on with the modernisation of old houses coupled with an exercise of slum clearance to the whole of Gibraltar's benefit. Well, if they expect a mandate from the people, if they expect the votes to go with a statement to the effect that they will clear slums, then they must commit themselves to this motion. On a last point, Mr Speaker, yesterday I did mention the case of an individual who was going to be evicted for being a squatter even though he contested that and I was wondering whether the Government had any information on that, whether they are going to go ahead with that.

HON H J ZAMMITT:

We have sent this tenant a letter that he must quit the premises. This particular family were in Gibraltar some time ago, he was a member of the Police Force, had accommodation in the Police Barracks, left Gibraltar, came back I do not know exactly the date, I would say about 10 or 9 months later, had no accommodation and went into Casola's Building. As a result of the motion brought by the Honourable Mr Haynes and the exchange of correspondence in this matter, and may I say a letter was sent to His Excellency the Governor by this particular person it was brought to light that this particular person was writing from an address which had not been allocated to him and, accordingly, a letter has been sent asking that person to vacate those premises which in fact, may I say, Mr Speaker, was one of the places where we had to decant somebody because of its unfitness.

HON A J HAYNES:

Mr Speaker, my information is other than this. I believe that the Chief Minister in fact personally gave authority to those people to move into that house and as such they are not squatters.

HON CHIEF MINISTER:

I do not give authority or tenancy to people. I can not tell them to go away, that is for the department to say that. If they can stay a little longer and that is going to solve the problem, that is a different matter. One can be tolerant in these matters, but that does not mean that I can give the right of tenancy to anybody, who am I to do that. If people talk to me about this matter and I say: "Well, if a little longer is going to solve your problem, we will see what can be done in order not to execute the Order, that is compassion, it is not legality.

HON A J HAYNES:

Again, that is not what I understand happened, Mr Speaker.

MR SPEAKER:

We are not going to get involved in particular cases.

HON A J HAYNES:

Mr Speaker, I find that in the interventions since I started this winding up speech, that I have been hadgered with the statement by Government to the effect that we should not give priority to these people because there are others equally bad and again the question of which does one favour, these people or others. This I just do not accept how bad should a place be allowed to get before it is given priority. I think Casola's as it is today, without considering whether there are other people who are in the waiting list, or whether there are other places just as bad, just going and seeing as it is today, you say this needs priority treatment and then you try not to prejudice the development programme we have at the moment, you just add, you just build more houses which is what we believe should be done and we believe that you are stuck in your own development programme which is not good enough. I don't accept this argument whereby you encourage other people who have got equally bad accommodation to say: "We won't let them get priority because we are just as bad". You shouldn't pull one off against the other. You should apply a building programme which will cover all and that is why having been to Casola's Building, having seen how bad it is, having heard that you yourselves understand how bad it is, I will not accept that it is not bad enough for you to give it priority. That is all I am saying. Mr Speaker.

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

The Hon J Bossano
The Hon A J Haynes
The Hon P J Isola
The Hon A T Loddo
The Hon Major R J Peliza
The Hon G T Restano
The Hon W T Scott

The following Hon Members voted against:

The Hon I Abecasis
The Hon A J Canepa
The Hon Major F J Dellipianil
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon J B Perez
The Hon Dr R G Valarino
The Hon H J Zammit
The Hon D Hull
The Hon R J Wallace

The motion was accordingly defeated.

HON MAJOR R J PELIZA:

Mr Speaker, I hope that my motion meets with more support in this House from the Government benches than all the others we have introduced so far.

As you know I have been appointed by my party as Shadow Minister for Tourism, and in that respect my first objective is to try and do what I can to implement what is in my party manifesto, even if we are in Opposition in that we believe that this is in the interest of Gibraltar. The best I can do, Mr Speaker, is to read the extract I refer to from our manifesto.

MR SPEAKER:

Could you perhaps read the motion first.

HON MAJOR R J PELIZA:

Mr Speaker, the motion in my name is: "That this House urges the acting Minister for Tourism, in consultation with the Traders' Associations directly connected with the tourist trade in Gibraltar, to set up a Tourist Board to advise the Minister in all important matters connected with tourism in Gibraltar, and to do so with a sense of urgency." Coming back to where I left, Mr Speaker, the reason why we are suggesting this is because in our manifesto as I said earlier, we said "We will have a realistic approach to tourism and will carry out a complete review of the tourist department expenditure. We feel that this is an area in which the money voted by the House of Assembly could be put to better use. We feel that all those involved in tourism must be brought into the way the money is spent. We propose to involve all sections of the tourist trade in the way money is spent on tourism." Obviously, I do not think we need to emphasise that tourism is the second major industry in Gibraltar after the services that we provide to the Ministry of Defence. I think, it is the duty of all the elected members to try and nurse this industry which is bringing a considerable amount of money into Gibraltar, I believe about 25% of our income and giving quite a lot of employment and doing quite good socially because of the contact that Gibraltarians have with people coming in and the cultural influence and the general amenities that are derived from the tourist trade which can be shared by the local population. I don't think one need expand more than that, I think it is acceptable to all. The last figure that I have of income spent by tourists in Gibraltar was £9.5m which I believe was in 1979. That is good money, as we can see, but we do not want to leave it there, certainly we want to keep it there at least and there is a danger that this may come down this year for reasons not necessarily connected with the tourist promotion of Gibraltar but also because the value of the pound has risen and since we derive most of our tourism from the United Kingdom, the people from Britain find that the pound fetches much more in other areas other than in the sterling area. For instance, America is doing extremely well because

of the ratio of the pound to the dollar. One knows that even Spain is suffering because of this and many other European countries. I think we are coming in for bad times. I have already had the opportunity of approaching most of the associations connected with tourism that I know of and they all feel very pessimistic about this coming winter. Apparently, by and large, the drop is about 30% and this is serious because if we accept that 30% which is about 1/3rd of £9.5 million the income is going to be reduced considerably from the point of view of Gibraltar unless we do something about it and it is not going to be an easy task. I have already seen what I consider to be the associations that are mostly connected with the tourist trade in Gibraltar. I have had the opportunity of having a chat with the President of the Chamber of Commerce, with the Hoteliers Association, the Secretary of the Taxi Association. I have also had a chat with the Chairman but I had a meeting with the Secretary of the Taxi Association. I had a chat with the Chairman of the Gibraltar Licensed Victuallers Association and the President of the Travel Agents of Gibraltar. I have had a chat with all of them and I can tell this House that they are all very concerned with the state of the tourist trade in Gibraltar particularly because of the hard time ahead. They feel, and this was unanimous that it is very important that there should be more consultation between the Minister and themselves. They all feel that there should be an Advisory Board which perhaps, the Minister should chair and in this respect if this were possible there would be a common interest round the table, in which of course there would be the different association interests, one must accept that, but notwithstanding that I think there would be compromise, there would be many instances where there would be absolute common interest in a decision and in the policy and in any case there would be better understanding even if the Minister could not do everything that every particular association would like to see done. The reason why it couldn't be done could be explained there and then and I think it would improve relations very considerably. Some of the points that really worries them and that they would like to consult the Minister on, I think I should point out because they are I think of general interest to tourism and also I believe it strengthens the case for this House to agree to have an Advisory Board on the lines that I consider to be best formed after the Minister himself has had consultations with all these associations so that if the Board is decided upon it should have, in my view, the blessing of the people who are going to sit on it and that could obviously allow it to start on the right foot. I know that the Minister had a meeting with the Hotelier Association. It took place on the 19th of September. I saw the Chairman of the Association about 3 or 4 days ago and he still has not received the minutes of that meeting. I think he was a little bit disappointed because it seemed as if whatever was discussed had not been given the attention that it deserved. One has to remember that if we have not got decent hotels in Gibraltar we just haven't got a tourist place and that no one is going to invest in hotels unless they know they are going to get a return. It is a vicious circle and therefore it is vital that

above all hoteliers should have the full confidence of the Minister himself to see that the money that they have invested and the money that they can carry on investing by improving their hotels, is going to be safeguarded, is going to have the full support of the Minister regardless of what the Government itself might think. That department is there to look after the hoteliers and the hotels and the tourist trade as a whole. In my view priority (1) if we want to have tourism in Gibraltar must go to investors who put money in our hotels. Equally, I think, after that, one can think of the travel agents who are going to bring the tourists to Gibraltar. Whatever we do, in the end it is the man behind the counter who tells the tourists where to go. I think every salesman knows very well how he can more or less decide for the client what he should buy. Equally, I think the people who are going to bring the tourists by air or by sea should also be encouraged and win the loyalty of the Minister and we must also think of the people who provide the amenities in Gibraltar who are also going to be spending money on other investments so that when the tourists come to Gibraltar they find that they can have a nice night out, or the person who is going to carry him from the hotel to the bar or the restaurant or the Casino, the taxi driver. The impression of Gibraltar that tourists take away after their holiday depends on all these factors. How better than for the Minister to be in constant touch with those people who are going to promote tourists with money and with their personal effort. I believe that this can best be done by having an Advisory Board. I am sure that in other countries nothing would please the Minister more than be able literally to be in constant touch with the very individuals who are selling the product. It is impossible there because it is too big and unfortunately the Minister has got to remain remote because physically he cannot do it. Happily, we are in a situation in Gibraltar where the Minister can do it because the place is small, the distances are short and you might say that almost at any moment he can meet one or two or all the associations depending the way he wants to do it. I think that if he were to start doing that he would find very quickly points that I have already found are of great concern to them. For instance, I discovered that the running costs of energy in Gibraltar is 11.3% of their income as against in other places, 3.9%. That is a lot of money and straight away we find that our industry is starting with a great disadvantage with regard to price. This is not just a hoo-kwink, these figures can be found out and I am sure the Minister can find out and verify it. If this is so he must pay a lot of attention because five minutes ago we were talking about the need to improve the housing stock in Gibraltar and we know that very likely in future we shall have to finance it ourselves. We will not be able to finance it ourselves if the income is not coming into Gibraltar to enable us to do it. So it's all pie in the sky if we talk about improving things and we don't do the first thing which is to improve our industry because it is only through the productivity and the income that we are going to get from our industries that our standard of living is going to be maintained and, hopefully, even improved. I think this is an industry that is important to Gibraltar, this is an industry that must have the full

attention of our Government and little things like the one I have mentioned now have got to be looked into. In days when everything is going well, fine, nobody is going to worry, not even the people in the trade, but when things are going down then everybody is going to worry and then it is even more important than ever for the Minister to try and do what he can to support it. I spoke to a chap who runs a restaurant and he told me: "Do you know that our electricity bill every month is over £800?" Well, I don't know what the income of that place is and perhaps notwithstanding the £800 he may be doing very well, but I think, prima facie, one has to accept that £800 on electricity bills is a lot of money.

HON H J ZAMMITT:

I am sorry, I was talking to the Chief Minister and I didn't hear. I understand you said that somebody has an £800 monthly electricity Bill.

HON MAJOR R J PELIZA:

In electricity bills I think he said for last month it was over £800. Straight away you realise how difficult it is for that chap to be able to manage. Obviously the prices in his restaurant will have to go up to meet those expenses, the tourists who go there say it is very expensive in Gibraltar and they may never come back. If you realise that out of the £9.5m that we are getting from income, if we say that 10% comes in as revenue to the Government - these are the figures that I have £9.5m.

MR SPEAKER:

We are debating a motion for the purposes of appointing a Tourist Board and we must not go into the details of what the Board could do or what it couldn't do.

HON MAJOR R J PELIZA:

I just mentioned these two things, Mr Speaker, as an example and the Minister should be interested in finding out more about that. If I can really spark interest in the Minister which he may already have but if I can put more into it, I am sure that he will be inspired. This must not be seen as a political move, it must be seen for what it is. We are in the Opposition to try and help tourism in Gibraltar and whether we are in Government or in Opposition it doesn't matter. It is our duty to see that this particular side of the trade prospers and therefore it is in that spirit that I am speaking here today. The other thing that people are generally worried about is the product, the general state of Gibraltar. The Minister will find that the Hotel Association will tell him that they are all very concerned about the general appearance of Gibraltar. The Government has already found a committee on that under the

Chairmanship of Mr Montegriffo and I think perhaps that would be a good weapon in the hands of the Minister to be used to try not just to keep Gibraltar tidy but to give it a local appearance which somehow has got to be projected into our streets, into our narrow lanes, into our ramps, into our steps. This has got to be done, this is the product. I am sure that if the charm that Gibraltar has and which is inside our houses could be turned out and put out into the streets Gibraltar would be a lovely place to come and visit because the warmth of the Gibraltarians is there, the warmth of the Gibraltarian in his home could turn Gibraltar into the people's home and we would have a really first class holiday resort not spoilt by tourism because, happily, we have a very high proportion of population of our own as against tourists coming in and therefore our character is there and it is not just one more mass produced holiday resort. It has a character of its own and we want to preserve that. I know this is going to be difficult at this stage but another thing is the standard of accommodation itself. I know, for instance, that one particular firm, Blands, is going to invest no less than £320,000 in improving their hotels. That, I think, is facing the situation in a confident way when times are bad and unless other people do the same our standards are going to come down because there are in Gibraltar, unfortunately, other places which you might say are not fit to be rented to tourists and of course it is not fair to mention names but I think it is proper that the Department of Tourism should start investigating and looking at standards and making sure that one way or another those standards are improved. I know it is difficult at this stage and I do not propose that this should be done in a bulldozing fashion but through I think influencing the thinking of the other side, proving that there is a future in the whole business of tourism, I think that those people who are reluctant to invest now may do so. There are other places, for instance, where they rent accommodation and there are no telephones.

MR SPEAKER:

I must call the mover to order. We are not going to review the whole tourist industry in Gibraltar under the pretext of a motion to appoint a Tourist Board.

HON MAJOR R J PELIZA:

The other point is the importance to improve ourselves as a shopping centre. Tourists leave a considerable amount of money behind and to do that, Mr Speaker, it is absolutely necessary that the prices of the type of goods that tourists buy should be competitive with those of other surrounding areas. I have ideas about that and I have suggested them before in this House at Budget time. I still believe that the Minister who obviously now has a special interest in this matter should try and see if there are means of ensuring that people who come to Gibraltar find Gibraltar as a tourist centre. This will bring a lot of money and this would bring a lot of tourists in and a

lot of revenue in so all this I think, Mr Speaker, must be looked at. The Taxi Association complains that when tourists are arriving from ships they haven't got places where to park to receive the tourists. This is an elementary thing that the Minister will very soon find out if he has this Advisory Board and of course not only will he find out but because they will meet regularly he will be reminded if things are not going well. This is the way to keep an eye on our tourist trade. They also feel, and this I found very general, that at the moment we are concentrating what you might call our sales force, in Gibraltar instead of the United Kingdom. That is, that they have, for instance, 17 people working for the tourist office here and four in the United Kingdom and all the sales are taking place in the United Kingdom.

MR SPEAKER:

With all due respect to the mover we are deviating from the motion and opening the scope of the debate.

HON MAJOR R J PELIZA:

Finally, Mr Speaker, our advertising is very low compared with the income that we get. If it is true that we have £9.5m, Mr Speaker, and if revenue is derived from there of 10%, 10% is £1m, approximately, we are spending on tourism £455,000 and it seems to me that it would be a sound investment to put more of that money into advertising to be able to bring more people here and so start the whole thing rolling again. I have tried to give some indication as to why it is necessary to have an Advisory Board and I think that the Minister will probably agree that there is a need to get the people directly concerned with tourism involved in the promotion of tourism, that there is a need to maintain this trade at its highest level, that difficult times are ahead and therefore it is all the more necessary to try and get the people concerned not only to advise but also to invest. I thought, when I put my motion down, that it would be the people directly concerned with tourism but if the Minister thinks that perhaps other people should be included, I certainly would welcome a suggestion and am prepared to accept an amendment to the motion, it is not that I am rigidly saying it must be done this way. As I said my whole intention is that he should consult the people concerned and then arrive at who should sit on the Board. That is up to him. What I would like him to accept, in principle, is that there should be an active Advisory Board in Gibraltar, that there is a need for that and that if this Advisory Board is going to be implemented, and I hope urgently because the situation is getting worse, it is up to him, of course, how he goes about it.

Mr Speaker proposed the question in the terms of the Hon Major R J Peliza's motion.

HON J BOSSANO:

Mr Speaker, I support the motion and I propose to move an amendment to the motion which I think completes the motion rather than change it, in the sense that if we want to take the views of those involved in the industry into account then clearly we have to take the views of those who work in the industry as much as the views of those who own the industry. I think in terms, for example, of advice being given to the Minister on changes that would have implications from employment practices, there is no point in the Minister getting that advice unless the advice came with a commitment that the thing would be carried out. I think it is important, obviously, in terms of planning how the industry is going to develop in Gibraltar, to have a clear feed back from that industry as to its employment composition, as to what the supply of labour is, as to what cooperation you can have from the labour force, for example, if you are going to introduce training schemes and that sort of thing and therefore in my mind an essential element of effective advice being given to the Minister in planning the way the industry develops is the involvement of the representatives of the people working in the industry and therefore I move that this motion be amended by the insertion of the words "and representatives of employees" before the word "directly" in the third line thereof.

MR SPEAKER:

I have to remind you again, is this all you want to say on the motion?

HON J BOSSANO:

Mr Speaker, I support that there should be an Advisory Board for that industry as indeed I think has been clear from my own views expressed in other matters in this House where I believe that the participation of the people who are affected by Government decisions is an essential widening of the democratic process beyond the voting once every four years. To me this is consistent with something I believe in but taking up just for a few minutes the wider issues raised, I think, by the Honourable and Gallant Member with the role of the tourist industry, generally, I think he was making a case about the tourist industry, generally, which has got nothing to do really with the Board in the sense that whether the tourist industry is expanded or contracted or big or small, really, it is a good thing to have the people involved in it advising the Minister so that he is aware of their problems and so that any policies that he implements do not, in fact, become frustrated by virtue of things happening, in the industry of which he is ignorant. For his own benefit I think the more information he gets the more effective he will be as Minister for Tourism but on the wider issue of planning the role of the tourist industry within the economy I think it is something that the House could do well to devote perhaps some attention to a

different stage on a different motion, I think it is important that we see the economy of Gibraltar as an integrated whole and I think it is important that we see that if we have got social expenditure, if we have got a problem in housing then that is a problem of using up wealth in a particular manner and then we have to see whether that wealth is going to come from and what is going to create it. In particular, when we are talking about the expansion of the tourist industry we have got a difficult task in front of us because on the one hand we have to say to ourselves right perhaps if we get more tourists coming to Gibraltar that is going to create more money for me to build more houses for the people who are permanently resident here but then that is not a net gain out of that equation you have to take out the call on resources which we have to import into the system and that may mean more water and more fuel and more food and more labour and we have to see what is the net effect left and not just the gross effect on the economy and of course there is one particular commodity which we find very difficult to increase which is land. We have got a finite amount of land and when we are left with the net benefit to the economy of an expansion by so much percent of the tourist industry, against that net effect we must set off any loss of space for building to accommodate tourists which then might not be available to accommodate local people even if we now have the money to do it. It is, I think, a highly complex area which would benefit from a serious debate in the House of Assembly, a debate where we should all be using our abilities to try and resolve the problem jointly for the benefit of Gibraltar rather than to try and score points in terms of showing that we are better at governing than the other side and I think the Honourable and Gallant Member has shown quite clearly that that is the spirit in which he has proposed this motion and I think that if he were to bring a motion dealing with the question of tourism generally perhaps many of the points that he has raised on this occasion could be developed more fully.

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

HON MAJOR R J PELIZA:

Mr Speaker, I am just going to say that I welcome the amendment. If it is felt that the position of the Board could be more effective by having representatives of employees, I really do not know enough as to who they would represent since obviously as far as the employers are concerned, they would have the views of their own employees and that undoubtedly would be reflected in their decisions but if there is such a thing as a Union which takes these employees under their own umbrella, or if it were possible to somehow have a representative who would be speaking for the employees as a whole I think it would be a good idea. The problem is, how large is that Board going to be? Whilst I welcome this I know my Honourable Friend would probably agree with me that finally, as I said before and I stand by that, although I welcome the amendment I stand by what I said before, Mr Speaker, that finally it is up to

the Minister to decide on the composition of that Board. If the Minister would like to find out if I agree with his final decision, I am not afraid, Mr Speaker, of grasping the nettle so if he wants to, before he finally agrees. I would be delighted to tell him whether I agree or do not agree. He is responsible and I cannot for one moment try and get myself into his place, it wouldn't be fair. All I am saying is that it is up to him, through consultation, to arrive at a composition of the Board which in his opinion is going to be effective, is going to work. If, for the sake of pleasing everybody we are going to have a Board which is not going to be workable, quite honestly it is better not to have it at all, that is my view, and I am saying it here openly. I welcome the amendment but I still say that it is up to the Minister to decide what the composition of the Board should be after consultation which of course will include representatives of the employees. Perhaps I should add, Mr Speaker, that I also welcome the suggestion of bringing a motion to the House where we could discuss tourism in depth.

HON H J ZAKMIH:

Can I refer briefly to the amendment and then I will answer on the general motion. I am not completely convinced that the Hotel Association will be very pleased with the amendment. I think Mr Bossano, who knows much more about these things than me knows the difficulties and problems. I wish to go no further than this, Mr Speaker.

HON P J ISOLA:

I think the amendment is a perfectly valid one, representatives of employees. I think that if in any area of Government activity everybody affected within reasonable bounds should be represented. I think I ought to say that we regard by definition from traders associations we include in that sort of definition the Taxi Association. They are in anyway as traders associations but representatives of employees, I see no reason why people should object to that, after all the Tourist Board will presumably be working towards particular aims, it won't be an industrial board between both sectors, it would be working towards a particular aim. I agree with the amendment, Mr Speaker.

HON MAJOR F J DELLIPIANI:

Mr Speaker, I do not know what the Honourable Member is going to say or what he has up his sleeve but I would like to say, Sir, that whatever comes out in the form of a Board, if we do have it or we do not have it, I do hope that the Board will become a closed shop in other ways, either a closed shop for employees or a closed shop for existing hoteliers and people in the trade. I hope it is a board for the benefit of the whole of Gibraltar and not a board for the benefit of the people in the trade themselves.

HON J BOSSANO:

I take the point that the Honourable Major Dellipiani has just made. I think it is very difficult, in fact, in an Advisory Board where you are representing the interests of the people in that particular area for those people to look at anything other than their own interest, quite frankly. The trade associations involved in the tourist industry cannot really be expected to be thinking of the general good of Gibraltar, they are thinking of the general good of their own trade. And the people representing the employees tend to think of those interests. In effect, we are supposed to be above those considerations and to somehow apply the wisdom of Solomon and balance all the different pressure groups and all the different interests that finish up in the House of Assembly. But I think it is an inevitable thing that the advice that the Minister gets will basically be self-interested advice. In that respect I think to the extent that that advice is coming from the employers only without the employees then it is going to be an even narrower thing than if it is balanced. It is difficult, of course, to have this sort of Board with representations from the people working in the industry and the people who own the assets, without it becoming sometimes a point of overlap and friction from wage negotiations and problems in the industry. It shouldn't be like that, one should be able to divorce the relationship between employer and employee when one is arguing about the share of the cake and yet be able to sit down when one is working to enlarge the cake because obviously the bigger the cake the bigger share one can take, that is a principle on which good trade unionists work. I know that there may be some misgivings in the industry, I think I can draw my own conclusions about that, but of course representatives of employees is a wide enough phrase not necessarily to imply any particular Union or association. It doesn't even say that it should be through the trade union movement. There is no reason why the representatives of the employees should not be selected in some other way from the people who are working within that industry themselves. It doesn't have to be the shop steward. If one wants in fact to keep the two things as divorced as possible, the relationship between employer and employees when they are arguing about pay review or conditions of service although as I say this sometimes can have a detrimental effect on the workers in Gibraltar. I have known when I was in the Dock Labour Board that sometimes the friction between the employers and the employees got to a stage where the Board was not looking at things objectively and pre-conceived attitudes had already been taken. On the other hand, it is also good for the Minister, even if this interferes with the work of the Board to know that there is something going wrong in the industry or in one particular sector of the industry because if in fact there are problems that could lead to bad industrial relations in one hotel, well, OK, the Minister is not charged with the problems of industrial relations but as Minister for Tourism he certainly would want to know and help to avoid if it is possible a potential strike in a hotel because it has an effect on tourism and on the name of Gibraltar as a tourist industry and on the possibility of people coming back for a second holiday

If they find that they have to carry their own cases and do their own meals and that sort of thing. Although the spilling over of any problem into that can interfere with the working of the board, I think that there should be problems in one particular area and that those problems should not come to the light of day and be ignored, is also a better thing. On balance, I think the benefits are greater and I commend the amendment.

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

HON H J ZAMMITT:

Mr Speaker, Sir, for once I may say that I have paid particular attention to the Honourable and Gallant Major Peliza because it is the first time, and I say this quite sincerely, it is the first time I haven't seen him with his hair over his forehead and losing his cool. I think he has done a very good job in his presentation and I think that obviously one can do no better than try to reply to the proposal, I hope, in the same cool, calm and collected way that he has done. Mr Speaker, I think we all accept that tourism is the second major industry of Gibraltar and therefore it is of particular concern to all Members of the House, to all connected with tourism and to Gibraltar as a whole. When I originally read the motion he had me worried because in the manifesto of the DPBG it said that money would be put to other better causes. I read in the last page where tourism is given, may I say 1½ lines of the manifesto despite the fact it happens to be the second major industry.

HON P J ISOLA:

If the Honourable Member will give way. The AACR gave 7 very much shorter lines.

HON H J ZAMMITT:

I was worried, Mr Speaker, because I thought that the members of the DPBG were saying that we should not spend money on advertising particularly when they said in their manifesto and I quote: "We will have a realistic approach to tourism and we will carry out a complete review of Tourist Department expenditure. We feel that this is an area in which the money voted by the House of Assembly could be put to better use."

HON MAJOR R J PELIZA:

If the Hon Member will give way. I gave an example of how we should change the load of the work from Gibraltar to the United Kingdom. That is an example of how the money can be put to better use.

MR SPEAKER:

Members must not give way so easily, particularly to the person who has moved the motion and who has got the right of reply.

HON J BOSSANO:

Perhaps I can help because I think his reading of the manifesto not my manifesto, but I think he has misinterpreted that when they were talking about putting it to better use they didn't mean to better use outside tourism but using it within tourism to better benefit.

HON H J ZAMMITT:

I accept that I may have confused myself but I think I was justifiably allowed to be confused because one thing was not consistent with the other. Mr Speaker, I think I ought to start by saying that if we would have been allowed to provide answers I would have given a breakdown of what the Gibraltar Tourist Office is spending on advertising.

MR SPEAKER:

No, I am not going to allow you to do that, most certainly not. We can speak on the advisability of appointing a Tourist Board, and nothing else. We are not discussing the Tourist Vote and we are not discussing whether money is being well spent. We are discussing whether we should or should not appoint a Tourist Board, otherwise we enlarge the scope of the debate.

HON H J ZAMMITT:

Mr Speaker, if my memory serves me right there was mention by the Honourable and Gallant Major Peliza that we should increase our expenditure on advertising.

MR SPEAKER:

That does not entitle you to go into the whole expenditure of your Department. I did call the attention of the mover at the time. We must keep to the question before the House.

HON H J ZAMMITT:

May I please have your guidance, Sir. How am I now able to tell the Honourable Member if we should increase our expenditure or if we should not?

MR SPEAKER:

When the Honourable and Gallant Major Peliza touched on that particular subject I called his attention and said that it was out of order because it was beyond the scope of the debate and that is what I am trying to tell you.

HON H J ZAMMITT:

Mr Speaker, may I then say that on the 17th of September this year, I held a meeting with the Hotel Association which is the meeting that the Honourable and Gallant Member made reference to. I should also inform the House that even before September, because I think we are all aware that I presented the tourist estimates here at estimates time this year and I was acting Minister as Mr Abecasis was absent from the budget session. It was then, Sir, that the Lisbon Agreement came round, or didn't come round, should I say, and I gave instructions and we sent circulars that I would like to meet every single association concerned with tourism to try and find out (a) their views and (b) how could the Tourist Office assist them, not only with an open frontier situation but with a closed frontier situation. There were two meetings held and then we all found that the Lisbon Agreement began to drag from the 9th of July right the way until today, nothing has occurred and the thing froze down. But I did have two meetings with the Gibraltar Hotel Association and at these meetings the Hotel Association made three points. One was that a special bulk rate for municipal charges, that is water and electricity should be levied until the hotel occupancy level increased by 25%. (2) They wanted additional funds to increase advertising and that is, Mr Speaker, why I made reference to the advertising earlier on.

MR SPEAKER:

Yes, but when the Honourable Mover touched on the question of the electricity charges I called his attention.

HON H J ZAMMITT:

I am not touching on electricity charges, Mr Speaker, I am referring to advertising.

MR SPEAKER:

What I am trying to tell you is that we are not going to get involved in either the expenditure of the department or how it is spent or whether the department is properly run. We are exclusively debating the advisability of appointing a Tourist Board for the purposes of advising the Minister to improve the tourist trade, no more or less. We must not fall into the temptation of going beyond that scope.

HON H J ZAMMITT:

Very well, Sir. The third point was the setting up of a Tourist Advisory Board. I will not comment on the first one, that is, the special bulk rate for electricity, nor on the second point which is the increased advertising as I am only allowed to make reference to the third point which is the setting up of a Tourist Advisory Board. Mr Speaker, this was looked at and I will dwell very briefly on this question of the representation from the workers. I certainly, and I am sure my party cannot be accused of not wanting or allowing that because we have trade union representation in virtually every Government Committee. I will go no further than saying that it did not receive the enthusiasm that I would have expected but that is not for me to say and it is not for me to interfere. Mr Speaker, what the hotel association were quite alarmed to learn is that there is a Gibraltar Travel Association which is drawn up from people from all the trade including the Taxi Association, of which the Director of Tourism is a non-voting ex-officio member, which hasn't met. When I said this they were quite alarmed. All that it required is for a re-vitalisation of this particular organisation. I think the last occasion they met was over two years ago to discuss greenwich mean time. Certain things came to light and one was that they were of course seeing me to try and improve the down trend of tourism as it is today. I commend the Honourable Member for saying, quite rightly, that irrespective of whether we had a hotel painted in gold walls today let me assure the Honourable Member that it is not just the value of the pound that has gone up, there is a recession in Great Britain where there are two million people out of employment and because of that and because of course and, I agree entirely, the pound is of some standing, people are going to America. But let me tell the Honourable Member that the advice that I have received is that if we were to spend £4m in extra advertising, tourism is just not there at this stage. They hope, and I think the Honourable Mr Bossano will confirm this, that assurances have been given in the Conservative Party that the thing will come back within 18 months but that is a thing we will have to wait and see. The years 1978 and 1979 were both boom touristic years and the hotel arrivals increased by 24% in 1978 compared to 1977 and by another 14% in 1979 compared to 1978. Mr Speaker, what happened is that the tourist trade has dropped.

MR SPEAKER:

No, I am going to stop you, with due respect. This has nothing to do with the motion.

HON H J ZAMMITT:

The substance of the motion is that an Advisory Board is warranted or wanted or required. All I can say is that we are willing to go along with this Mr Speaker, because there exists this committee and I think the Honourable Member may not have known this.

HON MAJOR R J PELIZA:

If the Honourable Member will give way. I saw the Chairman of this Committee.

HON H J ZAMMITT:

Well, then, Mr Speaker, it does not require a motion to set up what is already there. It requires a revitalisation, possibly, an undertaking from me or my colleague, Mr Abecasis, to make sure that this is revitalised. The Travel Association could get together and include members of the trades council or the employees or employers. This goes back to 1960 when it was originally formed Mr Speaker, it goes back to Mr Scrase's days when he was the Director of Tourism. Mr Speaker, I think that all that is required is to bring this committee back, get them together and if they want to add and include any other section of the community which they feel forms part of the industry, we would certainly have no objection, Mr Speaker. I think that possibly the Honourable Member might feel that there is no need for a motion and all that is required is to bring this Committee back into its life.

HON P J ISOLA:

Mr Speaker, I think that the Honourable Minister hasn't actually outlined the history of these bodies. I agree with the Honourable and Gallant mover that there is a need for a Tourist Board so called, in Gibraltar. This is what they have got in other successful small territories like the Isle of Man and the Channel Islands. A Tourist Board with specific terms of reference and a Tourist Board which will probably be chaired by the minister. When tourism was first thought of as an area of Government activity but not a department in its own right. I think it was in the time of Mr Seruya, he set up a Tourism Advisory Committee, which he used to sit on as Chairman, and gradually the question of tourism developed. I don't know what happened with the Tourism Advisory Committee, I don't know whether there was disagreement between the chairman and the committee, and a department was set up in Government and then the Travel Association was formed separate to the Minister. That I think is the history, and as the Government became more political and spent more money on tourism, I suppose the reason for the Travel Association seemed to have disappeared and they meet very little and I agree. I think the trade themselves have downgraded the Gibraltar Travel Association but I think it is mainly because its terms of reference and its use and what it does is not exactly what one would expect a Tourist Board to do. The sort of Tourist Board that we are thinking of is a Tourist Board that for example, will help the Minister in the formulation of departmental estimates of expenditure of the following year not just in advertising but generally in relation to the department because tourism is, I think a legitimate area of Government activity but it is an area that affects very much trade, not just hotels, I notice the Minister keeps talking about hotels but I think tourism is

not just a question of hotels, it is not a question of getting people to Gibraltar, it is to do with the final product as well, what happens in Gibraltar, the people involved in tourism like the travel agents, the tour operators, the taxis, transport, all these people and of course, as I am reminded by the new conservative, so called by the Minister, not by me, also representatives of employees, I know it is a problem in a way to get them sitting together but I would have thought that the Gibraltar Tourist Board as I would hope it will be called, would not be an Industrial Relations Board, there are acknowledged avenues of negotiation between employers and employees, but I think one would look at it and it would be so set out I would hope in the terms of reference, that its basic raison d'être would be to promote tourism as an industry in Gibraltar and to advise the Minister in all these various matters, I don't think it should be just the hotels, the hotels of course are a very important element, I agree entirely, but I think anybody involved or interested in tourism, it could even be the Chamber of Commerce or the shops side of the Chamber of Commerce. I think that traders representatives, shopkeepers, put it that way, representatives should be there and answer, for example, allegations by hotels that their prices are too high and so forth. I think it should be a board that generally represents anybody involved in the industry, not just the hotels, although as I say they are an extremely important part of it. I think one has to look for something new if you want to give a fillip to an industry and I think although the Gibraltar Travel Association is there, I think to say revive it, especially if it is considered by those connected with it to be a dead duck or a dead body, is the wrong way of approach, I think the thing to do is to scrap it and say: "In future, the way to the Minister for Tourism will be through the Gibraltar Tourist Board so you, the Gibraltar Hotels Association, for example, will not be coming to see me on matters that are essentially tourist matters, you come through the Board. If you have a particular problem that is another matter but not on general Government policy in tourism." It will all be channelled through the Board and it would have the advantage that different sectors would be able presumably to get agreement as to the best way of promoting Gibraltar and the best way of using the funds available to the Tourist Department.

HON H J ZAMMITT:

Mr Speaker, the Honourable Member said that in the setting up of this new Tourist Advisory Board we should scrap the other one. I don't think it is ours or Government or mine or even the Tourist Office to scrap because no one could prevent them from carrying on work and what I would certainly not like to see is duplication. I don't think it would be in the interests of tourism to have a Tourist Committee or Advisory Board and have somebody call themselves the Gibraltar Travel Association with possibly, conflicting interest.

HON P J ISOLA:

Mr Speaker, I don't know whether the Gibraltar Travel Association is a Government Body or if it is an independent body. If it is an independent body of course the Government can just ignore it and say: "We are setting up a Tourist Board and it is through this one that we expect to operate tourism. This seems to be the general consensus of the House of Assembly and it seems to be the general consensus of people in Gibraltar and that's it." This is the way I would look at it. I think there is a need, Mr Speaker, to set up some sort of new-dynamic committee in tourism (a) for the reasons that the Minister has said, the recession generally in the world and (b) there is a possibility of the opening of the frontier. I think a certain amount of work should be done on that and the people should meet and discuss how they are going to cope etc, etc, etc. With regard to the recession I can only recall that in 1977, in December, we were told that there was recession and scheduled flights to Gibraltar were cut by the scheduled operators because they said there was going to be a decline to 25% in tourism, the recession by January disappeared and there was in fact an increase of 25%. I don't think the Minister should take too much account of what people say is going to happen. What I think the Minister has to do is to try and grab the biggest part of the market and again it might require changes in advertising policy, and that is why I think that a Gibraltar Tourist Board, something new to be set up now to deal with the obvious new situation that is arising in Gibraltar, a possible opening frontier, plus recession and its possible effects in the economy as a whole, I would have thought it would be welcomed by the Minister to be able to have a Tourist Board which he would chair and from which he would be able to obtain advice and so forth. He is nodding his head that he agrees so then I suppose the Government will vote for the motion. Then I will say nothing else, Mr Speaker.

MR SPEAKER:

If there are no other contributors I will call on the mover to reply.

HON MAJOR R J PELIZA:

Mr Speaker, it seems to me as if the Government is well disposed to the idea. I think what is really troubling the Minister is how can he dispose of the Gibraltar Travel Association, this is the problem that he sees and I think he probably believes that this is going to be a problem. I don't really see the problem because if this is a Government committee the Government obviously can do away with it. If it isn't and a Tourist Board is created, and the Tourist Board is the one that is going to be effective, then obviously the other one will die a natural death because it will not serve a purpose.

HON CHIEF MINISTER:

If the Honourable Member will give way. Perhaps if I make clear the way we look at this broadly because I think that debate has not been particularly easy to follow, it has been a bit of a haphazard debate with too many interruptions and so on. Certainly I would want to read the Hansard of this debate and particularly the original intervention of the mover on the matter. I only want to make a reservation that this does not mean that the Tourist Board is going to be set up immediately, there must be consultation and in those terms he can have it easy because we are going to vote for it.

HON MAJOR R J PELIZA:

Nobody is suggesting, Mr Speaker, that it should be done without consultation. As I have said before, it is up to the Minister finally to decide what he wants to do. He is going to carry the can, Mr Speaker and the last thing I would like to do is to try and get him committed to something which I obviously don't know about as much as he does because he is the person who eventually is going to get aye or nay of the people who are going to work in the Board. If he makes a decision with which I agree I will support it, if he makes a decision which I don't like then I won't. What I am trying to get at the moment is a sort of extension of his department through a Tourist Board. The word "Board" is not quite the same as Travel Association. The word "Board" immediately identifies it with something to do with the Government which is created by the Government if the Minister is the one who is going to chair it as I hope he does. A Travel Association sounds very much like a Travel Agents Association which doesn't identify itself with the general feeling of the tourist trade in Gibraltar and everybody else concerned with it. I think a Tourist Board is much more identifiable to the tourist trade than a Gibraltar Travel Association, the grading of one is obviously much higher than the other. I also believe that to build on something that has been defunct for so long and which obviously has not worked is much more difficult than to start afresh with a new idea, a new impetus, a new enthusiasm to meet the situation that is round the corner. The Chief Minister said it will not be done immediately, well, I obviously understand it cannot be done immediately but I hope that it won't take very long because what the motion says that if they are going to vote for it, it says it very clearly, "with a sense of urgency" and that sense of urgency if they vote in favour, I hope, Mr Speaker, will be maintained. It is really pointless in my carrying on speaking because it looks to me as if the Government is in agreement and the sooner we get through this the better.

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

HON A T LODDO:

Mr Speaker, I have the honour to move the motion standing in my name which reads: "This House welcomes the advent of the Gibraltar Sports Council, a Body fully representative of the various sporting associations, and calls on the Government to encourage, support and foster the Gibraltar Sports Council." Mr Speaker, when I move this motion I had hoped to have the support of the whole House but I much fear that I won't be getting the support of the whole House, definitely I will not be getting it from the Minister for Sport. I believe the motion is worthy of support because of the actual content. It says "the Sports Council, a Body truly representative." Well, when one considers that this Sports Council was set up by the sportsmen themselves and that the different associations voted for their own representatives on that Council, then one must admit that it is truly represented. Perhaps it is, Mr Speaker, because I have lived in the shadow of a dictatorship for so many years that I am always wary of nominated bodies. I might be wrong but I am always wary of that and I much prefer to see a genuine democratic election as this seems to me to be the case. Therefore, if we accept the first there should be no reason why Government should not encourage support and foster the Gibraltar Sports Council. As far back as March 1980, in answer to a question by my Learned Friend the Honourable Mr Haynes, the Minister for Sport was at great pains to explain to this House that when we were presented with the Sports Committee it would be on the same lines as the Sports Council in Great Britain and that is that the members of the committee would be appointed by him. However, whereas in Gibraltar the Minister sits in the Sports Committee, in England the Minister does not sit in the Sports Council. That is a pity because I think that if he had followed the pattern in England fully we wouldn't find sport or the idea of a committee in the shambles it is today. The DPEG's idea of the Sports Council, as we explained in our manifesto, is of course at variance with the Government's idea. We believe that sportsmen should have a Minister for Sport and that the Minister for Sport should be there to see that no injustice is done. He should be the court of appeal and that is why we welcome the Sports Council, it is more or less what we had envisaged. As to the reasons for the birth of the Sports Council this will come as I develop my argument. After months of waiting we do get the birth of the Sports Committee. In fact, it was still born because it has died almost before its first breath and the reason why this Sports Committee has died appears to be not because of the terms of reference of the committee which were good enough and not for the composition of the Sports Committee because, in fact, as it has turned out most of the members of the Sports Council were members of the original Sports Committee. It is not a question of terms of reference or of composition. The reason why the Sports Committee has died before it could breathe is because the Minister did not accept the terms of reference. The Minister was not prepared to take the advice of this Committee which brings me to the question of the charges which the Government

MR SPEAKER:

That is something that I must call your attention to. We are not going to discuss the question of charges under the guise of welcoming the Gibraltar Sports Council, and that is all that the motion does. You are entitled to comment as to whether charges should or should not be made and whether this is a matter to be dealt with but let us not go into the intricacies of the charges.

HON A T LODDO:

I wasn't going to go into that, I was just going to point out that the question of the charges which is the bone of contention has been the reason why the Sports Committee did not get off the ground primarily. There again, on the question of the charges, which we try to equate with the United Kingdom, the reasons why we have the charges is because we try to equate with the United Kingdom. In Gibraltar we are at the moment under siege conditions which puts us immediately at a disadvantage certainly with the United Kingdom and in a different light. In Gibraltar we have no playing fields, open areas like we do get in the United Kingdom so, again, we are at a disadvantage and in Gibraltar we only have the one Sports Centre, so we again are at a disadvantage. In fact, it is thanks to the Services in great part that we have a stadium in Gibraltar today. In the AACR manifesto we were promised encouragement of sport. I cannot reconcile that with the fact that boxing, for example, which is one of the up and coming sports, one of the most popular sports in Gibraltar today and a sport in which, together with hockey, Gibraltar is making a name for itself, boxing is penalised by having to pay 35% of its gate money to Government and possibly this is part of the encouragement that we were promised. There is another interesting point and that is the question of the use of the Sports Stadium by school children, again another source of friction. We must not forget that the condition of the building of the Sports Centre was that it would cater about 55% for children and yet children using the Sports Centre cannot use the changing room and cannot use the showers although the Boys Comprehensive School has insufficient rooms and showers. In fact, the Victoria Stadium should give priority to the children. And again the question of charges crops up because children can use it in the mornings free and yet if they want to play in the afternoon they would be charged. Of course, being the only Sports Centre, I suppose it is easy to say: "I need money and therefore I charge." It is like a business if you are the only one with

MR SPEAKER:

I am going to have to stop you again because we are now deviating from the motion.

HON A T LODDO:

Mr Speaker, the question of the Sports Council cannot have come as a surprise to the Minister. The surprise is that the Sports Committee hasn't resigned already.

In fact, I suspect that when the Minister nominated his Sports Committee he was hoping for a rubber stamp Committee and he must have been disappointed. I believe that we should welcome the advent of the Sports Council, as being truly representative because it does represent over 12 or 13 different sporting associations. The Minister should welcome it as well and he should let the Sports Council get on with the job. I know that the Minister who has managed to stay 5½ years as the Minister for Housing will, of course, not be alarmed at being called a spoilsport. I am afraid that is what he is being called now. I think, Mr Speaker, that the Minister should let the Sports Council get on with the job and he should play Solomon. Thank you, Mr Speaker, I commend my motion to this House.

Mr Speaker proposed the question in the terms of the Hon A T Loddio's motion.

THE HOUSE RECESSED AT 1.05 p.m.

THE HOUSE RESUMED AT 3.15 p.m.

MR SPEAKER:

Gentlemen, I will remind the House that we are now on the motion moved by the Honourable Mr Anthony Loddio in respect of the Sports Council.

HON J B PEREZ:

I must say that the first impression that I was given on first reading this particular motion that has been put in by the Honourable Mr Loddio was that I said to myself, here you have a motion which was in fact praising the Government but then, Mr Speaker, when I read it over a second time the penny dropped and I said to myself: "I know what Mr Loddio's intention behind this particular motion is." I think the intention of the mover has been made very clear when he spoke this morning in moving the motion before the House. I would say, Mr Speaker, that the mover's intention clearly is not only to undermine the Sports Committee which has been set up by the Minister, but it is also his intention to undermine the Minister himself. I think there can be no doubt about that after listening to the contribution which he made this morning. I find, Mr Speaker, that it is indeed regrettable that Mr Loddio, the Shadow Minister for Sport, should have decided to embark on this particular course of action, that is, to undermine the very recently formed Sports Committee, which after all the opposition has been pressing for quite some time. I say so because I believe that by embarking on this action, as the

Honourable Member has done, he himself is acting against what I would say he is against the interest of sport in general in Gibraltar. I listened very carefully to the very brief contribution that he made in moving his motion and I was very surprised, Mr Speaker, to find that he gave the House no information as to who the Sports Council is. He gave no information at all of who this body is and yet he brings a motion to the House and he has the audacity to ask Members of the House to vote in favour of this motion. The motion reads: "This House welcomes the advent of the Gibraltar Sports Council" about which I say, Mr Speaker, he has given no information at all. "A body truly representative of the various sporting associations." Well, is it, I don't know, "and calls on the Government to encourage, support and sponsor the Gibraltar Sports Council." I would have liked for the Honourable Mover of this motion to have told the House what will the Sports Council do. How is the Sports Council constituted? Is it properly constituted? Have they got a set number of rules? Have they got a written constitution to which the members subscribe to? Has the constitution been drawn up formally? What powers will this Sports Council have? What are its intentions? What are its terms of reference? Who are the members of this Sports Council? I don't know.

HON A T LODDO:

If the Honourable Member will give way. There are a number of things on which I would like to answer him.

MR SPEAKER:

You will have the right to reply.

HON A T LODDO:

I did say who the members of the Sports Council are. If he had been paying attention he would have found out.

MR SPEAKER:

May I ask, because I have been given notice of an amendment. Is there such a thing now constituted in Gibraltar as the Gibraltar Sports Council?

HON A T LODDO:

In fact, I believe there is.

MR SPEAKER:

Does it exist under the particular nomenclature of the Gibraltar Sports Council?

HON A T LODDO:

Yes, Mr Speaker.

MR SPEAKER:

That is what I wanted to know.

HON J B PEREZ:

The point I was going to make, Mr. Speaker, in a way was really corroborated by the question you yourself put which is what I was trying to obtain from the Honourable Mover of the motion. And I carry on asking him questions. What support does this so-called Sports Council enjoy in Gibraltar? He hasn't told us. And, finally, who do they really represent? All these questions, Mr Speaker, I feel, at least the information should have been put forward by the actual mover of the motion. I know he tries to be brief in his contributions but he gave the House no information and yet he is asking us to vote in favour of this motion. I have only been in the House for 4 years but it is indeed a very strange precedent for a Member to put a motion to the House and not give any information as to the composition of the body, who its members are, what he intend to do and yet ask the House to vote in favour. I ask myself, how can any Member of the House vote in favour of this particular motion since the Honourable Mr Loddo has in fact not given us any information on it at all? On the other hand, Mr Speaker, this House is well aware of the Sports Committee which has been properly constituted and set up by my Honourable Colleague Mr Zammit, the Minister for Sport. We all have information about this committee, we know what its terms of reference are, it has been debated before in the House and, in fact it has been asked for by Members opposite. I would say, to sum up, that what this Sports Committee does is in fact, after the House of Assembly votes money for sport, the Committee are told: "You have X amount, you decide to which associations or to which teams you are going to give that money and you decide how much each particular association is going to get." Mr Speaker, after all, the Honourable Mr Zammit, the Minister for Sport, has been criticised on many occasions, not only by the Opposition of this House of Assembly but the previous Opposition, he has been criticised because they were saying and accusing him of taking it on his own shoulders to decide who was getting the money and how much each team got. Now you have a situation whereby we all know what the Sports Committee is and yet Mr Loddo now seeks to bring a motion asking us to accept a Sports Council which I say I have hardly ever heard of. Let me remind the Honourable Mover that I am not only a sportsman by name but I am a practising sportsman because I participate in several sports in Gibraltar even today and I belong to quite a number of local well known sporting associations like the Gibraltar Hockey Association, the Gibraltar Squash Rackets Club which I have been a member of and a year ago I was a member of the Gibraltar Football Association so I know what I am talking

about because I practise sport in Gibraltar, I am not just a spectator. As I said, Mr Speaker, the function of the Sports Committee is very clear. But there is one thing I would like to remark on and possibly this is where the Honourable Mr Zammit may not be in total agreement with and this is why I feel it is indeed regrettable that Mr Loddo should have put this motion. As a practising sportsman that I am myself I feel that a Sports Council which may come about purely on the sporting angle, could very well work hand in hand with the recognised Sports Committee which has been set up by my Honourable Colleague Mr Zammit and I am going to give some examples to the House of some grey areas where I feel that another body, apart from the Sports Committee which will deal with monies voted by the House of Assembly can be of use to sport in general in Gibraltar. The first example or the first reason why I think this body could be set up properly is because it would liaise with associations at present existing in Gibraltar. We would do away with friction between the Gibraltar Hockey Association and the Gibraltar Football Association and let me inform the House that there is friction between associations in Gibraltar, there is no doubt about that. Also, Mr Speaker, I think it would be useful to have a body of all different sporting associations purely for sporting reasons in which they could make arrangements to have matches against, let us say, visiting naval ships. The present position today is that as soon as a ship comes in the footballers try and get a match with them, the squash players try to get a game with them and it is completely haphazard. If all the sporting associations in Gibraltar had another committee to deal with this matter I think it would be good for sport because all these matches could be arranged by them.

HON W T SCOTT:

Mr Speaker, if the Honourable Member will give way. As far as I understand it the Gibraltar Sports Committee which the Honourable Minister instituted does not have that function, it is not under its terms of reference the question of allocation of any ground, let alone the Stadium or USOC.

HON J B PEREZ:

The point I am trying to make, Mr Speaker, is that one thing the recognised Sports Committee which was set up by the Minister which will handle the financial side, the money voted in the House, apart from other terms of reference which I am sure the Honourable Minister for Sport will outline to the House later on during the debate. The point I am trying to make is that it is regrettable that Mr Loddo should have moved the motion as he has done today because I honestly believe that a Sports Council, or call it what you may, can work closely with the Sports Committee and I am trying to highlight certain grey areas which I think if associations got together purely as a matter of sport, we are not talking about financial commitments at the moment, it would foster sport in Gibraltar. Another example could be when clubs from the

United Kingdom come over to participate in sport in Gibraltar. I have met throughout the years different representatives of these clubs and I have talked to them about other sports, let us say a football team comes over or a cricket team, and I am a keen squash player and they say: "We didn't know you played squash in Gibraltar, if we had known this perhaps we could have brought a team along." That is where a Sports Council, I think, could be very useful, in that aspect. That is another element where I think it could work hand in hand. Another example could be, Mr Speaker, on the question of arranging block bookings in MOD sporting premises. I know, as a fact, that the way it works today is that some associations do better than others for the simple reason that the Secretary of a particular association may have better relationships with, let us say, the person who is in charge of sport at Rooke. This is why I think an association of all sporting bodies could be useful in Gibraltar. But, Mr Speaker, what I cannot agree is with the actual motion presented by Mr Loddo. I honestly believe that the intention behind this motion is to undermine the Sports Committee. We know what the Sports Committee is. We know what it does. But Mr Loddo has not told us whether the Sports Council has been properly formed or what its intentions are. When I tried to outline where I think it could work hand in hand with the Sports Committee is my own idea. I don't know what the Sports Council, if there is one, would do. These are only my suggestions but as the motion stands I honestly cannot see how any member, including members of the Opposition belonging to the DPBG, on Mr Loddo's performance this morning, can honestly subscribe and vote in favour of this.

HON MAJOR R J PELIZA:

Mr Speaker, I think the Minister is less than fair to say that my Honourable Friend Mr Loddo is coming out with this motion with the sole object of undermining the position of the Minister. If that is the way the Government thinks of all the things that the Opposition tries to do that is a sort of bias and obsession in the minds of all the Ministers it is really not going to be either in the interest of the good Government of Gibraltar or in the interest of their successful own personal departments because that is not the case. I think that it is obvious that all is not well in the sporting world in Gibraltar, one does not need to live here all the time to know that and I think the Minister himself who just spoke referred to that, he accepts that there are contradictions within the sporting associations and between the sporting associations. In fairness to my Honourable Friend I think what he is trying to do is to see if there is a way of trying to bring some harmony in the sporting world in Gibraltar for the benefit of all concerned. I think the very essence of sport is fair play. If we haven't got fair play in the administration of sport or if people don't think that they have fair play, if people don't feel that there is fair play in the sporting world then I think it is not in the interest of anybody in Gibraltar who is interested in sport and above all, I think, it is not in the interest of the Minister that that should carry on. We, as a party, formulated a policy which again was stated

in our manifesto under the heading "Sport and Education" and for the benefit of the Minister I think we dedicated 6½ long lines to sport. To Education we dedicated 12 lines and to sport about half of that. Not because the proportions is like that does it mean of course that we attach double the importance to education that we attach to sport obviously but just to relieve his thinking there is a limit to what you can put in the manifesto as they well know by their own manifesto, at least ours is very clear and people can read it.

MR SPEAKER:

We are not going to discuss Party Manifestoes.

HON MAJOR R J PELIZA:

I will not carry on with the manifesto but I would make the point, Mr Speaker, that it is not something that has been produced out of the hat.

MR SPEAKER:

We are talking about whether we want to welcome the advent of the Gibraltar Sports Council.

HON MAJOR R J PELIZA:

There have been accusations that the reason why we are introducing this motion is to undermine the position of the Minister and I want to make clear that that is not the case and to put my case I have to bring out the evidence. I am just trying to produce the evidence. The evidence is clear, it is there.

HON A J CANEPA:

If the Honourable Member will give way. From this side we accept that their manifesto is always better than ours, they seem to have more money to lavish on it but it still doesn't make any difference, we still beat them.

HON MAJOR R J PELIZA:

There are many other reasons why, Mr Speaker, one is because they do not allow people to stand for election.

MR SPEAKER:

Order. Let us get down to the subject of the motion.

HON MAJOR R J PELIZA:

Mr Speaker, to me it is obvious that if we are going to have a representative body, I don't like the word 'committee' because straightaway it downgrades the status of the body. Perhaps even if the Minister doesn't agree with the motion he might agree to change the name. Committee, Mr Speaker, is not really representative of a wide ranging responsibility in which all sport is represented. It is like a forum, its a little House of Assembly, you might say, in miniature, dedicated for that but imagine, Mr Speaker, if in a House of Assembly instead of having representatives here who were truly representative in this instance, of the different interests, instead of that we had people nominated to it, immediately you would think that that is colonialism or dictatorship. Therefore, Mr Speaker, the whole essence of my Honourable Friend trying to introduce this change, my Friend obviously is talking of a Council the constitution of which is going to be completely different to the one that exists today in the same manner, Mr Speaker, if I may say so, that I was suggesting an Advisory Board earlier today instead of the Gibraltar Travel Association.

HON M K FEATHERSTONE:

Did the Honourable Mr Loddó say they were the same people in the Council that were in the Committee?

HON MAJOR R J PELIZA:

I don't know whether they are the same people or not.

MR SPEAKER:

You will not give way again.

HON MAJOR R J PELIZA:

It is basically the principle behind it that we are thinking about and no doubt my friend will be able I think to develop in greater detail later on. My purpose of rising, Mr Speaker, is not to go into the details because that obviously is up to my Honourable Friend to do but just to try and convince the Government of one point that was made by the previous speaker on the Government side that the whole idea of this motion being introduced into the House was to undermine the position of the Minister. That I categorically say is not the intention. In fact, the intention is to strengthen sport in Gibraltar, the intention is to strengthen the position of the Minister. Who knows, in a couple of years time we may well be on the other side of the House and we want to make sure that if we do take over, the foundations of that Ministry are in a strong position. Therefore, Mr Speaker, I think the Honourable Mr Brian Perez is very mistaken if that is the view he takes and I hope he

never again, when accepting a situation, instead of giving the benefit of the doubt, condemns the other side without even hearing the case. I think that as a lawyer he should know better, Mr Speaker. I say to the Minister and the Government to try and see this thing in an impartial way, not to be biased against an idea that I think is well intended. Someone has got to plant the seed, the seed is planted here, it spreads, it goes out and gradually, Mr Speaker, popular opinion begins to press, that is democracy then it has an influence with Government and then perhaps the Minister may change his mind. We can do no more than plant the seed for the good of sport in Gibraltar, for the good of the Minister, for the good of the future of sporting activities in Gibraltar. I think the suggestion of my Honourable Friend is a very laudable one and I hope that, above all, that whatever views they may have they will not attribute ill intentions, to the suggestion because then I think really it is not being progressive or objective or, I think, fair play.

HON H J ZAMMITT:

Mr Speaker, Sir, first and foremost I must say to the Honourable and Gallant Major Peliza that I am convinced that he doesn't know what he is talking about. Completely and utterly convinced that he hasn't got a clue of what he is saying and I am more convinced as I said in my intervention the other day, more convinced that the DPBG do not discuss the Agenda of the House before they come here. None of them seem to know exactly what each other is talking about. Mr Speaker, first and foremost, I must refer to a few historical facts on the Sports Council, Sports Committee etc. At question time, Sir, before the Opposition decided to leave the other day, the Honourable Mr Gerald Restano urged my colleague Mr Brian Perez why he didn't have a family planning unit because in England hospitals have family planning units. The Honourable and Learned Leader of the Opposition asked the Honourable Financial Secretary why he didn't consult the Customs and Excise in Britain with reference to a question about Waterport Passenger Arrival Terminal. Well, Mr Speaker, for once this side of the House has taken heed of the constant requests from the DPBG, I can never get the initials right.

HON P J ISOLA:

Mr Speaker, if the Honourable Member will give way. The initials are rather shorter than the GLP/AACR.

HON H J ZAMMITT:

Mr Speaker, I have said that introduction because members may feel that they have nothing at all to do with the Gibraltar Sports Council or with anything else on the motion. Sir, I have a letter here from the British Sports Council and I would remind the Honourable Mr Loddó and the Honourable and Gallant Major Peliza, particularly Major Peliza, that when he goes

back to England he might like to tell the Minister for Sport of England that he is a dictator and that the British Sports Minister is also a great believer in colonialism because the Sports Council correspondence to me said: "The members are appointed by the Minister for Sport" - that's colonialism and that is dictatorship. I have nominated members to the Sports Committee. Now Mr Speaker, you yourself Sir asked the question, have we a Sports Council in Gibraltar? Mr Speaker, there is nothing to stop me tomorrow changing the word "Committee" to "Council". It would not be so good because in questions asked by the Opposition over the past months, and I say the past months I will be going further back later on in my contribution, the reason why I did not call this a Council is because the advice we received is that members appointed should not have any direct interest with any sporting association. Mr Speaker, now we are different because the Gibraltar Government which owns the Victoria Stadium can only make ourselves responsible for the users of the Victoria Stadium because as a Minister for Sport I have no power whatever to interfere with the Royal Yacht Club, the Sandpits Lawn Tennis Club, it isn't mine, I cannot tell anybody what to do even on cycling because we do not provide cycling activities, or motor cycling facilities, but, Mr Speaker, in 1976 the Government was told that we should set up a Victoria Stadium Sports Control Board and that was brought, Mr Speaker, by the Honourable Mr Xiberras who had, may I say, a very active sporting interest and we decided that to have a Victoria Stadium sports body or control board was because there appeared to be discontent amongst the associations using the Victoria Stadium and I think it is no secret, there are members here who have sporting interests, that football said that there should be no cricket at the Victoria Stadium.

MR SPEAKER:

You are quite entitled to say that there were differences, but let us not go into details of the differences.

HON H J ZAMMIT:

I won't go into the differences. There were differences between the GFA and the Cricket Association, there were differences between the Gibraltar Football Association and the athletes using the track around. There were differences between hockey and football and Mr Xiberras to a degree was right. If we were to have a Control Board, because accusations were made against management and I could accept that Management could have been wrong but the trouble was that every association was complaining purely because they wanted, and rightly so, more and more facilities and we just couldn't cater. So it was agreed that we should set up a committee that would have interest in the running of the Stadium to see for themselves that it was not the manager or the Minister who did not want to grant more allocations but to see for themselves the difficulties and we formed a Sports Advisory Committee and things began to quieten down. Mr Speaker, later on, since 1976, there has been talk of a Sports Council and no one

could have stopped me, Mr Speaker, from having called the committee which I nominated on instructions from the British Sports Council, a Committee and not a Council or I could call it a Board if the Honourable and Gallant Major feels that the word 'Board' is better than committee, I could change it tomorrow. But I cannot see the logic of having to have support for a Sports Council particularly the way that the Honourable Mr Loddo has put in this motion because he does not disagree with the terms of reference that the Sports Committee which was constituted recently has and that is; "To advise the Government on the improvement of sporting facilities in Gibraltar, generally; to receive and consider representations from sporting organisations in Gibraltar with a view to such improvements and, to consider and advise the Minister for Sport on applications for financial assistance from sporting organisations." Mr Speaker, the members were appointed by me and in fact it was published in the Gibraltar Gazette of the 11th of September. Way back since 1976 we have been in correspondence over this matter and we were advised not to call it a Council because, and I think members will agree, it is very difficult in Gibraltar to find 11 or 12 men or 7 or 8 people who would be prepared to serve in a Sports Council but who have no interest in sport. The advice was that because we could find people who have an interest in sport and who are the main and general users of the Victoria Stadium instead of calling ourselves a Council, and I have no objection to calling ourselves a Council or a Board or anything else, and that is the reason why we did not select the word "Council." But I will tell the Hon Member there is nothing legally to stop me tomorrow changing my Committee to the Gibraltar Sports Council and if that pleases him I will do so accordingly.

Mr Speaker, having nominated them the way that it is done in Britain, not calling myself a Council because Britain says that they should be completely and utterly divorced from sport and have no interest, I fail to understand, particularly from an integrationist Opposition how they can now suggest that we should have a Sports Council contrary to the constitution of the Sports Council in Britain. So much for the setting up of our Committee. I do not think I have to mention names, but the people nominated by me to serve in this Committee were people who have served either previously in the Committee set up to consider financial applications, or people who are either presidents, chairman or committee members of all the associations using the Victoria Stadium and you cannot go further than giving every association there the right to express their views or to bring their views to the attention of the Minister. There could be no fairer play than that. I cannot see the logic behind the Hon Mr Loddo's argument that this committee of mine died. I have not received a single resignation from any member of the Sports Committee. I cannot see his argument because he himself admitted that it was not because I had nominated, it was not because he was not happy with the terms of reference, yet out of the people that I nominated three or four of them are on the Sports Council so they cannot have been rubber stamp men as he suggested because we are really talking of the same body, virtually the same people. I noted that you stopped the Hon Member when he mentioned the

question of charges and I will not argue charges at all but I do not think it is fair that the Hon Member should say that, for instance, boxing has to pay 25%. Mr Speaker, I will remind the Hon Member, in case he has not been informed, that boxing makes 75% of their takings and Government makes 25% and when we have boxing at the Stadium I shall tell him for his sporting interest that we have to paralyse the Hall the day before the tournament, the day of the tournament and the day immediately after the tournament so the Hall comes to an absolute stop because we have to prepare the Hall the day before for the actual bouts and the subsequent dismantling. Mr Speaker, although we are told constantly that we should do everything and consult everything with the United Kingdom and get all the advice from the United Kingdom, in this case we have done it and now we are told we should not do it, it should be a la DEBG, it must be their way on this occasion. Mr Speaker, the fact that Gibraltar is under siege conditions, which is the point which the Hon Member made earlier on in his original contribution, and because we are different because we only have one Victoria Stadium or one national playing field, we have one tennis club in Gibraltar, we have one yacht club in Gibraltar, it does not mean to say because we have one, and I will remind members opposite that if any of them are under the illusion that every 25,000 inhabitants of an area in Britain have a Sports Centre within a 25 mile radius, they are utterly mistaken and they may have to travel miles before they can get anywhere to any sporting facility of equivalent standard to the Victoria Stadium. The fact that they have fields and they can play sport is indisputable, Mr Speaker, but the kind of facilities that the Victoria Stadium provides is not under any oak tree or under any willow tree in any field. The fact that the Hon Major Peliza said that he accepted that there were differences between the associations is precisely why the Gibraltar Sports Committee was constituted i.e. to bring them together so that they can see for themselves the difficulties and if they want to argue one way or the other, God be with them and bless them, it is nothing at all to do with the Minister. We have facilities to offer and it is up to them but what we cannot allow is that when Government does something, somebody shoots off and form themselves into a committee which can do no more than duplicate what is already provided for under a properly constituted Committee. That is, Mr Speaker, what I call a la Beltran and I think Members know who I am referring to, commonly referred to as Ed Garcia and Jim Garcia.

HON P J ISOLA.

I think that is totally uncalled for.

HON H J ZAMMITT:

It may be uncalled for but I am saying it, Mr Speaker. Probably you yourself, Mr Speaker, may think I am talking absolute rubbish because you are not aware of what I am talking about but I think members opposite know what I am talking about.

MR SPEAKER:

I would never dare express an opinion as to what I hear in this House.

HON H J ZAMMITT:

I take your point, Mr Speaker, but I think members know who I am referring to. Mr Speaker, I am not going to tolerate anybody trying not to discredit me personally because I was looking through Hansard since I have been in this House in 1972 and I note with disgust and shame that the Opposition, of course I am not blaming this present Opposition of which only two members

MR SPEAKER:

Nothing that happens in this House is disgusting because I would not allow that.

HON H J ZAMMITT:

No, Sir, I said that I was disgusted. I felt great shame considering the importance that is attached to sport and yet since 1972 to 1976 only two Questions on sport were asked by the Opposition and that is there to be checked, Mr Speaker. In the question we have had recently as to why doesn't Government form a Sports Council, when we do it we are told, no, it is wrong and we are told to give our blessing to a breakaway group. Therefore, Mr Speaker, every time we do something we are wrong. Here is a blatant case, if ever there was one, of doing things through the advice of the United Kingdom Sports Council and now it is labelled dictatorship and colonialism. I wonder, Mr Speaker, if I had nominated other members into this committee if this motion would be here today. I wonder if I would have selected somebody else instead of the Chairman of the Gibraltar Football Association, I would have this motion here today but I selected and nominated people whom I consider not to be yes men. In fact, it is no secret that one of the members there is a very strong supporter of the Opposition. I did it with full knowledge of that, Mr Speaker, but there is no logic at all in the Opposition trying to bring a motion here for this House to give its blessing to a Committee or a Council as my Hon Friend very rightly said whose terms of reference we do not know, nor do we know who they are or what is their constitution. I did not call it a Council. As the Hon Mr Leddo mentioned in his contribution this morning I have constantly referred in answers to questions to the word "Committee" and the advice from England was that we should be a Committee and not a Council but if Hon Members feel that I should change the word then I will do what they want me to do, say no to the Advisory Sports Committee and call myself a Sports Council and then, I am sure, I shall have the blessing of the Opposition. Mr Speaker, let me assure Hon Members on the other side that I have no difficulty at all in getting on with the members of my

Committee. Despite the fact that those members may express the view or views of their associations individually, those members are four square behind me. Although I know they are pressed by their associations on a particular issue, those members are four square behind me.

Mr Speaker, I think the Hon Member will be pleased to hear that I intend to submit an amendment and it is not that I am going to cross every word out after "this House". In fact, I am going to add to his motion and I am sure that for the benefit of Gibraltar and for the good of sport I will be able to have their support. Therefore, Sir, I wish to move an amendment as follows:- To delete the word "council" wherever it appears and to substitute the word "committee" therefor and to add the words immediately after "associations" on the third line "making use of the Victoria Stadium".

MR SPEAKER:

I am not quite sure that the amendment is in order. May I say that in so far as the second part of the amendment, most certainly, but if there is a motion before the House to welcome the advent of a particular body which exists in Gibraltar, then I am not quite sure that it is in order to amend the motion to the extent that it may be welcoming another body which exists. That is why I asked the Hon Mover whether such a body as the Gibraltar Sports Council exists.

HON H J ZAMMIT:

It certainly does not exist legally, Sir. There is no registration of a Gibraltar Sports Council anywhere in Gibraltar, whereas there is a registration of a Sports Committee in Gibraltar.

HON W T SCOTT:

On a point of clarification, Mr Speaker, is there a legal requirement for a council of this nature to register itself?

MR SPEAKER:

Let it be said that I am not here to advise on legal requirements. We might ask the Hon Attorney-General. I think the answer is no but it is not for me to say.

HON CHIEF MINISTER:

I think that it has formed itself and there it is but it has no Government recognition, if it means anything, it is a self-constituted body of which there can be one every day. This is a free society, they can do what they like, but what they certainly cannot do is get us to welcome them if we do not want to welcome them.

MR SPEAKER:

I would be happier if you were to delete all the words after "that" and then substitute them for whatever you like. May I read from Erskine May on amendments to questions which says: "The object of an amendment may be either to modify questions in such a way as to increase its acceptability or to present to the House a different proposition as an alternative to the original question." By changing one word it does not improve its acceptability because we are talking about two different bodies. It goes on: "The latter purpose may be effected by moving to omit all or most of the words to the question after the word "that" and to substitute in their place other words of a different import provided, of course, it deals with the same topic and matter," and it does because it is dealing with sport in Gibraltar.

HON CHIEF MINISTER:

If the words "Sports Council" are substituted by the words "Sports Committee" it certainly makes it acceptable to the Government.

MR SPEAKER:

I must not take into consideration whether it is acceptable to the Government or to the Opposition but whether it is acceptable to be able to achieve the object which is being sought. What is being sought in this particular motion is to welcome one particular body.

I will then propose the amendment which is that the motion moved by the Hon Mr Loddo should be amended by the deletion of all the words after "this House" and the substitution therefor of the following words: "welcomes the advent of the Gibraltar Sports Committee, a body truly representative of the various Sporting Associations making use of the Victoria Stadium, and calls on the Government to encourage, support and foster the Gibraltar Sports Committee."

HON A T LODDO:

Mr Speaker, I am absolutely amazed because this again is a self-congratulatory motion patting themselves on the back for the sporting fiasco they now find themselves in. They have turned my motion completely round to mean entirely and absolutely what it never was entitled to mean. This is like something out of "Comedy Capers".

HON G T RESTANO:

Although I do not want to contradict my Hon Colleague, I am not amazed because I have seen this happen very often in this House. If the Chief Minister wants to speak let him get up and

ask to speak and I will certainly give way.

HON CHIEF MINISTER:

Thank you very much. We will continue to amend motions to suit the policy of the Government and not the policy of the Opposition. I am very glad that he has reminded his new colleagues that this is the practice here.

HON G T RESTANO:

I am glad about that statement of the Chief Minister but what I do not agree with, Mr Speaker, is that the amended motion is not a truthful motion because it says that the House welcomes the advent of a Gibraltar Sports Committee, a body truly representative, and I do not believe that in any way Mr Zammit's Sports Committee in the way that he has presented it, is in any way truly representative of the whole of sport.

HON H J ZAMMITT:

If the Hon Member will give way. I mentioned in my contribution that I had no control over the Yacht Club and other private clubs which are sporting clubs and therefore it is purely because the Government only has and can only benefit through the enthusiasm and the advice of this committee the facilities that Government provides, they are truly representative of the associations making use of the Victoria Stadium and let me give you an instance.

HON G T RESTANO:

First of all, Mr Speaker, I was not aware that there was any representative of the Royal Gibraltar Yacht Club on either the Sports Council or the Sports Committee, why that point has been brought up I think is quite irrelevant.

MR SPEAKER:

Let us not go round in circles. The Minister has brought in the Yacht Club and the other associations to show the difference between the sporting associations that he is referring to and those he is not. He is referring to sporting associations which make use of the Victoria Stadium.

HON G T RESTANO:

My contention is that the motion is not a truthful motion because it does not really represent the realities of what we are discussing. He says, in his amendment, that the Sports Committee is a body truly representative of the various sporting associations and I do not think that is true. If I

may, Mr Speaker, I will speak on the amendment and the motion and I shall not speak again. What my Hon Friend Mr Loddo was trying to say in his motion, and I think it was an absolutely correct statement, the way that the motion was originally presented, was that the Sports Council was the true reflection of what sportsmen wanted in Gibraltar, not Mr Zammit's Sports Committee. Mr Zammit's Sports Committee was not elected by anybody other than himself it was appointed by himself whereas the Sports Council which the Hon Mr Loddo mentioned in his motion was elected not by a few people, it was elected by all the users of the Victoria Stadium. In the case of Mr Zammit's committee, he personally appointed not the people whom the different types of sports wanted to have representing them, he appointed those he thought should be representative of those associations and those different sports. I think I heard objections to the undictatorial and so on but this is dictatorial and we have had this out in this House before, Mr Zammit, when he declared that he was going to appoint this committee, said that he would not be prepared for the different sporting associations to appoint their members, he wanted the right and he insisted on the right to appoint whom he wanted so that if there was somebody on a particular committee of one particular sport that he did not like and he thought that that association might appoint this member, he was not going to allow that, he was going to appoint the person that he wanted. So that for him to say today that the Sports Committee is a body truly representative of the various sporting associations is, to me, a complete misnomer. It is not correct at all. What is correct is what has been formed out of Mr Zammit's forming a Sports Committee and that was that the Sports Committee appointed did not agree with the Minister, did not agree with his policies, perhaps, and they decided that they would form a really and truly representative body of sport. Many more associations have been represented and have voted in favour of this Sports Council than the ones that Mr Zammit called in. But what does he say? He says, who are they, who is this Sports Council? I rely on my Hon Friend Mr Loddo who I am sure will be able to say how many sports associations are included in the Sports Council and they have all been elected by their members, all using the Victoria Stadium, the GFA, the Gibraltar Hockey Association, the Squash Racquets Club, the Basketball, the Volleyball and I could mention the whole lot, I think it is about 13 or 14, certainly many more than what the Hon Mr Zammit took into account when he formed his Sports Committee, a Sports Committee which he says is representative and a Sports Committee which in fact, from what I gather, is on the point of resigning from that Committee because they do not agree with the policies of the Sports Minister because he will not take their advice. Just to other points that I would like to mention, and that is that the Minister for Sport said that between 1972 and 1976 there had been little consideration for sport. I was not in the House in those days, I was not in the House with the IWP Government, but what I do know is that the first Government in Gibraltar, whoever instituted a Minister for Sport, was the Government of Major Peliza, not the Government of Sir Joshua Hassan who had been in this House for many years.

HON A J CANERA:

If the Hon Member will give way on a point of clarification. The Ministry was called Recreation and Education, not Sport.

HON G T RESTANO:

Recreation, and that was definitely sport. I was in a Sports Committee and I at the time had dealings with the then Minister of Recreation and it was for Sport. It was the only time since the inception of the Legislative Council and then the House of Assembly in Gibraltar, where there had ever been a person nominated as representing sport in Gibraltar and that was not done by the AACR Government, it was instituted by my Hon and Gallant Friend Major Peliza. The snide remark of the Minister of Sport that between 1972 and 1976 nothing from the Opposition had emanated on sport is unfair. Why doesn't he put the whole picture, why doesn't he say that between the 1976 and 1980 Elections there were 27 Questions on sport and two substantive motions on sport from this side of the House. That, of course, he fails to do because he only likes to put forward what he thinks is in his own interest but not what is correct, not what is an accurate picture of what has happened. He only says what he thinks is in his interest. The other point I wanted to mention was the Chief Minister's statement that we wanted to force the Government to welcome the Sports Council when they did not want to welcome them. I can understand that perhaps the Chief Minister and the Minister for Sport do not want to welcome this Council because the Council is truly representative of the sports associations of Gibraltar. I know that very often the Government does not like to recognise people who are truly representative of their own sectors. I am convinced that if the Government could they would say, "Let us do away with the Union and with the Chamber of Commerce, let us do away with anybody who in any way is going to interfere with Government business." In this case this is what they are trying to do, they are trying to suppress the natural evolution of sportsmen in Gibraltar and their natural say in their own sporting associations and their own sporting facilities and if that is not dictatorial I do not know what is.

HON W T SCOTT:

If I may speak on the amendment and then perhaps if I might have an opportunity to speak on the main motion later on. I only have one point in fact to bring on the amendment because the amendment has two changes, the substitution of "committee" for "council" which has been dealt with quite amply by my colleague the Hon Mr Restano, but the other one that really bothers me is the addition of the words "making use of the Victoria Stadium" after the words "sporting associations" because, quite frankly, if one is to read and I'll read "a body truly representative of the various sporting associations making use of the Victoria Stadium", I cannot find any consistency with that and the third term of reference given to us in answer to Question 163 by the Hon Minister for Sport which

states: "To consider applications for financial assistance from sporting associations." If I might go a bit further in explaining that. If the committee is only composed of sports making use of the Stadium and some sports have to play outside the Stadium, like table tennis, darts, etc, these sports will not be represented in that committee and when they come up annually to ask for financial assistance they will have nobody representing their interests within that committee.

That is my point, Mr Speaker.

HON MAJOR R J PELIZA:

Mr Speaker, I am very sorry to see that the Minister, knowing that there is a conflict in the sporting world here, knowing that this was an excellent opportunity to have used statesmanship and introduce an amendment which would bring about some kind of compromise which is what democracy is all about, no one can always have his own way, the Opposition very seldom has its own way as we all know, simply because there is no sense of compromise. This is the essence of good government particularly if we are trying to resolve the kind of clash that today exists in the sporting world when there are in fact two different bodies trying to compete with each other in the sports activity. I would have thought, Mr Speaker, and I can see now why certainly I and I am sure my colleagues will not be able to accept this amendment, there is no intention whatsoever of trying to find some reconciliation in this amendment. It does away with "council" and puts "committee", reduces it down to making use of the Victoria Stadium and therefore he doesn't realise what is required in Gibraltar, and this was the whole essence of the difference of his approach to sport and the approach of the Opposition, is the need to bring sporting activities into unison in some way or another, into common effort, into some coordination and this cannot be done just by having a little committee to run the Victoria Stadium. After all, sport in Gibraltar is absolutely vital in the conditions that we are. In fact, one of the reasons why I instituted a Minister to look after sport was because in the confined way that we are living in Gibraltar sport is absolutely essential. The Minister has a very, very responsible job.

HON H J ZAMMITI:

If the Hon Member will give way. The Hon Member must be somewhat forgetful in saying that he instituted a Minister for Sport. The then Hon Chief Minister, Major Peliza, introduced a person to look after sport because the Victoria Stadium came into being because prior to 1969 the old Victoria Stadium was not Government's, it belonged to the GFA.

HON MAJOR R J PELIZA:

I do not think the Minister can possibly have been able to have read my mind 11 years ago, Mr Speaker. The reason why I did

that is because I saw the importance of sport in Gibraltar. You can see the importance that we attach to sport by the amount of time that we dedicate to it. His amendment is very narrow, it is like a person with blinkers and I think it is about time the Minister took the blinkers off and realised that sporting activity in Gibraltar is much more than just the Victoria Stadium and therefore it is obvious that the different bodies who are responsible for sport in Gibraltar, who are obviously elected by their membership within their own autonomy want to see some kind of coordination. I do not believe that it is in the best interests of sporting activity in Gibraltar that people should be selected by persons and planted into a committee when it should be representative of the different bodies selected by the bodies concerned. Whether this is done in England or is not done in England is neither here nor there, the position is that as we see it today in Gibraltar, in a practical way, that is the answer to our problem and all the Opposition is trying to do is to try and overcome that problem. It is a great pity that the way the amendment has been put it is impossible to vote in favour of it.

HON M K FEATHERSTONE:

Mr Speaker, I am going to make a very brief intervention. It seems that the Opposition do not wish to accept the amendment because they feel that the Sports Committee is not truly representative. I think I can say, on the Minister's behalf, that if any sporting association using the Victoria Stadium feels that they have been left out and that they should have a representative, he will be very willing to entertain their application and make the committee a little wider so that it is truly representative and I think on that assurance the Opposition should be able to accept the amendment.

HON A J HAYNES:

Mr Speaker, I think the House will remember the remarkable insight shown by the Hon Mr Zammit when he opened his U.S.O.C. contribution by saying that he was standing on two legs. I think he must have written the amendment with his foot.

HON P J ISOLA:

Mr Speaker, the amendment introduces a new element in Government policy. I am surprised it is introduced in this way. The new element is that it appears that in this particular area of activity in Gibraltar only those people who use the Victoria Stadium are going to be in the privileged position of advising the Minister of Sport generally. The Minister for Education had a Council from which he deliberately excluded certain sections of the community dealing with education. It is exactly the same position. A Sports Committee advising the Minister for Sport but exclusive to a certain number of sporting people and anybody who wants to get assistance in their sporting activities, be it a yachtsman, be it a tennis player,

be it a snooker player, will have to rely entirely on the goodwill of a politician because he knows that in that committee there will be people representing other sports who want money for their sport in a position of influence over the Minister because they have always got it over his head that they could resign if they disagreed with his rulings and if that is what the Hon Chief Minister wants for sport in Gibraltar I am amazed that this amendment should be put in. I can imagine an amendment being put in to save the Minister from the obvious embarrassment he is in that at the very first meeting of his Sports Committee they walk out. I know that it is embarrassing for the Minister to find his concept of the Sports Committee in ruins. What is the empire he is trying to build, the Victoria Stadium empire? Only those good boys who use the Victoria Stadium will have the benefit of financial assistance from the Government unless you are particularly friendly with the Minister? And I say, Mr Speaker, unless you are friendly with the Minister because the Minister has thought fit in this House to make attacks on people who do not support his party. He has mentioned the name of a sportsman, and I do not want to repeat it, whom he knows jolly well does not support his party and he has gone out of his way to attack this person. What am I to do? Am I to circulate all DPBG members and tell them to be careful, to please be nice to the Minister otherwise he is going to single them out for retribution!

MR SPEAKER:

Order. I will ask you to withdraw what you have just said. You are insinuating that the Minister is using his position for the purposes of furthering his own interests.

HON P J ISOLA:

That, I most certainly withdraw but I was telling the Minister that he is putting us, as a party, in a difficult position by singling out members of our party and mentioning their names publicly in relation to sport, he is putting our Party in a very difficult position as to what we must advise our members because the Minister for Sport is the Minister for all sport, whether it is AACR sport or DPBG sport, and I would expect the Chief Minister to reassure the House and to reassure all members of all parties that whatever their political inclinations they have nothing to fear if they oppose the Minister for Sport on his sporting decisions.

HON CHIEF MINISTER:

There is nothing to fear, Hassan is here. Just before we came in I have made a deal with the GSLP that we will support their sportsmen if they support our candidates!

HON P J ISOLA:

We think, Mr Speaker, and we are alarmed by this amendment and I am not talking on the general principles of the motion yet. But on this one, at this stage, what I attack is the sectarianism in the amendment that the Hon Mr Zammit, if this amendment is passed, will not be entitled to call himself Minister for Sport, he will be Minister for the Victoria Stadium, with the little empire that he has built there. This Sports Committee is a sham, the Sports Committee is going to be chosen for people in sport but only certain people in sport. Unless you use Victoria Stadium then you are not going to be in the inner council of the Ministry for Sport. That is wrong in principle and I am surprised that the Government is going to vote for an amendment of that nature because if I was a sportsman in other activities, whether I am a sailor, a snooker player or anything else that does not use the Victoria Stadium, I would rise up in arms and protest vigorously to the Chief Minister because I am not being given the same representation in the administration of sport that other sportsmen are being given. So, Mr Speaker, after the amendment has been passed, I would like to talk about the whole concept of the Sports Council. I hope the Government will not attempt to pass this amendment without amending it further to take away the sectarian element inherent in it.

HON J BOSSANO:

I am not about to reveal the deal, Mr Speaker. Let me say that I have had no reports, of course, from GSLP members being discriminated against in their sporting activities because of their party political affiliation. Since I try and keep a sense of balance perhaps I can assure my supporters that they will not be discriminated against by either of the two other parties. I am speaking on the amendment.

I am quite confused by the debate. I do not know a lot about sports. The policy of the GSLP in respect of the original motion was to support it and in fact to suggest an amendment which would strengthen the role of the Gibraltar Sports Council. What we have been able to do in this House of Assembly is that because there was previous notice of the motion, I was able to consult my committee on every motion and therefore every time I stand up to speak I do so with a policy decision having been taken by our party as to how I should vote on any given issue. However, the sudden appearance of the Gibraltar Sports Council puts me in a situation where I never questioned that the Gibraltar Sports Council was a body truly representative, I assumed that the Hon Mr Loddo had taken the trouble to find out whether it was so before he brought the motion to the House and I took it for granted that he did. I find myself now being told by the Hon Mr Zammit that the Sports Committee is the one which is truly representative and my Party favours the existence of a body that is representative of all sporting associations, that is democratically elected by them, and that the Government will consult and seek the advice of in any decision they have to make concerning sport. In order to

reflect that policy decision of my committee I am, at the moment, not sure which way I should be voting and what I should be voting for, but it seems to me that perhaps too much is being read into the Government's amendment in that the Government is not setting up the Gibraltar Sports Council in this amendment, it is describing it and limiting its definition of how representative it is. The Hon and Learned Leader of the Opposition has said that he hopes that the Government would further amend this amendment by taking out "making use of the Victoria Stadium". I could move such an amendment to the Government's amendment but, to my mind, that is in conflict with what the Opposition is saying because if I take out that it is a body truly representative of sporting associations making use of the Victoria Stadium and I take out "making use of the Victoria Stadium" then I leave behind that it is a body truly representative which I am told by them it is not. What should I do then? Should I do the last thing I have suggested and try and make it more truly representative on paper when it is not in practice? I support the philosophy that I have explained and I want to do so honestly in this House of Assembly and I am very confused about the issue. I do not know enough myself, I do not know who the people are in either of these two bodies. I know about splinter groups, if they tell me that one is an officially recognised trade union and the other one is a splinter group I will know how to vote straightaway. In this area I am not quite sure which is the official organ but I think that if we are talking about a body existing to represent the interests of the Victoria Stadium users then there should be no conflict between having one for that limited task and then having a body in which that particular committee is represented which represents the whole of sport. My point really is in regard to this amendment, Mr Speaker, that if we take out the words "making use of the Victoria Stadium", then you widen your definition of how representative the Gibraltar Sports Committee is and consequently we on the Opposition would be saying that the Gibraltar Sports Committee is more representative than the Government says it is and the original claim that was being made was that that isn't really representative, that the representative one is the Council.

HON P J ISOLA:

If the Hon Member would give way. What I am saying is that the least they could do is take those words away and then make sure the Sports Committee of the Minister, such as it is, is more representative but we would still vote against because we believe that, in fact, it is not a representative body. That, I think, explains our attitude.

HON J BOSSANO:

If it was a question of widening the Sports Committee to carry out the vote that we want the Sports Council to carry on then I would say let us take out "Victoria Stadium" and say that what the Government should do is to expand the Sports Committee to take in all associations whether they use the Stadium or

they don't. I am not sure what it is that the House wants either with one stand or the other stand.

HON W T SCOTT:

If the Hon Member would give way. I think he might perhaps be a little bit confused as he started off with, as the difference between the Committee and the Council because there have been arguments on both sides. As I understand it, the Committee, and obviously I shall be corrected immediately if I am wrong, the Sports Committee was constituted by Government but appointed as individuals by the Minister for Sport. The Sports Council arose as a result of circumstances that I need not go into at the moment and the individuals composing the Sports Council were elected at a public meeting of all sporting associations, I think it was at the John Mackintosh Hall. I do not know whether that makes the position any clearer for the Hon Member.

HON J BOSSANO:

I am grateful for the clarification. I would say that it is difficult to know how representative a body the Gibraltar Sports Committee is, if it is an appointed body. Whether we say it is representative of the Stadium or not, I think is an irrelevance in that case. I shall be voting against the amendment after hearing that.

HON H J ZAMMITT:

Mr Speaker, first and foremost, I would like to answer the Hon and Learned Leader of the Opposition on what I term the very uncalled for personal attack on me in saying that I only benefitted those individuals who had access to me and of my particular political inclination. I would like to remind the Hon and Learned Member that it is not so long ago that this Government provided funds in excess of £5,000 to the Gibraltar Hockey Association to go on their trip to Germany when the Hon Dr Valarino, Chairman of the Gibraltar Hockey Association, was a Member of the GDM and the Manager of the GHA was Mr Maurice Xiberras, who happened to be Leader of the Opposition. Mr Speaker, I only wish that if every political opponent of the AACR could do as well in only that particular way then I think the Hon Leader of the Opposition has to eat humble pie. The Hon Mr Perez was secretary of the GHA at the time so we had two members of the GDM and one IWBP. I have not heard of any association that has complained as to the manner in which they have been treated by the Minister, with or without a committee, and I must say that the grants have always been given in conjunction and in discussion with a committee set up to provide grants. I do not think there is one association that has complained that they have been left out because of my political inclinations.

Mr Speaker, I take great exception to the Hon Leader of the Opposition's reference to the empire of the Victoria Stadium.

If the Hon and Learned Member was to go to the Victoria Stadium he would see that some 7,000 people go through there and that the Stadium is functioning from 8am until 11pm, seven days a week. If the Hon Member thinks it is an empire, it is as a result of staff inspection and union agreement. Perhaps, Mr Speaker, the Hon and Learned Member can tell the Government how we can provide a service, I would like to know how the Victoria Stadium can run and provide the service it is doing with the curtailing of hours of work and a reduction thereby in manpower. I would also like to remind Members opposite, when we talk of a body truly representative of all sport in Gibraltar, that there are something in excess of 30 governing bodies of sport and, Mr Speaker, the Committee set up to provide grants has provided grants in the past and I am sure will continue to do so in the future.

MR SPEAKER:

We are going beyond the point. You may speak about the fact that the Gibraltar Sports Committee is truly representative of all sports in Gibraltar but that Committee is not the Committee that gives grants, is it?

HON E J ZAMMITT:

It is, Sir.

MR SPEAKER:

Then I am more confused because you are limiting it to the users of the Victoria Stadium.

HON H J ZAMMITT:

If one looks at the terms of reference which I made reference to you will see, Sir, that the third term of reference is to advise the Minister in the allocation of Government funds to the various sporting organisations and the members opposite, as I understood it, said that because not every single sport is represented on the Sports Committee at the Victoria Stadium, which is the committee set up to allocate grants, that those outside the Victoria Stadium would have no one to support their claim,

MR SPEAKER:

I think that what the Opposition are saying is that you are limiting the Gibraltar Sports Committee to bodies which use the Victoria Stadium because the Motion as you have amended it reads: "Welcomes the advent of the Gibraltar Sports Committee, a body truly representative of the various sporting

associations making use of the Victoria Stadium".

HON H J ZAMMITT:

That is absolutely correct, Mr Speaker, but the Sports Committee appointed by me, which is the one we are making reference to, has terms of reference and amongst these terms of reference one is the allocation of funds.

MR SPEAKER:

What you are being accused of is the fact that you are limiting the committee to those sports which are using the Victoria Stadium and that therefore it is contradictory with the terms of reference.

HON H J ZAMMITT:

No, it is not, Mr Speaker. It does not restrict them at all. The grants issue has nothing to do, it is Government money provided for all sport in Gibraltar not only for the users of the Victoria Stadium. I was going to say, Mr Speaker, when you called my attention, the fact that we do and have provided funds for GARA, Rowing Association, of course, they do not row at the Stadium, and we have provided funds for cycling clubs, they do not cycle at the Stadium, we have provided money for the motor cycle trials, clay pigeon shooting.

I as chairman of this Committee will make sure, as in the past, that no single association is not considered, because it is taxpayers' money that is being given out. It is precisely because it is taxpayers' money and there is somebody who has got to come to this House and be answerable that I have made myself chairman of this particular committee. I do not think it would be appropriate to have anybody throwing public money out who is not answerable to Members of this House. In fact, Mr Speaker, this has been a matter which has been given a lot of thought to. Let me tell the Hon Mr Bossano that this could well be termed as a splinter group because the Hon Mr Loddó mentioned earlier on that there were members within my group who, apparently, were dissatisfied, but I have not heard of any of them being dissatisfied in any way.

Mr Speaker, if the Opposition feel that we should have a Sports Committee, a Sports Board or a Sports Council, call it what you like, which is representative of all sport in Gibraltar, may I say that it shows a lack of knowledge because although we have supported these people in the past, in the schedule of the Sports Council there are certain games that have been interpreted by the Opposition as sport. Certain games which are not registered in the schedule as sports but as games but nevertheless, Mr Speaker, again we have supported that and I am not going to identify the number of them but there are over 30 governing bodies of sport in Gibraltar and if we are going to have a committee of thirty people, Mr

Speker, then that would be completely and utterly ludicrous.

The second point, Mr Speaker, is that there is absolutely no reason why the Opposition should not welcome the advent of the Sports Committee as set out in amendment to this motion. I would like to remind him that of the two motions on sport, one was because of the industrial dispute at the Stadium. It was not very much about sport, it was just because there happened to be an industrial dispute at the Stadium. But it is precisely because the Opposition have been pressing that there should be a Control Board or Sports Council that we do it and when we do it again we are wrong.

Mr Speaker, I am sorry that members have not found it possible to vote for this amendment. I wonder if as the Hon Mr Loddó says he does not oppose the terms of reference of the Committee, he does not oppose the structure of the committee and those people nominated, then what, Mr Speaker, is the Hon Mr Loddó opposing? I would also like to remind members opposite, Mr Speaker, that the members on my committee have not, to this day, told me that they are dissatisfied. I heard members opposite saying they had resigned. I have not heard of anything like that. Mr Speaker, I am afraid I can contribute no more to this but I would have thought they would have welcomed the advent of the Sports Committee that they themselves have been pressing for for so long.

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

The Hon I Abecassis
The Hon A J Caneps
The Hon Major F J Dellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon J B Perez
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 J Bossano
The Hon A J Haynes
The Hon P J Isola
The Hon A T Loddó
The Hon Major R J Peliza
The Hon G T Restano
The Hon W T Scott

The amendment was accordingly passed.

HON W T SCOTT:

I was a little bit surprised in fact at the emotional outburst before he introduced the amendment that the Hon Minister

for Sport made. I thought his emotional outburst was below the dignity of this House in particular his reference, and I must state it again, to the individual who has nothing at all to do with this House and is probably only involved in one sporting association. I will not mention his name because it has been mentioned before. He used an expression; he said a "break away group" when referring to the Sports Council. I can see no reason why he used the expression "breakaway group", the Sports Council is something which has never ever existed in Gibraltar. It is a democratically-elected body of sporting associations within Gibraltar. Let us make no mistake about that, it is not a group of people appointed by one man. The Hon Minister for Sport also went to great lengths in bringing out a letter or letters from the Sports Council in the United Kingdom and I took particular note of the words that he used. He used the words "I take instruction" referring to a letter received from the British Sports Council. He used the word "instruction" and I thought that was a word that perhaps one would not have thought that the Minister would have used. Referring to the Sports Council in the United Kingdom, although they might be appointed by a Minister, it is a national body with other sub-committees divided regionally. We are not talking about that here in Gibraltar because the Minister surely does not appoint the regional sub-committees within the United Kingdom. Certainly, the Minister does not sit in the Sports Committee as would appear to be the case in Gibraltar.

Mr Speaker, we have had two committees involved in sport within Government for a number of years. We have had the Sports Advisory Committee but we have had another committee dealing with financial contributions, etc. I question, in fact, whether there has been a change of policy in Government on this since the last General Election because if we are to believe what Government has been saying that there has been no problem with sport, how come the Government now suddenly decide to appoint a Sports Committee, the function of which presumably would have been the function of the Sports Advisory Committee prior to 1980? As to the 25% gross receipts which are received by the Stadium authority, Mr Speaker, I think I must make some comment here, and that is that it is 25% of the gross receipts, not the net receipts.

HON H J ZAMMITT:

If the Member will give way I will explain. No, Sir, he is absolutely wrong. The 25% charge is not on the gross receipts. In the case of the Boxing Association or Football Association, the deduction of police, attendance at turnstiles or any other expenditure including, in the case of boxing, transportation of chairs from St Michael's Cave, it is after that that Government takes 25%.

HON W T SCOTT:

I was under the impression, quite frankly, Mr Speaker, that it was the Gibraltar Football Association, the Gibraltar Amateur

Boxing Association, that had to meet the expense, for example, of the Police Force out of what was remaining of the gate receipts after Government had deducted its 25%.

HON H J ZAMMITT:

That is not so.

HON W T SCOTT:

Mr Speaker, I cannot see why Government cannot agree to our motion because certainly on our side of the House it is the Sports Associations that have always administered sport in Gibraltar. The Stadium authorities have administered the sporting facilities, not the sports. The sports have been administered by sportsmen through their sporting associations and what we want to say is that the sporting associations should have more of a say in the facilities and that is why we consider the Sports Council absolutely and totally justified, not the Sports Committee appointed by the Government.

HON A T LODO:

Mr Speaker, as a newcomer to the House but a newcomer who is learning daily, I must first of all give my thanks to the Hon Chief Minister for having enlightened me this morning. I am grateful to him for letting me know that in fact the Government will totally amend motions which are controversial and perhaps the policy in future is also to leave unanswered questions that are too embarrassing. I will admit that I was a bit disappointed this morning because in my naivety I thought there were certain things I could bring forward in my motion which I subsequently found I could not. I would like to answer the Hon Mr Perez first of all, and I will assure him that the Mover's intention in bringing forward this motion before the House is not to undermine the Minister for Sport in any way. I think the Minister for Sport is doing a very good job in that direction himself without my help. Further, I will say that I regret that my intervention was brief, I would prefer to call it succinct. I do not believe in repeating myself ad nauseam. I have found out in the six months that I have been in this House that apparently it is common practice and perhaps in time to come I will fall into the habit of repeating myself ad nauseam. If the Hon Mr Perez had been wise when I made my intervention this morning he would have realised that I did say who the representatives of the sporting associations as embodied in the Sports Council were. They were in fact the same virtually as the ones who were representatives in the Sports Committee. The Hon Mr Perez said that he did not see why we could not have a Sports Committee running parallel to the Sports Council. I shall tell him why, because this will all depend on what the Minister for Sport will do. If, what he wants is an emasculated Sports Committee going under the guise of a Sports Council then I am sure he will be only too happy to have them running parallel.

Another point brought up by the Minister for Medical and Health Services was the question of bookings. I am a little bit older than he is, not too much, but I remember that before we had this sports centre at the Victoria Stadium there were never any problems as regards bookings, it used to work admirably. Nine months of winter, the GFA did the bookings and the other three months the GCC did the bookings and there never seemed to be any problems. I admit that now the thing is a bit more complex but to bring up the question of bookings is quite pointless really.

The Hon Mr Featherstone, in his brief contribution, was interesting because he admitted that the Sports Committee as constituted might not be truly representative because of some sports which might have been left out. The Hon Mr Zammit likes to use the word "games". At a moment's notice I jotted down tennis, snooker, billiards, table tennis, clay pigeon, swimming, cycling, rowing, sailing, motor cycle trials, car rally and, if you take the Hon Minister for Sport at his word, in due course we might even have skiing and that is not included in the Sports Council. I am grateful to the Hon Mr Bossano for agreeing with me. I do not know if this is reciprocity, if it is I am very grateful because he agrees on the basic, fundamental thing that the Sports Council, as opposed to the Sports Committee, is freely elected, the Sports Committee is nominated. Since living in the shadow of a dictatorship I am wary of nominated committees or bodies. If I may, I would like to answer some of the points raised by the Hon Mr Zammit. The first one, which I will say this once and I hope I never have to say again, is that I never was an integrationist. I might be sorry now that I never was but the fact is that I never was. However, I was an AACR member who saw the light and left. I will also point out to the Hon Mr Zammit that the Opposition did not decide to walk out. The Opposition earlier on in the proceedings of this House was forced to walk out and they were proved right, as in a subsequent debate the reason for our walkout was proved conclusively when the Minister, the Hon Dr Valarino, refused to answer questions during the course of the debate despite the assurances given to this House by the Hon Chief Minister that he would be answering questions during the course of the debate. Another point which the Hon Mr Zammit keeps on plugging is that in the United Kingdom the Sports Council is nominated by the Minister. It is funny, and I have mentioned this before in the House, that in Gibraltar we like to equate with the United Kingdom when it seems favourable and suitable but we do not always use the same yardstick. The Hon Mr Zammit is at pains to point out that in the United Kingdom the Minister for Sport nominates his Council but he is never too keen to admit that the Minister for Sport does not sit on this Council. Again it is a pity because if he adopted the same policy in Gibraltar we would not find ourselves in the position we do today sportwise. The Minister admits that he cannot interfere with outside sport, referring to sports that are not played in the Stadium and then I ask myself, why is it that we have a Sports Manager, not a Stadium Manager. To me a Sports Manager would seem to be the umbrella under which all sport comes. In fact, he should be a Stadium Manager.

The Minister pointed out, that I did not disagree with the terms of reference and I admit to that, I could not disagree with the terms of reference. They are very good. They could be improved by one further term of reference and that is that sportsmen should administer their sport, which has been left out. On the question of the 25% I am grateful that football and boxing do not have to pay 25% of gate receipts. I had been under that impression and I am grateful to the Minister for correcting this wrong impression but I also know that now during the impasse about the charges they will not be allowed to charge which means that the Government is being deprived of certain revenue.

MR SPEAKER:

Yes, but that is a new matter which you must not bring in when you are exercising your right of reply.

HON A T LODDO:

The Minister referred to clubs in Gibraltar but the important thing in a club is that at the end of the year you have the Annual General Meeting where the members get up and take the members of the committee to task. He is in the fortuitous position where he will not be taken to task by the members of the different sports associations.

Another thing that worries me as a newcomer to this House is the ease with which certain Ministers insist on referring to people who are not able to defend themselves in this House. I am referring to the references made to the Hon Mr Xiberras, which have been quite numerous in the last six months, and earlier on this evening to Mr Beltran.

HON H J ZAMMIT:

On a point of order, Sir, I have not said anything adverse about the Hon Mr Xiberras. In fact, I was very complimentary to Mr Xiberras and I was complimentary to the Hon Dr Valarino and the Hon Mr Brian Perez. I did not say anything adverse and if I did not take everything I said back, but I did not, Sir.

HON A T LODDO:

Mr Speaker, I take the point. One is not in Gibraltar and the other two are sitting on his side. The final thing to which the Minister for Sport took exception was when we referred on this side to his little empire in the Victoria Stadium. Perhaps the word "empire" is a bit too big. I would call it a "feudal kingdom" with the Hon Minister as feudal lord.

Mr Speaker, my motion has been completely and utterly changed. There is nothing left of the original motion. In fact, it is

a back slapping motion on the part of the Government which I am told they are entitled to do and they will continue to do whenever they find it necessary and I am sure it is going to be on many occasions. In conclusion, what I would like to say is that to me the essence of the first motion is irrefutable and that is that it is the Sports Council as it was originally presented in the motion that is truly representative and it is truly representative, Mr Speaker, because the members of this Council, regardless of whether they were the same ones that the Hon Minister, Mr Zammit, felt was going to be his rubber stamp, regardless of the fact that they might be the same ones, the Sports Council members are truly elected because they have been democratically elected by their peers and not nominated. I must salute the members of the Sports Council in proving that they were not the puppets that it was hoped they would have been. Thank you, Sir.

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 A J Canepa
The Hon Major F J Dellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon J B Perez
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 J Bossano
The Hon A J Haynes
The Hon P J Isola
The Hon A T Lodd
The Hon Major R J Peliza
The Hon G T Restano
The Hon W T Scott

The motion, as amended, was accordingly passed.

The house recessed at 5.20 pm.

MONDAY THE 10TH NOVEMBER, 1980

The House resumed at 10.35 am.

HON W T SCOTT:

Mr Speaker, I have the honour to move the motion standing in my name: "This House considers that if a student passes the apprenticeship examinations that such a student should be awarded an apprenticeship with the Official Employers." By way of introduction, Mr Speaker, certain disquieting rumours reached me during the summer recess concerning the apprentice-

ship scheme, the recent apprenticeship examination and the examination results. At that time I asked for an interview with the Hon Minister for Economic Development, Trade and Labour and Social Security who was good enough to see me shortly afterwards and from that meeting I gathered the following. Every applicant is required to sit two examinations, one in English and one in Mathematics. The result of these two exams are taken in combination with the school assessment report which in past years took the place of a general knowledge paper. As I understand it, the School Assessment Report relies entirely on the suitability and behaviour of each applicant. The pass mark on each of the two examinations is 60% but there again I was informed that this is quite flexible because of the report submitted by the school in the assessment. I might add that a peculiarity of these exams is the timing of them. They take place in the summer before the 'O' Level results are known and perhaps an intending apprentice applies to join the scheme, who after having known and having passed his English and Mathematics paper and also having been made aware of the success in his 'O' level papers, subsequently either withdraws his application or possibly does not take it up at all. A complication that did arise this summer was that a number of students within the apprenticeship scheme, having already been informed that they had been successful in their English and Mathematics papers, were offered an apprenticeship. Subsequently, when the School Assessment Report was received, they were informed that that offer that had been made to them was withdrawn. This, quite frankly, Mr Speaker, we consider to be unjust and a disappointment and a heartbreak that the young men and their parents were subjected to. That was obviously callous and totally unnecessary. There is clearly a need, Mr Speaker, at least to improve the administrative arrangements to ensure that these circumstances do not occur again. Youngsters must not be submitted to the situation where their hopes are raised falsely and particularly to these two youngsters who, as apparent from the School Assessment Report, need a sense of justice and responsibility to them. The method, Mr Speaker, chosen to fill the vacancies in the different trades offered by the Official Employers takes the form of past students, that is, students who had passed their apprenticeship examinations, being offered these vacancies according to the results of their English and Mathematics examinations. For instance, forty students in any particular year might have applied for an apprenticeship and twenty five might have passed the scheme but yet only fourteen vacancies are available. Of those fourteen vacancies we might have four electrical fitters, two masons, three carpenters, &c. adding up to fourteen. The top four students, for example, might well have chosen the four vacancies existing as electrical fitters. Of the remaining ten students they can choose any other of the vacancies again in order of examination results but not that of electrical fitter and it leads to the situation where, say, thirteen of the vacancies have been taken up by the first thirteen successful applicants, and we come to a situation where candidate number fourteen is offered, for example, the blacksmith apprenticeship or nothing at all. That is the first point, but the second, which is the real purpose of this motion, is that the eleven young men are not offered any apprenticeship whatever. They are offered nothing at all. History, Mr Speaker, in past years within

this scheme, shows that it is obviously the brightest and more able student that is offered this opportunity. We find that shortly after completion of that apprenticeship scheme which lasts, as I understand it, four years, the likelihood is that these young men will either go into the technical grades or perhaps apply for a clerical post once that arises. This is fine as we are a progressive society and as the Hon Chief Minister said himself in the Indenture Ceremony last Thursday evening, and I quote from him: "This has always happened and no doubt will continue to happen for as long as we live in a free society and young men seek to improve themselves". But, Mr Speaker, we must not lose sight of the responsibilities that we have to those other young men who were not found wanting and yet were denied the opportunity. We have a Construction Industry Training Centre at Landport Ditch that is now, I think, in its eleventh year. Throughout those years over 200 successful applicants for apprenticeships have been passed through this scheme and this Training Centre was started particularly to fulfil the needs and future needs of the requirements of Gibraltar craftwise shortly after the closure of the frontier. We consider that that need is still there and that Gibraltar, as far as possible, should be put in a situation where it can supply, as far as is possible, its own needs and here again I quote from what the Hon Chief Minister said on Thursday night on the same occasion: "Gibraltar should be as self-sufficient as possible in good craftsmen, without whom not only would all this development not be possible but we would be unable to maintain what we already have, our blocks of flats, our schools, our hospitals, &c". It seems such a ridiculous waste, Mr Speaker, when we have these young men who have the capability, who have not been found wanting, we have the Training Centre and we do not seem to be utilising it as far as we can. I think there is another Government scheme in fact, Mr Speaker, an academic scheme, which bears comparison to this one and that is the academic scholarship scheme where albeit with a twelve-point system, Government gives the opportunity to these young people, on being successful to undertake the course of their choice without any restrictions being placed either on suitability on Government vacancies at a later stage, or a pre-requirement of them returning to Gibraltar, because we consider that the apprentices for the most part, even if they should move on to the technical grades, do remain in Gibraltar. Therefore, in our opinion, Mr Speaker, there are very valid moral, socialist and realistic reasons for presenting this motion. We recognise that obviously there must be a substantial number of administrative and financial reasons for Government not agreeing with the motion as it reads "awarded an apprenticeship with the Official Employers". We are aware of this, particularly with the PSA and their recent moratorium in defence cuts but we think that if the Government were to take a lead, the PSA in time, would find it very, very difficult not to follow.

Finally, Mr Speaker, in this meeting that I mentioned earlier on that I had with the Hon Minister for Labour and Social Security, he did suggest that this subject was more of a philosophical nature than anything else and that he would be quite willing to debate this subject in this House. I look

forward very much indeed to what he has to contribute and indeed to what the Hon Mr Bossano has to say on this matter because we consider it is a subject that is very much in line with the socialist principles that we have heard both from the GLP/AACR and the GSLP. Mr Speaker, I beg to move.

Mr Speaker proposed the question in the terms of the Hon W T Scott's motion.

HON A J CANEPA:

Mr Speaker, whilst congratulating the Hon Mr Scott on the presentation of his first motion in the House, I really feel that I must say that the Motion, of course, has got far wider implications and much greater ramifications than what he has developed in his supporting address. I will deal with some of the points that he has made initially and then develop those wider and more serious ramifications that the motion has arising from which I hope he will be convinced that there are very sound reasons as to why the motion cannot be accepted and I will be calling upon him, in the light of those explanations, to consider withdrawing the motion. He spoke about the timing of the intake of apprentices starting, in fact, up to a point, with the GCE results which are not known until August. Apprentices have got to be taken on in September and the selection process is a lengthy one and it would be impossible to wait until the GCE results are received in August to start that process of selection which would, therefore, have to end in about January. If apprentices were not taken on until January the advantage of the two month break in the school year during the summer would have been lost. The other thing, of course, is that one does not anticipate that people who will do well in their GCE will be particularly interested in taking up an apprenticeship. Those who have a bent for technical subjects and who will do reasonably well in the GCE ought to be thinking in terms of the "G" course in the Technical College where the horizons are much wider. He referred to two cases of would-be apprentices who after successfully passing the examination and being offered apprenticeships had had that offer withdrawn as a result of adverse assessments received from the school. This is true and I know that there has been an administrative hiccup in this case, this should not have happened. In fact, the examination, the interviews and the assessments from the school should be seen as a whole and it is a mistake to tell any student that he has passed the interview and the assessment, but that he has failed the exam, or that he has done well in the exam but he has failed the interview in spite of the good report from the school. I think that no one has any business to identify where a student has failed because that only leads to trouble as happened with these two cases where the school had to deal with many difficulties and with irate parents as a result of the students having been told that it was the school, in a way, that was to blame because the assessments from the school had been very adverse. I would insist that the exam, interview and school assessment must be viewed as a whole. Arising from these two cases, the

circumstances of which I think I explained to the Hon Mr Scott in detail when he came to see me, arising from that I am sure that the administrative arrangements through the Gibraltar Official Employers Apprentices Board will be tightened up considerably to ensure that there is no recurrence of this. But, of course, the fact that that happened this year with two students is certainly no argument for moving a motion that everyone who successfully passes the apprenticeship exams should be offered an apprenticeship and employment by the Official Employers. The Hon Mr Scott also made reference to the Training Centre at Landport and to the remarks of the Chief Minister on Thursday, remarks which, let me say, I had something to do with, and I do not hide behind the Chief Minister because I thought that it was a good thing that at such a Ceremony advantage should be taken of reminding all the Official Employers and all the major employing departments in Government that at this juncture in our lives we had to be careful that the clock is not put back and we do not become dependent on labour from Spain as we were ten or eleven years' ago. I think it is true to say that the Training Centre at Landport has gone a long way towards fulfilling its objectives. It is unfortunately with the DOE where there has been a considerable cutback. In the early years of the Centre the ratio of users as between the DOE and the PWD was about two to one. They were paying, therefore, for about 65% of the running costs and the Government was paying for 35%. Over the years that ratio has altered very, very significantly so in fact the use that is now being made of the Training Centre is in the ratio of three to one in favour of the PWD, so we are paying for about 75% of the running costs and the DOE 25%. The DOE, over the years, has been taking on fewer apprentices and that was one of the main difficulties this year in taking on apprentices for the construction industry. We should not lose sight of the fact that the Private Sector does not train apprentices in spite of the fact that over the years many offers have been made by the Government to employers in the Private Sector to send apprentices there whom we would train free of charge. The Government would not charge them, they would be regarded as Government apprentices. Very little advantage has been taken of that offer - only a handful of apprentices have been trained over the years. It seems that the Private Sector of the building industry prefers to have the apprentices trained at the expense of the Gibraltar Government and whilst in employment with the Gibraltar Government, or the PSA, and then try to induce or entice them away from Government into the building industry. That was much more so the case in pre-parity days and in the days when employment with the Official Sector was less attractive than what it is now. It is a pity that the Private Sector should adopt this attitude because, after all, it is the private sector which gets the contracts awarded under the Development Programme of the Gibraltar Government. Making reference also to what happened this year, I think I ought to inform the House that in the event six vacancies remained unfilled, two for blacksmiths, one for an iron worker in HM Dockyard and three for masons in the DOE, in spite of what I have said about the few apprentices that they are taking on, and that was because those lower down the list of successful examinees did not wish to take them up.

But the motion, as I said initially, goes very much deeper than that and it has, to my mind, two very fundamental flaws. It implies that if all the 137 applicants this year, say, had been of sufficiently high standard, the Official Employers would between them have had to give them that number of apprenticeships, 137. But the proposal does not take into account at all the extent to which training facilities may or may not be available for such a large number of apprentices, not only in the initial year at the Training Centre but subsequently at the place of work when arrangements would have to be made to cope with such numbers, arrangements which it might be impossible to undertake given the work programme that the major departments have for their own craftsmen. Even if this difficulty were to be overcome it would mean that the Official Employers would be virtually committing themselves to employing young men as craftsmen on completion of their apprenticeships irrespective of their number and irrespective of the distribution of those numbers amongst the various trades. Alternatively, therefore, what would happen would be that many of these young men would find themselves perhaps without a job after four years training and that is even more frustrating. Mr Speaker, the number of apprentices that an employer can take in any one year I think is governed by the following main considerations: in the first place financial considerations; secondly, the availability of sufficient craftsmen in the particular trades to train them to give them on-the-job training in the course of the second, third and fourth years of their apprenticeship when they are in fact gaining practical experience at the place of work. The third consideration would, I imagine, be the need to maintain a balance of trades related to the foreseen and anticipated requirements of the particular employer. This is one of the many subjects which within the limitations of Gibraltar has to be looked at realistically and not merely idealistically. Year after year the Official Employers continue to take on a very considerable number of apprentices, on average about 50 a year, and they continue to do everything possible therefore in the interest of Gibraltar generally as well as in their own interest as employers, to provide as many apprenticeships as is practically possible. I honestly feel that the motion calls upon employers to commit themselves to something which is impractical, not to say impossible. As far as the United Kingdom Departments are concerned, we do not have any control over the funds provided by HMG and in a situation against the background in which there are expenditure cuts this is even more difficult and I cannot see the two United Kingdom employing departments committing themselves to this policy. I shall have something more to say in a moment because I have bothered to go to the trouble of ascertaining the views of the MOD to the proposal in the motion. As far as the Public Works Department is concerned their attitude is that, and this is where the philosophical approach which the Hon Mr Scott referred to, comes into it, the attitude of the Public Works Department is perfectly clear and it is that apprentice training falls under the ambit of industrial training and not further education and it is in fact the same recognised and established practice in the United Kingdom. The training offered and provided is that which is required

by the employer to meet his current and the future workload. Apprenticeships should, therefore, continue to be dealt with under the ambit of industrial training and not as an extension of either secondary education or as coming under the umbrella of further education. In the meeting I had with the Hon Mr. Scott, I used the words "it is a mercenary activity", it is not so much for the educational advancement of the individual but for the benefit of the employer who is going to employ him. In fact, one of the cardinal principles of industrial training is that employers only afford such training both in the numbers trained and the level of training given to meet their own requirements. Generally, what happens in the case of the Public Works Department is that they will offer vacancies to cater for their envisaged requirements, for their estimated growth over the years and having regard to their future workload. But this is not an easy exercise. It is not easy to foresee what future requirements are going to be and therefore the factors the Public Works Department normally takes into account when considering their requirements are the following:-

- a. the particular shortages which they have in specific skills;
- b. the ratio of skilled to unskilled personnel employed, for it would be uneconomical and inefficient to have more craftsmen than the requisite proportion of attendant unskilled labour;
- c. the availability of funds; and
- d. a point that I have mentioned before as well, the ability to provide the necessary on-the-job training.

I am not aware, Mr Speaker, that anyone who passes an apprenticeship examination or meets minimum academic or skilled entry requirements is automatically given an apprenticeship in the United Kingdom or anywhere else for that matter, I do not think that this happens.

The motion, as I said, also requires the Government to adopt a policy decision on behalf of the United Kingdom Official Employers and I cannot see against the background of the cutting down in the numbers of apprentices being taken on by the DGE, that the United Kingdom Employers would accept a situation whereby the adoption of this policy would give them no say whatsoever in their employment training policy. As I said, I ascertained the views of the MOD on the matter and they can be summarised as follows:-

Firstly, that no employer, not even the Government, they considered, can be put in the position of having to create jobs to provide employment for people simply because they have achieved a certain qualification. Again, the three main factors which in their case determine their apprentice intake each year, and again which apply as I clearly pointed out already, to Public Works Department as well, are:-

- a. manpower planning, which takes account of the build-up or the rundown and wastage or trade shortages or trade surpluses;
- b. whether the cost of training can be met and it is the estimate of the MOD that the cost of training one apprentice when all the staff facilities and wages are taken into account run for them into a figure not far short of £20,000; and
- c. whether the resources for training can be provided and frequently the number of apprentices that can be trained in a given craft, and they make the same point again and I repeat it because it must be grasped, that the number of apprentices that can be trained in a given craft is limited by the number of craftsmen available that are suitable to undertake such training.

They go on to say that it should be the aim, finally, of every responsible employer to offer employment in his craft to every apprentice who completes his apprenticeship in a satisfactory manner. No one would willingly train young men or women only to discharge them to the ranks of the unemployed on completion of their training. I had what I thought was a useful meeting with Mr William Scott and I think from what he has said that he also regarded it as a useful meeting. I only wish, Mr Speaker, that he had probed perhaps a little bit more deeply because then it would have saved him having to move his motion. I think he would have realised then that what he is proposing really is not on. There is a danger, at least in my approach to politics, in pressing from the Opposition benches for something which, when in Government, there would be no way that you could implement that and if the Hon Mr Scott were to be in Government and were to be responsible for the Ministry of Labour, I think that he would find himself getting opposition from the Public Works Department, and from the Minister for Public Works, for what he is proposing. He would really come up across such opposition because it is not practicable and as far as the United Kingdom Employers are concerned, the situation is not just within the control of the Minister for Labour. The Minister for Labour does not have much more than moral influence over the Gibraltar Official Employers Apprentices Board where the Government is very well represented, the Director of Labour is a member and each of the three heads of departments of the major industrial departments, i.e., the Telephone Department, the Electricity Department and the Public Works Department are represented on that board and I think we also have the Youth and Careers Officer. We have five representatives on that board. What happens with the Government is that a joint view is always presented because whenever matters which are likely to be controversial come up at the Board they are discussed by the members at a meeting which the Minister of Labour invariably calls. But that is as far as you can go, you are not going to be able to commit the Official Employers to policies which they cannot implement because there may be very serious financial constraints as is the case at present.

I do not know whether the Hon Mr Scott is aware of a certain lack of consistency if Hon Members opposite of the DFBG support the motion as I imagine that they must do, on the part of some of the members with respect to what they have been proposing or criticising from those benches over the years. Between 1976 and 1980 this Government or the previous administration, who are all more or less the same people, was criticised by Hon Members opposite for employing too many people, the size of the bureaucracy was getting, we were taking on more and more people who were not very productive, we have been criticised and we continue to be criticised in certain quarters in the press. I am not going to mention any names but one of the minions of the DFBG who writes in VOX in September in a front and back page article made the point again and criticised the Government for employing too many people. That is a lack of consistency. You cannot on the one hand criticise the Government for employing too many people and on the other press for the adoption of a policy which will entail the Government having to employ many more people, some of whom it may not require because you would be virtually giving a blank cheque and you would have very little control in that case over your requirements with regard to trades and you might find yourself with far too many carpenters and with very few masons or the other way round. I think that is as far as it goes that I would want to make this motion a party political matter but I think we have to be consistent, Mr Speaker, otherwise we run into trouble in this House and I certainly am not an advocate of pressing from that side for what I know cannot be done on this side. If ever I find myself on that side, I hope I will bear in mind all the difficulties that I had during the years in Government and I will not press for policies that I know cannot be adopted. That is why I would call upon the Hon Mr Scott when he exercises his right to reply and when he has considered interventions from other members of the House, I would ask him seriously to consider withdrawing the motion in the knowledge that but for a few administrative hiccups which can always occur and which need to be tightened up, the apprenticeship scheme is a good one and provided the Official Employers continue to commit themselves to a policy of taking on as many apprentices as possible and provided we all bear in mind the overriding requirements that Gibraltar has and the need not to again put ourselves into a situation when we become dependent for our craftsmen on our neighbours across the way, then provided we get that right I think that good progress has been made over the last decade and it should continue into the next one.

HON J BOSSANO:

Mr Speaker, let me say first of all that I welcome the Hon Member's willingness to adopt and support socialist policies and let me tell him that the GSLP is quite willing to have its policies adopted by either or both the two other parties. I think the arguments that have been put by the Minister for Labour are very accurate ones and I would have liked to have listened to any counter arguments before speaking in case any other member of the DFBG had already taken into account the

points put by the Minister for Labour and had an answer to them. This is why I was hesitating as to whether I should stand up at this point or not. In fact, I think that there is a certain inconsistency as the Hon Member has pointed out, between a policy of limiting the size of the Public Sector on the one hand and the policy on the other hand of saying that the Public Sector must guarantee a job to every school leaver who passes an apprenticeship examination, the two policies are in conflict with each other. Either we say that the public sector must be run as efficiently as possible to do the job it has to do and that means using its manpower to the best advantage, or else it must be used as a means of guaranteeing full employment in which case the efficiency and the output takes secondary place. Therefore, as the motion stands on the surface, it appears too revolutionary even for me, Mr Speaker. However, I believe the fundamental philosophy which possibly the Hon Member has tried to place before the House even if it is in my view not adequately reflected in this motion, is one which I support fully and therefore I will propose an amendment which I think achieves what the Hon Member wanted to achieve much better than his motion does. Here I am going to find myself guilty of doing to his motion what is usually done to mine by taking most of the text out. I hope the Hon Member will realise that in doing so I honestly feel that my amendment will bring about the sort of objective which he has stated he wants. Before doing so, perhaps I can just make a couple of points as to why I think the present motion cannot be supported. I would like for the benefit of the House to confirm from my information the situation as I understand it this year from the Official Employers. The Ministry of Defence claim that they had 27 vacancies filled and 3 unfilled because the candidates were not suitable for reasons other than their academic attainment, the mention of one of the vacancies being that of blacksmith, it is obvious that not everybody can manage to be a blacksmith, no doubt people of my size will find it very difficult to be a blacksmith. I think they look for certain physical qualities in certain jobs which do not necessarily mean that they can offer that job to a person who has passed the entrance examination. PSA have claimed that they have had nine vacancies filled and three unfilled because the vacancies were to learn the trade of mason and apparently the apprentices that were successful in the exam but were not able to obtain the trade of their choice because what happens is that after the exam people are given the right to pick the trade they like according to their success rate, ie, the people who come top on the exam list are given first choice at the more attractive trades which generally are the electrical and mechanical trades for some reason or other, and as those are taken up it is the construction trades that are left behind and one must understand that if a young lad who has passed the entrance examination really detests the thought of being a mason, then it is no good forcing him to be a mason if he is going to be a bad mason but the opportunity apparently was there for three people who were successful and it was not taken up apparently because they would rather be unemployed than be masons. So I think in terms of just how bad a situation we have got in Gibraltar in the question of offering employment to potential apprentices, it would appear that the version of

the facts put out by the employers is in conflict with the version of the facts put out by the unsuccessful applicants, because I myself have had the feed-back from parents of saying: "We are facing mass unemployment, kids are leaving school and they cannot find work. We have got 3,000 foreigners in Gibraltar and yet we have not got employment for our own lads," but I think that sort of emotional reaction has got to be tested against the facts to find out whether it is an accurate reflection of the situation or not.

To that extent the information that I have had from the employers appears to corroborate what the Hon Minister for Labour has said. I also think that in terms of obvious basic logic no employer can commit himself to employing people in the trade of their choice without a ceiling. If tomorrow 137 people came out of school and all 137 wanted to be electricians, no employer will take on 137 electricians just to please them. Nor do I think it is that consistent even with a commitment to socialism because socialism is about basic planning of an economy and it is impossible to think of an economy that can provide unlimited jobs in an area that people chose to be in and that it can be done just like that because obviously the demands for labour reflects the demands of society and if there are enough electrical installations to be serviced by 100 people we cannot employ 1,000 just because 1,000 would like to be doing that job any more than we could employ an unlimited number of teachers, or doctors, or any other profession. I think that we need to look at this in terms of the opportunities that we are giving to people in our society and the needs of society, the balance between the two. There are a number of points that I disagree with, however, with the Minister of Labour. One that I disagree with, because if I accepted that argument, it would be totally in conflict with the amendment I propose to move and that is the argument that it would be wrong to offer training to someone as an apprentice in the craft of his choice simply then to discharge him at the end of his apprenticeship to the ranks of the unemployed. The argument being that in the case of an apprenticeship, in the case of industrial training, if there isn't a guarantee of employment at the end of the apprenticeship then it is better not to train the people, because then why should it be OK, Mr Speaker, to send somebody at public expense to do a BA in Spanish and then not offer him a job at the end teaching Spanish.

HON A J CANEPA:

If the Hon Member would give way. This fits in with the philosophy behind it that industrial training is more for the benefit of the employer, mainly, whereas a University degree is for the benefit of the individual. Whether he finds a job or not, he is a far better individual through having been given a wide and a liberal education. I would also admit that I think it is a very useful thing for a young man to have been trained for four years because at the end of that he is also academically better educated because during those four years he does get academic education. That is looking at it as an educationist.

HON J POSSANO:

Mr Speaker, then perhaps the Hon Member will explain to me where that philosophy applies, where in one case one is training somebody to be an electrical engineer, which we do and then not offer them employment, and in the other case where he is training to be an electrical fitter. That might be the case if one is teaching somebody Renaissance literature which is part of his education which will enable him to understand how much better they performed in the 13th Century in Italy as opposed to the 20th Century in Gibraltar, that is a very useful thing to learn but I think there is a great deal of University studies today which could be said to be vocational as opposed to purely liberal education. I do not think if one is learning to be a doctor or one is learning to be an engineer, one is doing the same thing as if one is learning about literature or history or a particular period of human history, of human development, which do not necessarily qualify anybody to do a specific job other than the very narrow job of passing that same knowledge on to someone else. We do send people to do degrees in engineering and we are not able to offer them employment at the end because I have known of cases like that. I think if we accept a political responsibility to offer somebody the opportunity to learn to be an engineer without necessarily being able to offer him employment, then the less gifted person who can only learn to be an electrical fitter will nevertheless presumably have a better opportunity in life if he leaves at the end of four years, if we consider the four years of his additional training as an extension of his education and therefore his education finishes at 20 instead of finishing at 16 and he finishes his education with a craft certificate, presumably, his prospects of employment in Gibraltar or outside Gibraltar would be enhanced. Therefore, if that is the point, which I assumed it was, then in my view, Mr Speaker, the motion should read as follows: By the deletion of all the words after the word "if" in the first line, and the substitution thereof by the following words: "any school leaver passes the apprentice entrance examination set by the Official Employers and is not offered employment as an apprentice because of insufficient vacancies, the Gibraltar Government should assume the responsibility for giving such a school leaver the opportunity to learn a trade by providing the necessary financial support and training facilities".

The difference, Mr Speaker, is that I am putting the responsibility in the first instance on the Gibraltar Government and not on the Official Employers because I am not talking about employment looking at the needs of the employer, I am talking about opportunities in life looking at the needs of the individual. If that is what we really want I do not think we can ask the United Kingdom Departments to accept what is basically a political commitment because it is not their responsibility to do so. I think we can expect them to offer the maximum number of apprentices consistent with their own needs so that eventually they have a totally local Gibraltar labour force and that therefore they should plan for enough apprentices coming into the system to replace the craftsmen that they employ today through natural wastage. For example, in PSA we have got at the moment 650 employees, of whom 40 are United Kingdom

craftsmen. It would be logical that the PSA should be expected to employ sufficient apprentices so that eventually the 40 United Kingdom craftsmen are replaced by local craftsmen. In fact, there is agreement already between the PSA and the Union to achieve this objective. This is already an accepted policy on the part of the United Kingdom Departments, that they will localise every post in Gibraltar as long as there is a supply of local labour to do the job. If the job cannot be done then we cannot ask them that the job should not be done because we cannot supply their needs. But if there is a shortfall between the employment that can be offered by the Official Employers looking at their needs as employers and the people who are leaving school, who are of a standard to profit from training to learn a craft, then should that shortfall be ignored, or should we ask the Government of Gibraltar to assume a political responsibility in that respect? Well, Mr Speaker, the policy of my party, adopted at its last annual assembly, was that every school leaver should be guaranteed a job or a place in further education. Therefore, the motion as I understood it and as I have tried to reflect it in my amendment, in my view, is totally consistent with this philosophy that there is a political responsibility that looks upon the planning of the use of labour in a community not purely and simply as an economic function within an economic plan, which I think it is necessary to do from the point of view of the obligations that the Government has got in providing certain services to the Community, but also that there is a political responsibility to ensure that school leavers do not go straight from school on to the unemployment queue. I think that, which is the most serious problem facing Western Europe today with seven million people out of work and with something like 30% of those under the age of 25, with massive unemployment amongst school leavers in every European country and with nobody at the moment knowing quite how to deal with the problem or perhaps having the resources to do something about it because of the magnitude of the problem, is one we may not be facing yet in Gibraltar but we could be facing in the not too distant future. Therefore, Mr Speaker, my amendment seeks to obtain from the House of Assembly an acceptance that we in Gibraltar would not allow this to come about and that in fact we have got the political will to do something that nobody else in Western Europe is doing, I accept that, they may not be able to do it because the problem in their case is of enormous proportions, we have got an important source of strength within our economy and that is that as opposed to having a surplus of labour compared to every other Western European economy we have a shortage of labour, we have a situation where 33% of the total labour force of Gibraltar is imported, where something like 55% of the industrial workers are imported. In that situation we should not accept that purely short term considerations as to the immediate needs of an employer should not prevent us from looking at the thing in a much wider context than purely the relationship between employer and employee and therefore, Mr Speaker, I commend the amendment to the House because I think it is the political commitment that the Government should accept and taking one specific point that the Hon Minister for Labour said, it is one that I would be prepared to defend equally in Government

as I am today from the Opposition.

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

HON W T SCOTT:

Mr Speaker, I welcome the contribution made by the Hon Mr Bossano. The object of introducing the words "Official Employers" in my motion was basically to encompass all Official Employers within Gibraltar. However, if the Government would agree to take the lead on this occasion we would find that perhaps in time to come should this be passed, which obviously it will not, the other Official Employers like the MOD might perhaps follow suit. I was also very grateful to hear the Hon Mr Bossano saying that the DPBG in this instance is more revolutionary than his own Party. We support the amendment to the motion, Mr Speaker, because it deals as the Hon Minister for Labour and Social Security said, it is philosophical in nature. There is a political point here to be made and that is that when awarding a scholarship it seems to me also that you are awarding a job. In our way of thinking because there are sufficient vacancies the training to the young men is denied them which I think the amendment says succinctly and we have no hesitation at all in supporting the amendment, Mr Speaker.

HON A J CANEPA:

Mr Speaker, the amendment moved by the Hon Mr Bossano, as he has clearly pointed out, places the responsibility squarely on the shoulders of the Gibraltar Government only in its wider functions, not just as employers, but as Government. I think the policy that successive Ministers of Labour, and here I would include Mr Xiberras, have been trying to follow over the years, has been to try and bring the Official Employers along with us, to try to commit them if not politically, at least morally to the task that we have of providing as many opportunities for employment for Gibraltarians as possible and I think that, by and large, we have succeeded and we are succeeding at present because this was confirmed at the last meeting of the Manpower Planning Committee, the Dockyard in particular have as a result of representations made by the Department of Labour at the official level and more so by the Youth and Careers Officer, the Dockyard are being very cooperative in taking on young men who have not been successful in the apprentice entrance examination, not just those who have not been taken on after passing the exam but even the ones who have not been successful and they are endeavouring to take these young men on as boy labourers. One would not like to see as a result of a motion presented and accepted by the House of Assembly, that the United Kingdom Employers should divest themselves of what I would consider to be, if only, a moral responsibility that they have to cooperate with the Gibraltar Government in this joint task. The Ministry of Defence is the largest employer of industrial labour in Gibraltar, the DOE is a very considerable employer, in fact,

the Regional Director was telling me privately the other evening that perhaps they have not projected their image and we do not take sufficient account of the fact that they do employ 650 industrials which is almost as many as the Public Works Department, so they are a very considerable major employer. I think we have to bring them along with us rather than just put the responsibility squarely on the shoulders of the Gibraltar Government only which could be counter-productive in the sense that they would feel that they could come back and say they do not feel particularly bound to cooperate with us, that the Gibraltar Government have accepted a resolution in the House of Assembly and it is their responsibility and therefore that is the flaw that I find with the amendment and I would therefore move an amendment to the amendment to substitute the words "the Official Employers" for "the Gibraltar Government" where the latter appear in the Hon Mr Bossano's amendment. I move accordingly, Mr Speaker.

MR SPEAKER:

I understand then that what you wish to move is to substitute the words "the Official Employers" for the words "the Gibraltar Government" where they appear in the amendment, is that correct?

HON A J CANEPA:

Yes, Mr Speaker.

Mr Speaker proposed the question in the terms of the Hon A J Canepe's amendment to the Hon J Bossano's amendment.

HON J BOSSANO:

Mr Speaker, as regards the amendment proposed by the Minister for Labour, of course I have no hesitation in accepting it but I can no longer say to my colleague, the original mover of the motion, that his party is too revolutionary for me because I must now include both parties as being too revolutionary for me because my original contention was that the idea that we could place a political responsibility of this nature on the Official Employers was too revolutionary a concept, at least that is what I thought, this is why I thought I was being more moderate than the Hon Member initially but it appears now that I am too moderate even for the AACR. I accept the amendment gracefully, Mr Speaker.

HON W T SCOTT:

Mr Speaker, of course we agree to the amendment to the amendment because it falls totally in line with what we think which is what I said in my original contribution to the motion and again to what I said in reply to the Hon Mr Bossano and we support the amendment to the amendment. I note that it is

in line, in fact, with what we said in the original motion.

Mr Speaker then put the question which was resolved in the affirmative and the Hon A J Canepe's amendment to the Hon J Bossano's amendment was accordingly passed.

HON CHIEF MINISTER:

I hope the Hon Mover of the amendment really does accept that the second line should read "any school leaver who passes the apprentices entrance requirements" otherwise we would have two sets of people, people who pass part and did not get a job and people who only pass the examination and did not get a job. I think in order to be able to say that but for the fact there would have been a vacancy he should get the opportunity, that the word really should be "requirement". I do not propose to move an amendment to the amendment to the amendment but I will ask the Member if he means that if he will say it and that would be quite satisfactory and acceptable.

HON J BOSSANO:

Mr Speaker, I accept that in interpreting the meaning of the word "examination" it should be understood that it is not necessarily a written examination but the required standard in order to qualify to be taken on as an apprentice. However, let me just say that in the specific cases that we have heard about, it is a point I did not take up before, but I think I should take up now, that my understanding of the situation was that the question of the suitability based on the school report was a factor influencing that decision. I think that it is not enough to say that it will be tightened up so that people don't get to know what stops them getting it. I think what one has to question is whether a school report can be given to a school leaver which considers him to be unsuitable for employment. That is certainly something that perhaps the Minister for Education should be looking into.

HON CHIEF MINISTER:

If the Hon Member will give way. As I understood the problem when I was first approached, it was not thereport to the student, it is really a combination of the requirement for the apprenticeship Board to consider, i.e. the examination; ii. the assessment report of the period of pupilage in the school; and iii. a school report. So there is not just the last-minute decision of the Headmaster to make an adverse school report but it follows on the unsatisfactory or satisfactory term reports of the individual and it is not for the individual it is really, and this is where the thing went wrong, that because the examinations were held earlier they appeared in the list of those who had passed the examination before the school was able to tell the Apprenticeship Board and when already they had given the man an appointment for the interview or rather the school requirement is three, the interview is one, and the school

report is based on an assessment. All these three things should be before the Apprentices Board when they draft it and these are what I would call loosely the requirements but certainly not on a school report only given at the last moment. It is a school assessment report that now, having regard to what has happened, will all go together rather than one before the other and giving people ideas and then getting the disappointment that in fact though they are good for one thing they are not good for another aspect of it.

HON J BOSSANO:

I am familiar with how the system works, what I am saying is whether it has happened or it hasn't happened and because these things are not accessible, the information is confidential and one cannot get hold of it, even the person affected by the report cannot see the report, what I am saying is whether it has happened or not what must not be allowed to happen is that a child is given a report at the end that virtually disqualifies him from employment because then any employer will go back to his school because he has not got a previous employer to go back to. Normally when one person changes jobs the next employer asks for a reference from his previous employer. If his first employer asks for a reference from the school and the school says he is very unruly, very disobedient very difficult to discipline etc, and basically it says that he is not fit to be employed then whatever we are trying to do to counteract the situation of schoolleavers' unemployment we will find ourselves frustrated by it. I am not saying that it has happened because I am not in a position to know what has happened.

HON CHIEF MINISTER:

There is a very slight confusion, he talks about employment, at this time it was assessment for apprenticeship which is different.

HON J BOSSANO:

Yes, Mr Speaker, I am well aware of that but, in fact, if the employers are looking at their potential intake of apprentices from an employer's point of view then no employer will saddle himself with a potential apprentice who is going to give him a lot of trouble and disrupt all the other apprentices. It is understandable because he is looking at his own interests and he is not going to take on somebody on board that is going to give him headaches. We have to look at it from the point of view of the needs of the community as a whole. I am not saying that I know that this has happened because I am not in a position to back up any such statement with facts, all I am saying is that it is something that should not be allowed to happen and consequently, although I accept that the definition of requirements of entrance exams must involve all the different elements in it, I would certainly not accept it if one of the elements operated in the way I have described, I am not saying that it

is happening like that, I am saying it should not happen like that so that if what I am saying now is going to be taken as an interpretation of what "requirements" means then I am widening the interpretation in one way and limiting it in another.

Mr Speaker then put the question in the terms of the Hon J Bossano's amendment, as amended, which was resolved in the affirmative and the amendment was accordingly passed.

HON MAJOR R J PELIZA:

Mr Speaker, I am very pleased that the Government, after listening to the arguments used in this House, seem to be coming round to the idea behind the original motion, in different words but I think achieving the same aim. The original motion moved by my Friend here, I think, would have been more definite in achieving what we wanted in that it would have fallen squarely on the Government of Gibraltar to give a fair opportunity to those of the ranks of apprentice educationally-wise as almost now it is to those of professional standard. In that respect we may have slightly missed the point a bit in that now, whether we like it or not, it will have to come about through an agreement with all the Official Employers. I think, in fairness to my friend, he saw it right from the beginning that there were inherent difficulties as to the means of our local Government achieving that. This is why he phrased it the way he did in the hope that the Government might have been able, as obviously it is going to do now, to try and enlist the cooperation of all the Official Employers. Let me tell them that it is not impossible, Mr Speaker. I remember when the Training Centre was first started that this would not have been possible if the then Minister for the DOE, Mr John Silkin, had not taken a special interest in that. He insisted that that should be done so I think that if the Government can use its influence in the right quarters it might not be so difficult as they thought originally that it was. Also it might be worth bearing in mind that one of the best investments we could make in Gibraltar from Development Aid would be this kind of technical aid which it is obvious is very necessary after hearing the figures which my Hon Friend on the left has said. Such a big number of tradesmen are imported in Gibraltar which shows that there is plenty of room for that kind of expertise. I would therefore suggest to the Government that they could allot or obtain directly some technical aid in that respect. I think the British Government might feel themselves much better disposed to help us in that respect. I think the Minister mentioned the question of the private employers, the difficulties of getting them to accept apprentices. Gibraltar's private employers are, by and large, very small here. It is extremely difficult for the employer himself to assume responsibility in that when all is done perhaps the individual decides to go somewhere else and he has got to start all over again. It is very difficult for private employers in Gibraltar to do it directly but I think they do welcome and I am sure they would like to see many more apprentices coming out fully trained from Government to join the private employers. I know there is

a scarcity and I know that Gibraltar employers would rather have a Gibraltarian well trained than outsiders. Luckily, some of us have managed to get to that stage but it has not been easy so I do not believe that the Government will be wasting its efforts by having within the total number of tradesmen coming out trained, having a surplus of that because I am almost certain that they will be absorbed very quickly by private employers. Also, particularly in Gibraltar, we should try and do away with this distinction of industrial training and further education. This, perhaps, again is applicable to much bigger societies than ours but in a small place like Gibraltar to try and distinguish between one and the other may be very well bureaucratically but I do not believe that it does the individual himself all the good. I think that we have the duty to see that it is that individual that should be helped. I hope the Minister will be able to reconcile these two conflicting principles and bring them together under one umbrella. I am very pleased, Mr Speaker, that the motion introduced by the Hon Mr Scott is getting so much attention and it seems to me almost unanimous support in this House.

I support the Motion.

HON M K FEATHERSTONE:

Mr Speaker, I would like to sound one or two words of warning although I do accept the motion as it has been amended. The first word of warning is, I do hope that the gentlemen opposite who will remain in Opposition for a long time, in three or four years' time will not be coming forward with another motion saying that everybody who successfully completes his apprenticeship and becomes indentured should be given a job with the Official Employers, because obviously this is something that might sooner or later mean that the number of employees in the Official Employers should increase considerably far beyond the actual needs of the departments concerned.

The second word of warning that I would put is that although we are going to give the opportunity to all youngsters who pass the apprenticeship qualifications to carry on and obtain their training we should not shut the door on all the other youngsters, the boy labourers, who after going through their period of being boy labourers and becoming labourers do have the opportunity today to go to the Training Centre and qualify themselves and become craftsmen through experience and through a period of time. I would not like to see the advent of more apprenticeships coming along, spoiling the opportunities of these other youngsters. We have to do the two in parallel. The third warning I would give is an administrative one. If the numbers were too great, the position might be that there would be serious difficulties in being able to implement their training. At the moment, as far as Public Works Department is concerned, we have some 226 craftsmen. Assuming that a craftsman has an operative life of some 40 years, then the replacement rate would be some six per year. That would mean you would need to take in to replace them some six apprentices yearly but allowing for wastage it could be as high as ten. Over a four-year period this would give you some 40 apprentices and you would have sufficient

craftsman who could train them. At the moment we have some 70 apprentices who are being trained by 91 craft operatives and we can cope with it but if the numbers were to be too heavily inflated we might find that we did not have sufficient craft operatives to give adequate training to the apprentices. This is something that must be kept in mind as we proceed with this new scheme. The new scheme is a revolutionary scheme, it is perhaps the first step that we are making towards seeing that our labour force is as highly trained as we can possibly make it beyond the absolute industrial needs. You may find a time in the future when we have a number of skilled persons for whom jobs are not immediately available at least in the public sector but this, of course, would perhaps need further co-operation with the private sector that they should take on as far as possible trained Gibraltarian operatives rather than outsiders who at the moment they employ to a great extent. This is a new scheme and as far as the Public Works Department is concerned we will do our utmost to see that whatever training we can give will be of the best and I wish it every success.

HON MAJOR F J DELLIPIANI:

Mr Speaker, this motion has been treated by all in a very logical manner and there have been no heated exchanges and I will keep it in that tone. I think I should emphasise what my Hon Colleague Mr Featherstone has said that when we talk of apprenticeship training we must relate them with the number of craftsmen available to give them that guidance which they need during their initial period of training. This must be borne in mind ever though I support the second amendment and I support the motion as a whole, the idea behind it, but we have to bear this in mind, that we have to keep this in mind, that we have to have the number of craftsmen to have the time available to give guidance during the initial four-year training period. The other point that I would like to bring up is that the weakness I see, even though I accept the motion, is that one of the problems is that every apprentice wants to be either a mechanical fitter, an electrical fitter, an electrician, all the more popular trades and not the real requirements of what Gibraltar needs and that is in the construction industry, bricklayers, plasterers, renderers, carpenters for sites, shutterers, metal benders, etc. The Hon Mr Bossano is very well aware of the shortages we have in the construction business. I think the danger in offering apprenticeships to all who pass the exam will be that even fewer people will try and gear their career towards the construction business. I see this danger and I hope that the members are aware of these dangers. It is the background that we have been brought up in, to look at the construction industry as something below our dignity and getting your hands dirty with mortar, etc. It is something that is slowly breaking but we have not reached that stage yet, we still tend to look down at the site work in the construction business and I see the danger that this will be accentuated when we accept this motion. Our whole Development Aid is really based on construction and we are dependent on foreign labour. What we should try and do by whatever means possible is that the people involved in the construction industry have a stake in

Gibraltar so that they stay in Gibraltar and that productivity is based for the benefit of Gibraltar and this is the way that I am warning the House of the danger of accepting this even though I agree with it. I agree with the logic behind it, that people should be trained even if there is no employment for them, people should be given that opportunity but I see the danger that more people will want to become electrical/mechanical fitters, Etc.

HON J BOSSANO:

I think it is a point that can be taken into account and, of course, I would welcome an opportunity to be involved in any discussion as to the turning of the motion into a practical reality at a later stage which we can do outside the House, to iron out the practical problems.

HON MAJOR F J DELLIPIANI:

I am glad of the attitude the Hon Mr Bossano has taken. I did not expect anything less in questions of the future employment of the youngsters of Gibraltar. This comes under the Youth and Careers Office of my Department and again the danger of the boy labourers is something very much involved. It is true that employers do give a chance to boy labourers who have not had the academic qualifications to go through an apprenticeship and after a period of time turn out to be quite good craftsmen and again we must not lose sight of this.

HON W T SCOTT:

Mr Speaker, I am very pleased to have heard all the contributions in this House on this debate and in fact the amended motion expresses, in a different way, the generality and the specifics contained within my original motion, because my original motion said "awarded an apprenticeship", in other words, we were looking for a training programme, not necessarily on the trade vacancies available within the different trades and the different departments. I am very glad that the Government have shown the lead here and all we can hope for is that all the Official Employers will follow suit and take their place and assume their responsibilities. I must, however, take a couple of points, Mr Speaker, that the Hon Mr Canepa said earlier on when he was talking about the private sector not taking up the opportunities of free training offered to them by the Construction Industry Training Centre. The construction industry in Gibraltar over the last 4 or 5 years has suffered a substantial recession. I think the Hon Minister is well aware of that. There have been a substantial number of redundancies, perhaps due to the lack of development during the last 4 or 5 years. The fact of the matter is that there have been a substantial number of redundancies. I am not going back over 6 months or a year, I am going back to about 3 or 4 years ago, slowly and progressively. The redundancies that were effected by the private employers within the construction

industry to a very great extent were employees who were subsequently employed by Government. A number of them within the Public Works Department, perhaps to avoid an unemployment situation and quite rightly.

MR SPEAKER:

We must not bring any new matters into the debate. You have got the last word and it is unfair to bring matters on which Members will not be able to reply.

HON W T SCOTT:

Mr Speaker, it really only requires one last expression and I hope that all subsequent subjects on motions dealing with this nature, the greater entity of Gibraltar, the future needs and the responsibility of Government, will be taken in the manner that this debate has taken place. I am very glad to have introduced the original motion and I hope that in time to come Government will accept more of our policies.

I beg to move, Mr Speaker.

MR SPEAKER:

I will then put the question which is that: "This House considers that if any school leaver passes the apprentice entrance examination set by the Official Employers and is not offered employment as an apprentice because of insufficient vacancies, the Official Employers should assume the responsibility for giving such a school leaver the opportunity to learn a trade by providing the necessary financial support and training facilities.

The question was resolved in the affirmative and the Hon W T Scott's motion, as amended, was accordingly passed.

HON J BOSSANO:

Mr Speaker, I beg to move that: "This House considers that the Government house building programme should be accelerated to take advantage of the slack created in the construction industry by the moratorium on the United Kingdom Department contracts thus helping to alleviate the recession in the industry and meet the unsatisfied demand for suitable housing for people on the Housing Department Waiting List."

Mr Speaker, the motion seeks an adoption of a policy on the part of Government in order to meet two objectives. The Government has already indicated its commitment to an increase in the house-building programme as compared with the last few years in order to try and meet the demands for housing that are obviously still unsatisfied in Gibraltar. Therefore, in terms

of building houses we are not talking about building houses to create the jobs, we are saying we need to build the houses anyway, it is obvious that the Government recognises the need to do so because it has said that this is going to be given top priority in the next Development Programme. We are not effectively misusing our resources if we concentrate those resources into the production of assets which are houses. That is something the Government has already said; it proposes to do, it recognises there is a need to do that. It is a need that has grown over the years and it has grown, Mr Speaker, I believe, because our housing programme has been insufficient to meet the demand. If we look at the statistics we will find that although the Gibraltarian population has not grown all that significantly in the last decade, the rate of growth according to the Government statistics for the period 1970/79 is an increase of 642 Gibraltarians resident in Gibraltar, making it an average of 65 a year. It fluctuates between 102 in 1974 and 35 in 1977 and in the same period there has been an addition to the Government housing stock of 1,198 houses, again according to Government statistics. In that decade we see that we have been producing two houses for every additional Gibraltarian and yet the housing problem seems to be getting no better. But, of course, the same period has seen an increase in other British residents of Gibraltar from 5,162 to 6,760, ie, an increase of 1,600 as opposed to 600 Gibraltarians, and if we look at the total population the increase over the same period is 2,927, so that in fact we see that the increase in the housing stock, if we look at the total increase in population, works out at something like three persons per unit and this is considered to be a high level, for example, in the United Kingdom. In the United Kingdom the occupancy rate nationally, is below three per household. Perhaps, in a way, our inability to meet the housing demand has been brought about because the demand itself has been increasing as a result of our population increase over the period over the last ten years and also because as part of the improvement in the standard of living, part of that improvement has been reflected in a demand for improved housing and this is something not only that we should expect but that, in fact, we should encourage. I think it is better that people should want to spend more of their increased purchasing power on better accommodation than that they should want to live ten to a room and in whatever space they have left have it jammed with colour television sets, if there is any other space left after ten in a room. So I think the shift in consumer preference towards housing is natural and to be encouraged but it is no good encouraging it unless we make it part of our planning and our provision for the future as to what sort of supply we need to produce in order to meet the expected demand. Although I am saying this as background to the analysis that I make of the unsatisfied demand for housing, that is part of my Motion, Mr Speaker, I consider that the Government itself, in saying that it is giving the highest priority in the next Development Programme to housing, must already be conscious of the fact that there is an unsatisfied demand and that it is only by increasing the total quantity of houses, by increasing the housing stock, they are going to be able to meet that demand and that also we need to have, in a housing situation, really more houses than there are people adequately accommodated at

any point in time. I think we need to recognise that for a housing market shall we say, although it is perhaps not a very applicable word in the case of Gibraltar because of the very low proportion of owner/occupation, we are talking about 4% owner/occupation in Gibraltar as opposed to something like 55% in the United Kingdom but, nevertheless, whatever success the encouragement of owner/occupation may have or not, even if we are talking about a situation where the bulk of the houses are Government-owned, the process of allocating houses really is no different from the process of ownership as a result of owner/occupation through changing family circumstances and that requires a certain amount of leeway of having a number of unoccupied houses at any given point in time just like there is an inevitable element of transitional employment when people are between jobs. In any sort of supply and demand situation there has to be an element, a margin, of houses which have been left by some people and not been occupied by somebody else yet and the house is empty in between one party and the other. That can only be achieved by having a situation that is not so tight that before anybody has even left a house, there are twenty persons chasing it, which is the sort of situation we face today. A situation which, to my mind, gives rise to extortionate rents in the private sector, where people are being asked to pay incredible sums of money just to obtain access to a house and then rents which would be considered scandalous if the Government of Gibraltar attempted to charge those rents for post-war accommodation, rents like that are being charged for pre-war accommodation without any facilities and it is all very well to attack the Government for high rents but I do not think we can do that and ignore what is happening in the private sector. But one way of weakening the bargaining power of the property owner as opposed to the tenant, of course, is to improve the supply and demand situation by doing something to increase the supply of houses where people would not be under such enormous pressure sometimes where they have to choose basically between the break-up of their family or getting themselves into enormous debt in order to salvage their family life. There are sound economic and social reasons for doing something to make an impact on the supply of housing in Gibraltar. But the reason for doing it at this particular point in time, Mr Speaker, which is why I am bringing it now as opposed to at any other stage to the House, is that we face a situation today which cuts across the argument that we have heard so many times in the past about the limitations on our ability to fulfil the development programme because we have slippage and we have got problems of labour and we have got a situation where employers are unable to meet target dates in the private sector construction industry because of the workload on them. I have always been very sceptical of their argument as the records of Hansard will show in successive Budgets, Mr Speaker. I have often argued that if we are talking about the physical capacity of the construction industry then the first step we should take should be to identify that physical capacity because it is nonsense to try and measure the capacity of the industry to build purely in money terms because it is not the same thing to spend £200,000 in building one luxury home as it is to spend £200,000 in building ten units of £20,000. The demands are not the same and therefore we cannot talk about the

impact on the industry of the Girls' Comprehensive School and equate that with the impact of building a housing estate for £5m which might well be an impact requiring twice as much labour. But one thing we are able to say at the moment in time is that whatever the validity of the arguments in the past they certainly do not hold water today. They do not hold water today because the construction industry has been faced with a sudden blow to its viability, completely unexpected, an overnight decision by the British Government to end all new works, a moratorium on the issue of all new contracts overnight, without prior warning to the industry. It has happened in the United Kingdom, it has had a devastating effect there where something like 300,000 construction workers are out of work at the moment and the situation is expected to get worse rather than better and in Gibraltar although the impact numerically, obviously, is not of the same magnitude, when we talk about 100 construction workers we are talking about 12% of the construction industry being unemployed and we in Gibraltar have been used to working and taking it for granted that the unemployment level should be about 2%. In the construction industry the immediate effect of the moratorium has been 12% unemployment. That is very high unemployment by any standards, Mr Speaker. Of course in the United Kingdom we are talking about 25% unemployment in the industry. The moratorium, as I say, had an immediate impact on the issue of new contracts but of course there were contracts in existence which are due to run out and there is no indication that more work is going to be supplied by the United Kingdom Departments to take over from where those contracts finished off. So the situation is expected to get worse rather than better. The employers themselves have done their utmost to avoid redundancies, I think partly because in a place like Gibraltar they tend to be a closer relationship between employer and employee, it is not such an anonymous situation and any employer that has had somebody working for him for ten or twelve years does not like putting that man on the dole because there is a personal relationship when we are talking about small firms. Apart from that there is a purely logical long-term economic argument in favour of retaining the employees that employers in the construction industry know that it is not an easy thing to replace labour once it is lost because a great deal of the labour in the private sector construction industry is immigrant workers and those immigrant workers who come to Gibraltar to earn a living to support their families at home, obviously are not going to stay in Gibraltar unemployed because they have the additional expense of having to support themselves here and their family and if they are going to be unemployed here they might as well go back and be unemployed there enjoying the company of their wife and children, there is no point in staying in Gibraltar out of work. Once they go from Gibraltar there is no guarantee they will come back again and therefore if the situation is changed as undoubtedly it must change, that moratorium cannot be kept up indefinitely, particularly when we think that we are talking about the maintenance of Crown Properties held by the Ministry of Defence in Gibraltar, that maintenance can be put off for a certain period of time but unless the Conservative Government in the United Kingdom, with its obvious bias against the public sector, is prepared

to see the physical collapse of public property, not just the collapse of the whole fabric of employment in that sector, it has, at some stage, to devote public expenditure to the maintaining of those buildings. When that happens in the United Kingdom we are bound to see a resurgence of employment in Gibraltar. The moratorium, as we understand it within the industry at the moment, both on the employees and on the employers side, the information that we have is that it is expected to last for the rest of this financial year but there is no guarantee to what extent it will be relieved in the next financial year because it is being done purely for financial reasons, purely in order to control the public sector borrowing requirement and the money supply as a basis for controlling inflation in the United Kingdom based on an economic theory which I consider to be completely haywire.

The Gibraltar Government is being asked, therefore, to bring forward work that they intended to do in the future in order to keep alive the construction industry, in order to maintain its viability through this period. In doing so it will do several things and those things that it will achieve must be set against the cost to the Gibraltar Government and it is my submission, Mr Speaker, that consideration of these factors will show that bringing forward this expenditure is money well spent from Government's point of view. First, Government is already embarked on such a policy by virtue of the action taken by the employers themselves. We have had a supplementary estimate where we have had a number of votes of extra money being put on projects because of accelerated work progress. That accelerated progress is because employers, as I have said, rather than have redundancies, in the hope of better times ahead have put their surplus labour on the few remaining sites. This has meant that those sites are progressing at a faster rate and that we have voted extra money to do that. It means as well that the completion dates are going to be sooner and if nothing is done to have more work in the pipeline for those earlier completion dates the problem will get worse than it is now because if today we have 100 men on a site where previously there would have been 50, it means that when that site finishes we will find that we have 100 unemployed instead of 50 unemployed. The motion, therefore, seeks to prepare the Government for that day. In putting the work out to contract earlier the Government itself will be making a saving in that it can expect legitimately to be facing lower costs because its materials would be at current prices rather than the prices we are going to have to pay a year hence, lower cost of labour because the job will be priced at today's construction industry labour rates, rather than those of the future and, thirdly, more keen tendering because of the highly competitive situation in the industry today where in order to get the work employers are likely to pare their profit margins to the extent that they can in order to beat their competitors to be successful in the tender. Those three factors should make for cheaper costing which, to some extent, would offset the cost of bringing the work forward in terms of additional financing costs of having to borrow money now at today's rates of interest in order to fulfil such a programme. Therefore, if on the negative side we have the additional cost of borrowing the

money to carry out this work, to the extent that it has to be financed by the Gibraltar Government, on the positive side we have lower capital costs given the circumstances in the industry that I have described. Secondly, an additional positive element which must be taken into consideration, is that the payment of the wages to the people who would be given employment in itself produces a tax yield for the Government whereas the having of these people unemployed produces a tax rebate even if in the case of the Gibraltar Government it takes two years to eventually get it but nevertheless it is a liability that will be there for the future and, of course, it means paying unemployment benefit even if this comes from a different fund from the Social Insurance Fund, it is still a negative balance in the accounts of the Gibraltar economy as a whole. So those two factors have also got to be set aside. Thirdly, and perhaps the most important of all of them, which still makes it essential to do it even if there is, after taking all that into account, a net additional cost to the Government at this stage, is that it would be tragic if we allowed the industry to contract to such a stage that at a future date the United Kingdom Departments had the money to spend and the labour was not here to spend it and then the Government found itself, as it was suggested happened when the development of the Europa Project came along, which was discussed in this House, when there was a peak of demand in the industry and we were told that unless they specifically imported 200 Filipinos for that project it was impossible to carry out the development project and the expenditure programme of the United Kingdom Departments. We certainly do not want to see ourselves contracting the industry now and then supporting the policy proposed by the Government, the policy of which an indication has been given by the Hon and Learned the Chief Minister, that the main emphasis in the new Development Programme will be housing, and we find ourselves supporting a housing programme which looks very expensive on paper and then it is incapable of being fulfilled because the much-contracted construction industry we are left with within a year's time cannot cope with the work of the United Kingdom Departments and the work of the Government of Gibraltar. That, itself, Mr Speaker, is a clinching argument which justifies it in terms of the long-term economic planning of the economy of Gibraltar which is not a static thing but a thing that has got to be seen as having long-term objectives but capable of short-term corrections in order to reflect changing circumstances like the one we are faced with today. I think that justifies amply whatever net costs there may be after taking into account the factors I have mentioned.

I commend the motion to the House.

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

HON M K FEATHERSTONE:

Mr Speaker, this is a motion which again Government has a certain measure of sympathy for, although we cannot vote in favour of it. However, I think perhaps the Hon Mr Bossano has been painting too black a picture and it may be that he is not

aware of one or two facts that perhaps I can enlighten him. I do not think I am giving away any official secrets but the understanding that we have is that the moratorium has been lifted and although we do not have the details these should be coming through fairly shortly. The number of workers who became redundant when the moratorium came into effect was not immoderate but not too great and a number of them were already being taken up. For example, I understand Taylor Woodrow took fifteen of them up even before the agreement to do the Varyl Begg roofs had come into effect. But with the advent of the Varyl Begg roofs they should be taking up more people in the near future. There was also two other projects which will get off the ground fairly soon which will have some demand on labour and that is the power station, I am not sure how many they will employ, and the extension of the airport which should go out to tender January. This will take up some of the slack if it still remains. I accept that possibly some of the contractors have put more people into their present jobs to take up some of their slack and the Hon Mr Bossano sounds a note of warning that this may mean that they finish their jobs earlier and then the slack which has been taken up now is only going to show itself up in six months or a year's time. However, the Development Programme that we hope will come to pass through the period that we are budgetting for 1981/86, although possibly it will have to be amended to 1981/84 since ODA, whom we hope will help us again on a generous basis, normally only works on a three-year period. There is ample scope in that development programme to keep our labour force going very strongly over the next three years even if not the next five years. As the Hon Mr Bossano has said, something he is well aware of, the great emphasis in the next programme is going to be on housing.

HON J BOSSANO:

I know I have got the right of reply, Mr Speaker, but since he has made a statement to the effect that there is enough work to take up our labour &c, perhaps he can explain why the quota for labour has been cut down by 12%?

HON M K FEATHERSTONE:

I think that has been done on the basis that this is one of these things that is looked at on the temporary situation rather than to leave it at the higher level while you have a period of unemployment. It is easier to cut it down but it can still be restored. As I was saying, Sir, the intention in the next programme is to put the emphasis on housing. I think, quite rightly, in the present programme the emphasis has been two-fold, partly on housing and partly on education. We have now seen that education is doing very well indeed and will come to its end approximately around late 1981, early 1982, with the finishing of the Girls' Comprehensive School. There is already the fact that we have pushed into our recurrent expenditure some £300,000 to see that there are no redundancies in our own labour force and, of course, there is a limit to the amount of money that the economy can put into various works. Although it is not difficult to say that we shall accelerate our

programme, we can always go out and borrow, there is a limit on the borrowing we can do. This, of course, is subject to agreement by the United Kingdom and for the present year I think we have got pretty close to our total limit. The tenders that have come in for the power station are somewhat higher than we had anticipated and are going to strain our position on borrowing to the absolute limit. I do not think we can borrow any more in this present year so that even if we were to wish to accelerate the programme the money is just not there. There is also the administrative side that to accelerate the programme as such we would need to have certain spare capacity in the Public Works Department Quantity Surveyors etc and again this we do not have. I think that there are practical difficulties inherent in accelerating a programme very much beyond what has already been calculated. So, Sir, having given these facts and assuring the Hon Mr Bossano that the problem is very much in our minds at all times and that we are doing our utmost all the way through, I would suggest to him that he would be satisfied with the fact that Government is well aware of the situation and, perhaps, he would like in due time when he replies to ask for leave to withdraw his motion.

HON A J HAYNES:

Mr Speaker, I notice that in this motion there are two parts as outlined by the Hon Member. The first is that he notes that the Government commits itself to an increase in the housing and which he thereafter records the Chief Minister's statement that it is going to be main priority following his announcement at the Ceremonial Opening. Then he goes on to the second point which he makes concerning the physical capacity of the building industry and as to whether or not this is being affected by the recent announcement. Normally, we find that Mr Bossano acts as a sort of second Speaker in the House and admonishes either side for debating with party policy in mind. We tend to accept this role and in fact occasionally he commends us for having greater or lesser social policies. On this occasion I would remind him of the meeting of this House in March of this year when the Hon Mr Isola proposed a motion which initially read "This House calls on the Government to improve upon its plan for a new housing as announced in the election manifesto of the governing party and at the meeting of this House on 25 February 1980." Mr Isola then went on to comment on the discrepancy between the planned houses to be built by Government as reported in the manifesto which totalled 200, to those stated in the Ceremonial Opening speech which amounted to 216 and which later on in the course of that debate became 219, so that Government has increased its target figures for the two year period. This motion is not relevant to the second part of Mr Bossano's motion, ie the physical capacity of the building industry, is certainly clearly on the lines of the point mooted by the Hon Mr Bossano, ie that Government has committed itself to an increase in housing. In this motion we ask them to not only give it the priority that they said they had but to further increase their capacity and the aims of the Government and we said that we found that housing is the main social problem of the people. It is something which is sadly behind the required

standards. We have very high waiting lists, we offer very few people on the waiting list remarkably conservative hopes as to when they may expect housing and we asked this House to strengthen its approach to try as hard as it can to increase the output of its plans. In this motion quite a number of the members addressed the House and stressed their concern at the paucity of Housing and in fact even questioned whether the Government's statement of priority was of great importance and I remember myself when education was the main priority because the Chief Minister told us and that it was and that the school had suffered considerable slippage. Unfortunately, Mr Speaker, the Hon Mr Bossano did not make a contribution in this debate and when the Chief Minister then replied to the motion and said: "Therefore I think this motion is very ill-timed, unjustified and unfair and not warranted," he then proposed an amendment and this amendment was to read "that this House notes the plans for new housing announced in the election manifesto of the GLP/AACR and of the meeting of this House on 28 February 1980; endorses the Government's intentions to make the provision of additional housing one of its main priorities in the next Development Programme and looks forward to an early announcement of the Government's detailed plans." This amendment was poorly received by the DPBG and Mr Isola tried to reject it and in fact we voted on that amendment but of course we were defeated and unfortunately the Hon Mr Bossano was not there to give his considered opinion on the amendment.

HON J BOSSANO:

Mr Speaker, I am not questioning whether the GLP/AACR programme is good, bad or indifferent. I am saying it should be accelerated.

HON A J HAYNES:

Mr Speaker, the point I am trying to make is that we ourselves have espoused this policy of increasing the housing programme and we have committed our policy to a motion which was heard in this House in March and we question now, though we welcome this motion, it gives us another opportunity to reprimand Government

HON J BOSSANO:

If the Hon Member will give way. I welcome any support I get from the Hon Member but if the Members of the Opposition propose to turn this into a censure motion on the Government then I put it to them that it is not intended to be and I am capable of producing my own censure motions without any help.

HON A J HAYNES:

He may be capable of putting his own censure motions but he does like to interfere with ours as well.

MR SPEAKER:

Let us speak on the motion, because we have not spoken on the motion yet, with due respect to the Member.

HON A J HAYNES:

On the motion I may say that we fully endorse the Hon Member's hopes the Government will increase and accelerate its housing programme. We have ourselves stated this in the past and this is the point I am trying to make. But, similarly, we regret that the Member has come to this realisation rather late in the day.

HON J BOSSANO:

If the Hon Member will give way. Mr Speaker, I do not know if the member listens to anybody other than himself. The first thing that I said was that I was bringing this motion now rather than at any other point in time because there was a recession in the industry now. I am not saying that the housing programme of the Government is good, bad or indifferent or better than the DPBG or worse than the DPBG. I am saying that now there is a recession and now there is an argument which has nothing to do with party politics, it has got to do with something different. I would welcome the Hon Member's views on the validity of that argument and his support for it on the basis of the argument that I have put and not on the basis of what has been said last March.

HON A J HAYNES:

If somebody comes asking for more housing just to employ people then you could ask them to dig holes and fill them up again. The point is that if he asks us to build houses and really all he is trying to do is to keep these people employed, we should question whether he really wants us to build houses. Why didn't he come in March and tell us he wanted houses then. If he wants to employ people why not give them purely nominal work, filling holes again.

MR SPEAKER:

You are the person who has suggested that they should be employed in filling holes, the Hon Member has not.

HON A J HAYNES:

What I am saying is that his motion is principally on the lines of employment.

MR SPEAKER:

No, his motion clearly states that Government should take advantage of the moratorium in the United Kingdom Departments to accelerate its building programme and thus alleviate the situation in the Government Waiting List. That is the motion and that is what we should talk about.

HON A J HAYNES:

As to the moratorium itself, I accept that there is a worrying factor if the employees of the construction industry are going to be dissipated by the measure. There is some confusion as to whether in fact this is a genuine alarm or not since we have conflicting reports from Government and the Hon Member. Perhaps, we require time to decide which is the correct interpretation of the facts but, certainly where the Members' fears could be of a rational nature or were they to be proved as valid, then we would certainly like to see the Government make all efforts to ensure that the building industry is not further contracted. I think this would enhance the motion passed only an hour ago in which we asked for more apprenticeships, more chances to be given to people. Certainly there will be a higher risk of unemployment if the moratorium takes the turn that the Hon Mr Bossano has said it will. But, Mr Speaker, we do not know for certain whether this moratorium will affect the employees of the building industry and we either wait for more information or time. Lastly, I would note that this side of the House has evinced a genuine worry and concern for the building industry not as a result of any moratorium but as a regard to the genuine requirement in Gibraltar for more housing. We believe that whether or not there is a moratorium which will affect the building industry it is necessary to go ahead and make further plans to build more houses.

I commend the motion, Mr Speaker.

HON H J ZAMMITT:

Mr Speaker, I am not going to answer the Hon and Learned Mr Haynes because I do not think he has spoken much about the motion. I will, of course, refer to the Hon Mr Bossano who, may I say, makes things very difficult because normally he is so logical that there is very little that one in Government can throw back at him. I would say, Mr Speaker, that this Government, as outlined by the Hon and Learned the Chief Minister at the Ceremonial Opening of the House of Assembly, did commit ourselves to give housing the top priority, because it is the greatest social problem we have in Gibraltar today. Secondly, Mr Speaker, I think that since then it has been seen that there are a number of projects off the ground, no longer in plan form, but there is actual physical work taking place, St Jago's, St Joseph's, Tank Ramp, Lime Kiln Steps, Road to the Lines, and in the general construction there is the Girls' Comprehensive School, the Garage etc. There is a certain amount of activity which, to me as Minister for Housing, is quite enthusiastic as

opposed to what was happening for reasons that we all know, over the last year or so.

HON P J ISOLA:

If the Hon Member will give way. Is the Minister saying that the slippage before was justified? What circumstances last year stopped the Government from getting on with the housing development programme?

HON H J ZAMMITT:

There was nothing to stop the Government getting on. It was a question, Mr Speaker, that they required a certain amount of planning and financial resources and we have taken our priorities as best we thought.

HON P J ISOLA:

There was a Development Programme announced by the Government in 1978 of £22m which has undergone a lot of slippage. I do not know what the Minister meant when he said the situation is now different than it was for reasons that we all know. The only reason I know is that the Government just did not do it. I do not know any special reason for the serious slippage there was in the housing development programme.

HON H J ZAMMITT:

Mr Speaker, there were a number of problems that I think the House is well aware of. There were the technical reason of Quantity Surveyors which required uplifting to bring people in to assist this. But be that as it may, Mr Speaker, the whole situation when we talk about housing, and I have said so here, I am not very sure if I have said this during this particular term of Government, and I say so for the benefit particularly of those new members on the Opposition who may not have heard me. There is of course a housing problem in Gibraltar, no one would dare refute that. The Housing problem as such will not be alleviated just by the statistics that the Hon Mr Bossano has mentioned, although we do know that there are 1,700 applicants and not 1,900 as was the case 4 or 5 months' ago and I think I should explain that it is not that we have given 200 houses out, it is that as a result of a reappraisal of the housing application forms, there are many people who no longer require housing, no longer wish to move and therefore we have now got it down by another 200, but this does not mean that we require 1,700 houses. I must emphasise that, Mr Speaker. About 70% of the present waiting list they are not at all expecting to get housing, what they require is an exchange from one house to the other. In most cases it is larger accommodation because the family composition has increased. Taking that into account, it is not such a bad picture because if we are able to carry on with Government's

policy, and I am sure we will be, Members will see that Government has paid particular attention to the building of bedsitters.

MR SPEAKER:

With due respect to the Minister, we are not going to go into the justification of the Government's record on allocation of houses. We are talking about the acceleration of the building programme which will ameliorate the waiting list. We are not going to get involved in the housing allocation scheme because otherwise it will widen the scope of the debate.

HON H J ZAMMITT:

Very good, Sir. Therefore, Sir, although as Housing Minister, one would want and wish and desire that we should have more than enough housing for the present situation on the housing list, it is not such a gloomy picture. Mr Speaker, I would like to mention the mal-distribution of Gibraltar's housing stock, the wastage that we have of sole occupants of very large accommodation and that in itself produces, may I say, some 300 tenants occupying excess accommodation. That is another item which will greatly diminish the present requirements that the Hon Mr Bossano made reference to and the Hon and Learned Mr Haynes made reference to earlier on. I am quite convinced, Mr Speaker, that although one would obviously not allow, as a progressive Government, we would not wish for a decline in the building industry at all, I feel, as my Colleague the Minister for Public Works mentioned earlier on, I feel that the Hon Member opposite with great socialistic beliefs need not worry. I think he has been told that the moratorium is more or less off its hooks now and therefore I think that the Government in its building programme, not only in housing but in construction generally, has some very good plans and I am sure the Hon Member will see that nobody will be out of a job. Mr Speaker, in answering the Hon Mr Haynes very briefly, I would say that he has jumped on the bandwagon of the Hon Mr Bossano's motion by bringing out issues which are not relevant to the particular moratorium problem and I think that he will realise that the problem of housing is not as simple as he originally thought it was and I hope that he will see that everybody is trying to do their utmost to alleviate the situation. Mr Speaker, I think that the motion really cannot be supported despite the fact that we sympathise tremendously with the Hon Mr Bossano's sentiments. His main concern which is the building of housing is going ahead and the other one, the possibility of unemployment, I think has now been watered down and therefore, Mr Speaker, I feel that the Hon Mover need not worry very much about the situation.

HON CHIEF MINISTER:

We wish it would be possible to agree to the motion and that it could be implemented quickly. The logistics of it would take a

considerable time and therefore, really, the acceleration would not be much more than one is hoping to do now. Of course, there is the money side of it which is very important, all the resources available now are being devoted to this. I would just like to say something about slippage which has been mentioned before and that is that this happens all the time everywhere. In the course of considering applications for development aid of private enterprises, at the time application is made the applicant states what the expected time for the development is and on the strength of the applicant's own estimate of the expected time for the development, the licence is given for that period. If somebody has a big scheme and says he is going to take two years then the licence is given so that it will be finished in two years. Of course, if the scheme is not finished by that time then the licence must be extended at Government's discretion, naturally, if there are good reasons. If there are no good reasons then, of course, they are urged to get on and we invariably have every Wednesday, applications for extension of Development Aid licences on the basis that people have not been able to keep up to their original contract time or the original time for completion. That is happening all the time and therefore it is not characteristic only of the Government's programme, it is typical of everything nowadays where one's expectations on paper states what the time would be and then, in practice, for a number of reasons, Ramadan, the Feast of the Lamb, or whatever you call it even though those should be factors that should be taken into account in the construction industry, they don't. They don't seem to end if they do then the calculations are bad and that is the reason for slippages but what the Minister for Housing was saying was that once we had had the logistics of the back-up which took a long time to get off, in fact, the progress of the Programme now is very much ahead and there were earlier supplementaries where we had to ask for money because better progress was being made than had been anticipated. The difficulties about accepting the motion are of course mainly the fact that it could not be implemented immediately and we hope that with what the Minister for Public Works has said about the two or three big projects that the Government has in hand, and now the power station and the pitched roofs etc, that there will be an acceleration and the need to employ more people and we hope we will not have any serious unemployment and much less, of course, if as indicated by the Minister, I don't know on what authority but, anyhow, one hopes the moratorium, if it has not been brought to an end now, will last a very short time.

The House recessed at 1.05 p.m.

The House resumed at 3.15 p.m.

HON MAJOR R J FELIZA:

Mr Speaker, I sincerely hope that once again we can find a formula through another amendment subsequently which will enable the Government to go along with this motion which although presented by the Hon Mr Bossano I think has the full support of the rest of the members of the Opposition. I

cannot believe for one moment that the Opposition can be against it. If one analyses the motion, one can see that I cannot possibly believe that the Government is not interested in improving the lot of the people on the housing list. I am sure they are as eager as anybody else is in trying to produce more houses to enable those people who are on the waiting list to have a better chance of getting a house. What I am really beginning to wonder is, Mr Speaker, to what extent is the Government finding consolation in the case of other people all over the world. We are now beginning to hear the Hon Chief Minister and other Ministers saying that this is happening everywhere else in the world. That, I think, is small consolation for the people who are waiting for a house in Gibraltar. We all know that there is slippage, we all know there is a problem of slippage perhaps everywhere but that does not mean to say that the Government, because in other places they are just as bad as we are here, are going to find an excuse for going against suggestions from this side of the House which are perfectly legitimate. I think it is perfectly legitimate to ask the Government to try and speed up building and if through, you might say, an opportunity they can accelerate it, I cannot believe why the first thing we hear the Minister for Public Works does is find reasons why it cannot be done. Of course it is not easy but this is where you assess the ability of the Government and the ability of the Minister, taking full advantage of an opportunity that may come our way. Unfortunately, I do not think we do want the other developers in Gibraltar, whether they are official or not, for one reason or another to slow down their programme and even to come to a standstill but if unfortunately that happens, I would have thought that the Government would be only too eager to find a way of overcoming the problem and I would have thought that the Government would have gone along with the motion notwithstanding whatever reservations they might have made in their support of it. I understand it is not easy suddenly to find oneself with an opportunity of building houses with perhaps not having everything already worked out to do it. But, surely, the same way as we engage consultants for other matters it might be possible to get the right architects available, if not in Gibraltar abroad, who are prepared to proceed with plans and make all the other arrangements that will make it possible for this to go on. I think it is very much a question of there being a will. If the will is there, Mr Speaker, things follow. Without any promises on the part of the Government, and I accept this without any promises on the part of the Government, I think that the Government should reflect, there is still time for this, reflect and see if they can go along with the motion. Perhaps my Honourable Friend the Leader of the Opposition will be able to produce an amendment which will be of the satisfaction of the Government. The Minister says that the moratorium is over or about to be over. If that is so all the better, but one new dimension has been introduced into this House about development and the new dimension is that the Government should now be prepared for an eventuality such as this and should always have something extra up their sleeve to meet a situation such as this one. Perhaps they should have done this before, I am not trying to be clever after the event nor can we suggest that the Government should have been clever after the event. But the event is here with us now and if, as

the Minister says, the moratorium is lifted and all goes fine, OK, but whether it does or doesn't, the lesson has been learnt and the situation for the future should be faced with the thought that things might go not according to plan in other sectors of Gibraltar's development other than the Government's. From experience I know that it is extremely difficult to get big developments, particularly in housing, under way without a lot of preparation. One of the most important things is to have the labour force in Gibraltar. Once the labour force disappears it is much more difficult to bring it together again, as I am sure the Minister for Labour knows, equally, once the equipment is taken back, if it does go back, it is much more expensive to bring it over and overall future development costs much more if neither the labour, the tradesmen or the equipment is readily available in Gibraltar. This is why, Mr Speaker, a development programme must be so arranged so that our labour force is continuously available in Gibraltar to proceed from one project to another in such a way that they are all linked up and the labour force remains all the time with us. This is, I think, what my Honourable Friend Mr Bossano was trying to say before and this is in fact what has moved him to bring it forward because if the labour force goes then we are in trouble. I would like to remind the Government that it is not only the advantage that the people would get for more houses, but it is also the economic factor of it which is very important. The construction industry is perhaps the third largest industry in Gibraltar, after tourism, so we have; defence, tourism and construction. A lot of money comes in through construction, Mr Speaker, a lot of that money stays in our economy all that money is spent and goes round, it is part of an essential economic activity and it is just as important I think for us to see that all the other industries work as well as this particular one of construction. I would ask the Minister not to find all the difficulties of why it cannot be done and dismiss it overnight as it were, but, perhaps, to accept the motion with the amendment that my Honourable Friend is going to move and then see to what extent he can meet the aspirations of the Opposition, if not of the Government.

HON P J ISOLA:

Mr Speaker, as you know we support this motion, and indeed we support any motion that has as its primary aim the acceleration of the housing programme. This is obvious, we have been pressing in this House for many years now in the Opposition for the Government Housing Development Programme to be pushed as fast as possible and we have expressed concern at every Budget at the rate of progress of the development programme. I don't think we can be fobbed off at this late stage of the day with the usual Government excuse of slippage and being told that this is quite normal everywhere. Of course, one can accept a certain amount of slippage in any development programme but one cannot accept the slippage of the order as it has occurred in the Development Programme of this Government over the last 8 years. I am not going to go obviously into this aspect of the matter at all but merely to make the statement that perhaps we are in the situation that we find ourselves now, anxiously

trying to finish or spend as much in the last year of the development programme to do the impossible and that is to catch up with all the slippage there has been during the last 3 or 4 years. I know that is an impossibility, unfortunately for Gibraltar. But I don't think one can talk of the slippage there as something that is excusable, I don't think it is for one minute. Mr Speaker, we, as my Honourable Friend Mr Haynes said when he made his contribution, we are very concerned with the housing situation in Gibraltar, with the lack of progress there has been over the last few years in this very important part of the economic and social wellbeing of our people. We recognise that an effort is being made and has been made during the current year by the present Government. We recognise that, we assume it must have happened from the supplementary provision that we were asked to vote during the course of this House for accelerating the housing programme. However, I believe and we all believe that if the construction industry is slack for any reason whatever and there is a bit of recession in that industry, we believe that the Government should take full advantage of it as far as its own housing programme is concerned. It must not allow the construction industry to go into recession, not just because of lost jobs and lost opportunities, not just because of that but also because of the very grave housing problems that the community has. If all that is bothering the Government is the fact that the moratorium is soon to end, then I think that the motion might usefully be amended and the purpose of it not be lost by having a short amendment which perhaps I would move now. I don't want to speak more than once, really. I accordingly move that the motion be amended by the deletion of the words "the slack created in the construction industry by the moratorium on United Kingdom Department contracts" between the word "if" in the second line and the word "thus" in the fourth line and the substitution therefor of the words "any slack there may be in the construction industry." I was appalled, Mr Speaker, to hear the Minister for Public Works telling us that his department has not got the capacity to deal with an accelerated housing programme because the question of the capacity of his department has been in the forefront of many debates in this House especially when the Government has come for provision for more technical staff in the Public Works Department. I don't think I have to remind the House that in 1976, 1977 and 1978 there were some pretty high increases in the technical staff of the Public Works Department and indeed in 1978, when the Chief Minister announced the development programme in the course of the budget, a programme of £23 million he informed the House that the department was now staffed sufficiently with experts and technical experts and professional people to be able to cope with the development programme and to make sure the development programme was completed between 1978 and 1981. The development programme, as we all know, is short by quite a few million pounds so if the technical expertise was there for the whole development programme which hasn't been carried out there must be some spare capacity in that department. I am very surprised to hear that in order for the Public Works Department to accelerate its housing programme it would require additional staff at professional level because this has been a cause of argument in this House during the last four years, well,

not during the last four years, the argument was deemed to have been completed in 1978 in the budget session, when we were told that with the increases suggested in that budget for the technical staff, the department was able to cope satisfactorily with the development programme that was announced during that budget session and I am surprised to see that the department is now saying that they cannot cope with any acceleration of the development programme. If that is the position I would hope that the Committee headed by Sir Howard Davis would certainly look into this aspect of the capacity of the department where development is concerned because the increases there have been in the staff in that department have all been justified on the basis of a much bigger development programme than is actually being executed now. In other words, the increase in staff was geared for a development programme of £23m which hasn't come off and therefore they should be able to cope with an accelerated housing programme. I thought that that excuse should be nipped in the bud because if every time the Public Works Department is going to be asked to do something more at technical level they are going to say they require extra technical staff, I don't know where we are going to get to. We were told that that technical staff for whom we voted for, was sufficient, amply sufficient, to meet the Government's obligations under the development programme of 1978-81. The question of money, Mr Speaker, of course is another matter. I appreciate that in questions of development I appreciate you cannot suddenly turn on the tap and give a contract out for £300,000 for a scheme that doesn't exist. What the motion is seeking is acceleration, not new plans, it is acceleration and the plans should all be there. It should all be there because it is all part of the development programme. We don't know enough actually of the cash limits that have been placed on the development programme by the British Government, it only came out really as a sort of an aside in the Supplementary Appropriation Ordinance, that of course we do not know enough about but certainly the money seems to have been committed by the British Government and I would have thought that even if you start accelerating the development programme, at least start the work on acceleration, you are not actually spending money until you get a lot further. I would have thought that with the motion as amended at the moment the Government should be able to go along with it and let it act as a spur on them to try and remedy the recession if there is one that we are told exists in the construction industry. We mustn't allow construction industry to reduce its size and its capability because then future plans will inevitably be prejudiced. Mr Speaker, I commend the amendment to the motion to the House

Mr Speaker proposed the question in the terms of the Hon F J Isola's amendment.

HON J BOSSANO:

Mr Speaker, I welcome the amendment by my Honourable and Learned Friend the Leader of the Opposition because it seems to me that it meets the only argument that has been put by the Government which could be said to have any validity in the

context of the original motion. I think that my main case initially was to show the economic logic of an acceleration of the programme and I must emphasise that I am not talking about a radical change in Government policy or a criticism of the adequacy of that policy, I am talking about that policy being carried out at a faster rate than was originally envisaged and the cost and the benefits of moving at a faster rate and therefore when I have my opportunity to exercise my right of reply I will answer the points made by the Honourable and Learned Mr Haynes dealing with the original motion. Given, therefore, that we are talking about whether there should be a political commitment through an acceleration of the existing programme, we have on the one side the question of economic restraints which I think has been to some extent treated by the Government at a low key approach. They have not made a strong case against economic restraints, they have just mentioned the possibility that borrowing requirements, given other commitments, may be difficult if one is talking about raising extra money to move the programme forward, the main argument really has been that the cause for concern may be unjustified if the moratorium of the United Kingdom Departments is about to end. May be this is the case, maybe the British Government intends, or has given an indication that it proposes to lift the moratorium as suddenly as it introduced it. But, effectively, the amendment of the Hon and Learned Leader of the Opposition says that regardless of what happens to the moratorium, if there is slack in the industry the slack should not be allowed to continue. That does not commit the Government to doing something to the same extent as the original motion did, Mr Speaker, because the original motion stated as a matter of fact that the slack existed and that consequently it had to be filled. The amendment of the Hon and Learned Leader of the Opposition says that if it does exist it should be filled but if the Government is right and it doesn't exist then they don't have to do anything even if they support the amendment and they support the motion. I believe that it exists from my own personal knowledge of the state of the construction industry and from the fact that the quota under the Control of Employment Ordinance for construction workers has been reduced by 100 workers. Those workers that previously could obtain a work permit in the industry can no longer do so, so if today we have a situation where slack does not exist then what the Government should be doing today is to convene an extraordinary meeting of the Manpower Planning Committee in order to restore those 100 work permits because presumably the situation that we have today is that there are 100 jobs, 100 unemployed persons and an inability to fit those people into those jobs because the work permits cannot be granted. If, in fact, this is not the case then the slack does exist and we should be doing something to put it right.

I support the amendment completely, Mr Speaker.

HON MAJOR F J DELLIPIANI:

Mr Speaker, I have been trying to follow the logic of the Hon Mr Bossano and I agree with him, having spent time in the construction business, that there is a slack period at the

moment. Whether the moratorium is there or not, there is a slack period. What I cannot follow logically is what he wants the Government to do. Does he want the Government to start immediately on new projects and put them out to tender or does he want projects which are not yet completed to be accelerated but not in the building sense, in the planning sense? Or does he want the present building programme, as it is going, to make the contractors employ more people so that the work can be accelerated and therefore there is more employment?

HON J BOSSANO:

If the Hon Member will give way, Mr Speaker. If we look at the Supplementary Estimates we have, for example, on Fleet Bastion Road a situation where there was an original amount voted of £100,000 and a balance to complete of £263,000 and a supplementary vote in this meeting of the House of £60,000. We had on Lime Kiln Steps an original vote of £80,000, a balance to complete of £270,000 and an additional amount voted of £50,000 in this House, another £100,000 at the previous meeting of the House, giving a total of £150,000 since the Budget. There are similar sums in connection with St Jago's and Naval Hospital Hill projects. There we have in Naval Hospital Hill £69,000 out of £165,000, in St Jago's £327,000 out of £827,000, on St Joseph's we have got a balance to complete £1¼m. and no supplementary estimates so that there are ongoing projects today in the course of construction where there is an opportunity to accelerate those projects and I imagine that apart from the projects that we have voted in March of this year there must be projects that the Government has already got at the planning stage ready to introduce at next year's Budget. I imagine by this stage the Government itself must have an idea of the nature of the composition of the Improvement and Development Fund as it is going to operate in the year 1981/82. Those projects, plus the ones that we have already got in the course of construction, do not involve a request to the Government to change direction. All that they involve is that they should use what they have already got, as it were, in the pipeline but to accelerate the pace at which they move from the planning stage to the stage of sending out tenders, to make use of an opportunity that may exist at the moment where they will be helping themselves by getting the work done earlier and cheaper and they would be helping the industry by giving it a continuity of work flow.

HON MAJOR F J DELLIPIANI:

I am grateful to the Hon Mr Bossano for his explanation. But he still hasn't really answered to me of there is an on-going project which a contractor has and it is not going as fast as it should, how do you accelerate that particular programme? And if it is going at the pace that it should, how can you make it go faster other than providing more cash which we haven't got. The only possible way that I can see, and I am trying to be as logical as the Hon Mr Bossano, is by any work which is in the pipeline at this stage and might be almost on the point of conclusion, is by asking the Department to move even quicker

on that and throwing it out to tender. Let me tell you that in my own Department I have experienced with the Public Works Department and the first excuse that they use, and it might be a legitimate excuse and I am being frank about it, is that they haven't got the Quantity Surveyors, etc and this is quite true. I find that a little job which you think is going to take £5,000/£6,000, all the different branches of departments come along and it escalates to £30,000 and then you have to have a proper Bill of Quantity then it has to go to tender and if it does not go to tender we have the Hon Mr Restano saying why hasn't it gone to tender? Has it been published? Has it been gazetted?, and these are all delaying things. With the best will in the world if you want to accelerate things you get this bureaucracy that exists in all Governments which tends to slow down the forward-motion of any new programme.

HON J BOSSANO:

Mr Speaker, I think the point was picked up by the Hon and Learned Leader of the Opposition. There are a number of ways one can assess the possibility of doing something or not doing it. We have had, on the one hand the argument of the physical capacity of the industry which, clearly, is not true now if it ever was true. I have had my own reservations because there has always seemed to me to be a conflict between what one hears from the Government about saying the industry cannot cope with more and what one hears from the industry that says that if there was more work they could take it on. But that is one argument, saying the industry cannot do more work and there we are talking about the craft skills, the total labour force, the number of immigrant workers &c. There is also the argument of finance, saying the Government can only afford so much work in a given year either because of the money coming in through taxation or because of the money it is able to borrow and finance and service. The third area which is the area that the Hon Member has now pointed out and the area that the Hon and Learned Leader of the Opposition questioned before, was the area of the technical expertise within the Public Works Department to produce the necessary documents for things to go out to tender. That is an area where there is no question of any compromise, where the political commitment must be absolutely clear. We cannot have a situation where people are not getting the houses or the construction industry is not getting the work because there are not enough Quantity Surveyors, if there aren't enough there must be more.

HON MAJOR F J DELLIPIANI:

But the fact exists that if we want to accelerate any of the projects that are on the pipeline you are going to need more staff because the staff that we have now are planning ahead for other development but not for projects that are almost to be completed. If we start doing this we are going to get accused at the next House of Assembly that we are not planning ahead again. There is another argument that I would like to bring up and that is the question that the construction industry say that they could take on more work. Somehow or other they always manage

to give very high prices for the work that they do for Government and very low prices for the work they do for private developers. If you compare flats built for Government it is usually twice the price of a similar flat built for private development. Probably the Government is hesitant and is thinking of other ways to be able to tell the contractors that they are queuing too much.

HON W T SCOTT:

I think the Hon Member, Mr Speaker, was less than fair when he said that there was a difference between private development and public development. There might well be in the question of price and tendering and so forth but the specifications are obviously as well very different. The type of finishing in a private dwelling is very different to those in a public one. For example, over the last few months we have heard that the Government houses no longer have any tiles put on. I think it is an unfair comment.

HON P J ISOLA:

Mr Speaker, I do not want to say very much in reply. I am worried about the argument that is being put forward on behalf of the Government as to the capacity of the Department. I am worried about it because the arguments that we have had in the past when the question of the requirements of staff of the Public Works Department has come under close scrutiny in the House the assurances that we have had do not seem to measure up with what we are being told today that the Department would require more staff just to accelerate the programme that is anyway behind. Because the Development Programme is behind, they may have made some progress this year on it but the Programme as a whole is behind. If the reason for the Programme being behind is because the Public Works Department has not got proper staff or the right staff, then some mistakes were made in 1977/78 when assurances were given to his House that the Public Works Department had all the professional and technical expertise it required to put the Development Programme into effect.

HON M K FEATHERSTONE:

If the Hon Member will give way. I think I said in 1978 more than once that we were short of Quantity Surveyors and it was taking us a long time to recruit that staff. We did not have ample staff in 1978, that was why there was slippage in that year. We are now running on current trends with our staff fully occupied either in the design stage where they have to prepare documents, or in the checking stage on work that is actually being done at the time.

HON P J ISOLA:

Mr Speaker, whether the professional staff is fully occupied on the work of the Department is a matter I am sure the Commission of Enquiry will be looking into. The information that we have is not the same but I remember the Minister for Economic Development, Mr Serfaty, holding forth on the requirements of the Department. I do not remember the intervention the Minister referred to, no doubt if he says he did say it then he must have said it but I do remember clearly in my mind the intervention of the Chief Minister on the development debate on the question of staffing of the Department and the categorical statements that were made that the Department was geared to be able to plan and execute the Development Programme within the time schedule of three years. I cannot understand the argument that is now brought on this matter when all we are asking is for the Government to accelerate a programme that is behind. That is all I have to say on my amendment.

Mr Speaker then put the question in the terms of the Hon P J Isola's amendment and on a vote being taken the following Hon Members voted in favour:

The Hon J Bossano
The Hon A J Haynes
The Hon P J Isola
The Hon A T Loddo
The Hon Major R J Peliza
The Hon W T Scott

The following Hon Members abstained:

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 J B Perez
The Hon H J Zammitt
The Hon D Hull
The Hon R J Wallace

The following Hon Members were absent from the Chamber:

The Hon G T Restano
The Hon Dr R J Valarino

The amendment was accordingly passed.

HON A J CANEPA:

Mr Isola said earlier on that in any development programme one can expect a certain amount of slippage and that there has been slippage in this one. That is very true but it is a fact that in this third financial year of the development programme the programme is already accelerating very well indeed and I do not want to give figures and then find at the end of the financial year that my estimates have not been that accurate but on present form the progress we are making after a rather slow start on the current development programme is extremely good and on present form it may well turn out to be either the best development programme that the Gibraltar Government has ever had in terms of slippage or if not the best very nearly so, but as I say we are still only in November and there are some 4 or 5 months to go before the end of the financial year and anything can happen between now and then to set back progress. We are doing pretty well, I would say, all things considered. Mr Bossano spoke about a meeting of the Manpower Planning Committee being called in order for there to be more work permits available in the quota, it is not necessary. There are enough work permits available because we were working on an extremely high figure 6 or 9 months ago. I think we were making provision for a very large labour force in the building industry and the numbers never came up to that expectation so even now, after the most recent cut in the quota, there are ample work permits to employ immediately for work permits to be given to the number of people who have become recently unemployed. The number is 40, we are talking of about 40 people who are involved in the redundancies arising from the moratorium. Some of those people have already been employed, others are in receipt of unemployment benefit, about 20 of them, and there is no difficulty whatsoever in granting work permits immediately on request. We only wish that in respect of some on-going projects in fact some of these labour were to be taken on. Consider what is happening with the school where the contractors ought to be spending £1m a month. They are not spending £2m, they are spending £180,000 and my colleague who is responsible for the implementation of the development programme, is urging them to accelerate the pace because the money is there and the money is UK money, it is not local funds and they do not seem to be to have the wherewithal to accelerate and keep pace with the estimated rate of expenditure that is essential. Much has been made about the capacity of the Public Works Department. The staff have been fairly busy on plans for the next programme. The next programme is a vast development programme and if we follow the practice of previous years we will probably design a five year programme regardless of whether it is acceptable to Her Majesty's Government or not, ODA may in principle say that they only want to work to a 3-year development programme but it is better from the Gibraltar Government's point of view to work on a longer programme because what is carried over from one to the other then dovetails rather more easily. It is a vast

programme and they are pretty busy in addition to the fact that the Quantity Surveyors have to vet the bills that come in for expenditure under the present programme and they are coming in fairly well in the current programme because there are months when we are spending £800,000, of that order so that has got to be vetted and checked very carefully. Both in the course of this debate and when we were considering the supplementary estimates, Mr Isola expressed concern at the extent of funding from local funds. The position is that there have been cash limits imposed by Her Majesty's Government during the current financial year so even though there are commitments on the part of Her Majesty's Government to project in the current development programme, the cash limit means that funds are not available beyond that cash limit and therefore what you have had in respect, for instance, of St Jago's and St Joseph's, has been a much greater injection of local funds than what otherwise would have been the case. In this financial year, out of projected expenditure on housing of £3½m, ODA are providing £2m and from local funds we are already providing £1.5m and that is why we are coming, if we haven't reached that already, to the limit that we can borrow, there isn't a great deal more than you can borrow. The power situation doesn't make matters any easier having just received a tender well above the anticipated estimates and money has got to be found for that. It is no use planning to build hundreds of new houses in the next development programme if you haven't got the infrastructure for that. If we had done what was suggested by Members opposite at the beginning of this financial year during the budget and we had not raised the revenue that we did raise, our ability to finance even our maintenance works programme would be severely limited. In this Meeting of the House we have voted over £300,000 for our maintenance programme. If we had not done that those people would have become redundant, the Government would have had to dismiss its own employees. We are able to come to the House readily for this kind of money because the financial situation today is much happier than what it was about 18 months ago. But it has already been eroded by this £1m that we have had to vote, by less revenue anticipated because of the fiasco, as I would call it, over the Police and also the other similar fiasco of the amount of money that we have had to spend in connection with works for the anticipated opening of the frontier. All that has curtailed the buoyancy of our financial resources this year. And with borrowing already at 17% being a daunting proposition, there is no way that we can inject £2m or £1m from the recurrent budget into the Improvement and Development Fund. May I remind the House that the contribution from local funds in this year's Improvement and Development Fund, which is £10m, the local contribution is £4½m already so we are making a very substantial contribution ourselves. Faced with these constraints we do not just say that we cannot accept the motion because my Honourable Friend is already, even before he is seriously considering the motion, finding all sorts of excuses as the Honourable Major Peliza said. That is not what we do in Government. You look at

matters objectively and you go into them in depth and you see whether something can be done about it. It is popular to build more houses, we are not going to gain any votes or any kudos from putting back the programme. We are political animals and we react as such and therefore we try to see whether there are ways and means of doing things but there are severe indications, mainly of a financial nature, and therefore what we have to look is to a vast development programme beginning in April next year in which housing will undoubtedly have the top priority and gear ourselves up so that between the carry over from the present development programme into the next one by way of St Jago's, St Joseph's and so on and the new works, the new projects that will be coming in, the transition will be a smooth one and we will be able to have 3 or 4 years of an accelerating building programme in housing. May I, as a parting shot, inform the House that a certain tender which has recently come in involving the modernisation of 25 units, the tender price is £160,000 higher than what we had estimated for and therefore that is adding over £6,000 to each housing unit. That is why my Honourable Friend Major Dalliipiani spoke about the dichotomy or the divergence of approach in the end result that there seems to be between work which the Government puts out to tender and work which, apparently, the private sector is able to have at cheaper prices. I don't know whether it is a question of finishing, here we are talking of modernisation, and our own technical experts tell us that you can expect a certain price and you find nearly over £6,000 more per housing unit. The money has to be found, it has to be met because you have to meet the tender so that we can get on with it. These are the limitations and that is why, with all the best will in the world, we are not able to accept the motion.

MR SPEAKER:

If there are no other contributors I will call on the mover to reply.

HON J BOSSANO:

Mr Speaker, obviously, I regret the inability of the Government to accept the motion but I welcome the honesty and sincerity with which the Minister for Labour has explained the Government's position and I have no wish to embark on a speech which effectively makes political capital out of the Government's discomfort or problems. I think if we have serious financial problems in providing the sort of level of construction and provision of houses which Gibraltar needs, then that is a matter that should concern all of us in the House of Assembly and not just those who today sit on the Government benches. I try and make the motions that I bring to the House and the arguments that I use in support of those motions sufficiently palatable to the Government so as to get

their support because I know that I can only translate those wishes into reality by obtaining a majority of support in the House for them. I welcome the support that I get from the Members of the Opposition but they must understand that as far as I am concerned if all I were to do in 4 years in the House of Assembly was to embarrass the Government with the support of the rest of the Opposition and never get anything done, I would feel at the end of the day I would have done very little for the people who put me here. Therefore, although I regret that the Government feels unable and I think if I understood the Minister for Labour correctly, they feel unable to do it because of their assessment of their many other commitments rather than from an unwillingness to do what I am urging them to do in this motion, then I regret that this should be so. I think that it is a mistake not to accelerate the programme, I think that the net cost of accelerating it would not be as high as it might appear superficially although it might well mean that the extra financing cost comes at a particularly awkward moment for Government, that I can understand. I feel that the situation in the construction industry, even if the moratorium is about to be lifted, is already one where there is a gap in the continuity of employment which we can ill afford to have in Gibraltar because we are so dependent on immigrant workers and the Honourable Member may say that there are only 10 unemployed or 20 unemployed out of those who were declared redundant but this is only because some of those have gone into the public sector. We cannot escape the fact that we have reduced the quota of permits in the private sector construction industry and that is an indication of a lower level of activity than was envisaged originally. I can understand the economic restraints, I can understand the inadequacy of, perhaps, an over bureaucratic system in producing planning on time in order to go out to tender but if we are talking about the physical capacity of the industry we should be seeing that construction industry as an entity which in order to be viable has got to be of a certain size and below that size it ceases to be viable. This applies to all the sectors in our economy, it applies to sectors in any economy anywhere in the world. There is a size below which the Dockyard cannot function and if you allow it to drop below that it ceases to be capable of carrying out a certain task. The same is true of the construction industry and I think that my main concern is that we should not allow that to happen and even if the Government is unable to support the motion at this stage, I would urge them to keep a very close look to see how the industry is performing and the Minister for Labour in particular who is required to be informed of impending redundancies under the requirements in our own law following that of the EEC Regulations which provides for prior notice of up to 90 days of impending redundancies, that he should keep a very close look on how the industry is developing and if necessary, whatever the extra burden that may have to be placed on Government finances temporarily, if he sees that the situation is deteriorating, he should have a second look at the possibility of pushing more work on to the construction industry to ensure that we do not find ourselves with a loss of irreplaceable

skills which later on may in fact inhibit the Government from carrying out the level of construction that it is today envisaging in its proposal for the next development programme. Before ending my contribution, Mr Speaker, I would just like to answer the points made by the Honourable and Learned Mr Haynes which I think were different from that of anybody else, in respect of his criticism on my belated, I think that was the basic point that he was trying to make, my belated idea that the programme should be accelerated when in fact his own Party brought the motion last March criticising the Government for the inadequacy of their development programme. I would like to say to him that in his contribution today he seems to have reverted to his pre-Casola's days and that I prefer him in the mood he is after a visit to Patio Casola than in the mood he was in today. I think that if he analyses what he said today and what he said the last time and the effect that he has had in the House of Assembly, he will realise that if he had taken the stand in the case of the Casola building problem of condemning the Government for their failure to resolve the problem rather than appealing to the Government on behalf of the people concerned, he might have been much more successful in scoring political debating points but far less successful in defending and protecting the interests of the people concerned. I was apologetic to him on that occasion and moved by his speech because I thought that he had put aside completely any purely self-interested view as a politician and was concerned entirely by the welfare of the people involved in that situation. I think he will realise that the impression he made on the House of Assembly was precisely because of that, because not only did I recognise it but every other Member of the House also did. I myself, Mr Speaker, am conscious of the fact that I can attack constantly the Government for their mistakes and achieve nothing. I prefer instead to give the Government the benefit of the doubt and hope that by my contribution I will influence them to be a better Government for Gibraltar. I commend the motion and my own attitude to the Hon and Learned Mr Haynes.

MR SPEAKER:

I will then put the question which is that: "This House considers that the Government housing building programme should be accelerated to take advantage of any slack there may be in the construction industry thus helping to alleviate the recession in the industry and meet the unsatisfied demand for suitable housing for people on the Housing Department waiting list".

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

The Hon J Bossano
 The Hon A J Haynes
 The Hon P J Isola
 The Hon A T Loddó
 The Hon Major R J Peliza
 The Hon G T Restano
 The Hon W T Scott

The following Hon Members voted against:

The Hon I Abécasis
 The Hon A J Canepa
 The Hon Major F J Dellipiani
 The Hon M K Featherstone
 The Hon Sir Joshua Hassan
 The Hon J B Perez
 The Hon H J Zammit
 The Hon D Hull
 The Hon R J Wallace

The following Hon Member was absent from the Chamber:

The Hon Dr R G Valarino

The motion was accordingly defeated.

HON J BOSSANO:

Mr Speaker, I beg to move that: "This House considers that the relevant Ordinance should be amended to allow the personal representatives of employees who die in employment, having completed a nomination form to obtain payment of any money due from their employer automatically without the need to obtain Grant of Representation". Mr Speaker, this is a matter which has been outstanding for a number of years in the sense that the trade union movement in the Public Sector where, generally speaking, a person who dies in employment is owed a sum of money amounting to several thousand pounds at today's rate of pay, as regards the gratuity, and also they may be owed money for wages and annual leave and the payment of a pension to a widow and all of these things, apparently, as far as we can understand from the employers, cannot be paid to the widow or to anybody else in the absence of the employee concerned having a will. The matter was raised in the Joint Industrial Council in January, 1977, and the Official Employers then indicated their willingness to have a system introduced whereby the employee could, on taking up employment in the Public Sector, sign a nomination form which would enable the person nominated to collect from the employers whatever money was due without having to go through a procedure involving the employment of a lawyer and the expenditure of money and a certain amount of delay. The position of the employers, since 1977, has been that this was something that could not be done in Gibraltar because the law here differed in some respects from the law in the United Kingdom. I raised this in the House of Assembly some three years ago in a Question and the Attorney-General at the time, the Hon Mr Havers, said he would look into the matter but nothing has been done to establish whether an amendment is required to our laws and, if so, to introduce such an amendment.

Therefore, we have a situation where there is clearly a position where a great deal of anguish and to some extent hardship is caused to the dependents and relatives of the person that dies in employment. We have had such a situation, to my knowledge, in the last week where we have had two elderly persons who are relatives of two members of the Executive of our Union, who died in the last week and whose widows are unable to obtain the payment of the gratuity because the workers concerned, both of them in the employment of the Gibraltar Government, one was a labourer and the other a craftsman, had not left a will and there was nobody that could be established as being the heir to the money that was owed. This is something that has been going on for a considerable period of time. There seems to be a certain amount of confusion as to what the exact legal position is but there is no question about one thing, that the money cannot be obtained immediately, that there is a considerable period of delay and that invariably people are advised that they have to obtain the services of a lawyer which means the money not being available at the time of greatest need when the funeral expenses and so on have to be met. The second thing is that the people who have had traumatic experience of losing a very loved person within their own family then have the added complication of having to go through a legal procedure to obtain money which comes emotionally at the worst possible moment, when people really are concerned about the loss of someone that they love and they really do not want to be involved in having to go to a lawyer, or go to court and therefore it seems, to them, as if the "system", if I can use the word in inverted commas, the Government or the employer, was totally insensitive to their needs. There is no need for something like this to be continuing to be part of our laws in Gibraltar. I am convinced myself that Members of the House and, indeed, members of the legal profession would not wish to retain this situation even if it means what must be a fairly small proportion of the incomes of those who are involved in defending cases like this. I am sure that if lawyers take these cases up it is because there is no other way of doing it, they have to but I am sure they must understand that it is the worst possible moment. I have no hesitation in saying, Mr Speaker, that I have on more than one occasion approached the Hon and Learned the Chief Minister for his assistance professionally free of charge for people who have been particularly needy and he has never had any hesitation in giving it. I think the point is that it is not a question of a motion attacking any particular sector or interest group in our community, it is a question that it is a long-standing problem, I do not think the House of Assembly would wish it to continue if it is possible to put right. I commend the motion to the House in the conviction that in the sentiments that I express on behalf of the people who have made representations to me in this matter I am bringing something to the House which must enjoy the sympathy of all Members.

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

HON CHIEF MINISTER:

Mr Speaker, as the Hon Mover has said, he need have no cause for alarm. We fully agree with the motion and, indeed, I must apologise if the Attorney-General of the day answered a question affirmatively and we have not got on with the legislation. There may be some limitations, which the Attorney-General will refer, to the extent to which this can be done and I would like to remove a misunderstanding from the Hon Mover about the question of whether there is a will or not. Whether there is a will or not, either Probate, which is when a Will is found and must be regularised by obtaining a Grant of Probate according to the Administration of Estates Ordinance from the court, or if there is no will the procedure is to obtain what is called Letters of Administration which means in the absence of a person having decided by will what is done with his property, the law has certain ways in which to distribute the property first by £1,000 to the widow, half of the rest for life for the widow and half for the children. The law does a distribution for somebody who left money and did not say what he wanted done with it. I do not think there is any quarrel about the way that is done, it follows the practice in the United Kingdom except that the amount that the widow takes is much higher there because perhaps they are dealing with much bigger amounts but the reason for the legislation is two-fold. One is to ensure that whoever takes charge of the will of the individual pays the debts of the individual out of the monies that are received as part of his estate. The other one is, if the estate is very large, that there is sufficient machinery to ensure that Estate Duty is paid. On the present form and as a result of a recent amendment we brought to this House, Estate Duty is only payable when the gross value of the estate is over £5,000. It used to be £2,000 and then precisely in order to obviate the making up of inventories and making a very detailed declaration of the assets and the liabilities, if you just make a declaration to say that the gross value is worth less than £5,000 you automatically get the certificate if it is true, of course, from the Estate Duty Office to say that no duty is payable which Certificate you take to the court with the application for either a Probate of the will or Letters of Administration. It is true that very few people of those mainly referred to or which cause concern to the Mover, bother to make a will or to make any provision and sometimes it creates very great hardship. Sometimes people who are very close if they have the opportunity would obviously leave the property to somebody who may not be a blood relation but who has got more moral right to the property than somebody living in England who has not seen his wife for 25 years then if he had made a nomination or a will. In respect of nomination there is already the provision, I suppose under the Post Office Ordinance, that you can make a nomination of any amount of money in the Savings Bank and you can get the money without getting a grant of Letters of Administration or, indeed, of Probate. Some people make a nomination and then make a will later on and therefore there would be no difficulty in amending the Ordinance but there are limitations which the Attorney-General will refer to. Whereas now, and I

think under directions of the Government, if the value of the gratuity or something like that is under £500 or £300 it is paid without a grant because the amount of money is hardly enough even to pay for the funeral if that is the case, apart from the funeral grant which is quite alright but is not enough to pay for a funeral, the position now is that you have to satisfy the Government or the DOE or the MOD, that the person is the person who is entitled, the widow in the case of somebody who dies with a wife, or the children, so that really the person who pays wants to get a proper discharge for the money he pays to ensure that nobody else comes along and says that he is entitled to that gratuity and that it was paid to the wrong person. We made provision in the Administration of Estate Ordinance that no Probate will be required or Letters of Administration for an estate of more than £5,000, and gratuities nowadays are pretty high for people with long service, but still they will have to make a declaration of what the Estate is so that the Estate Duty is paid. It inevitably takes a little time but whereas the Government can, in implementing this, ensure that if there is a nomination it will be paid much quicker than it is now with the need of employing the services of a lawyer and it is required, it is not a closed shop situation of the lawyer, it is a necessity of the system that somebody must draft a note to lead to Probate and you could possibly if you have got a couple of precedents you might be able to do it in the Union for people but you might find that after all there is a little technicality about it that you must do it the right way otherwise it is sent back and it takes longer. Certainly, there would be a considerable amount of acceleration in the payment of gratuities and wages locally but once this is done I must commend to the Hon Member that he must also ensure that the procedures on the side of the MOD are accelerated because we have, as the Hon Member knows, quite a number of people who come to our Chambers, as any other lawyer has, and in practice I find that even in a small gratuity, there was one the other day of £3,700 whilst the widow swears that it is under £5,000 and gets a certificate and then swears the oath to say: "I am the widow, I am entitled, I should be paid", whilst we get that when they tell you in the PSA/DOE: "Now that you have got the grant we have to send it to England to get approval in order that we can pay you here". That is another element of delay which no doubt once the procedure is changed could help the Hon Member. The Government in Gibraltar, like any nomination in the Post Office, if you provide the nomination and you say: "I am the person named", it is virtually like a will although it has not got to have all the formalities of two persons in the presence of each other or in the presence of the testator, you go to the Post Office and say: "The book is in the name of so-and-so. I am the person nominated", which is normally filed in the Post Office itself and so long as you do not have to pay Estate Duty you show that or if you have to pay it you have paid it then you get the money and it would happen the same way with the Government but it would not be so if present procedures are followed. My experience of the Ministry of Defence is that once they get the grant they don't start saying: "Send us the money so that when the grant is here we can pay it". Once they get the grant of Probate they say: "Let us have a photocopy and the original. We must send it to England and when it comes back we will pay you".

HON J BOSSANO:

If the Hon Member will give way. I welcome very much his contribution and the point that he is making but I am sure he will agree with me that if we can sort out the legal framework then the logical sequence to that would be to have a standard system introduced by agreement between the Union and the Official Employers which then the United Kingdom Departments would have to follow the same procedure as the Gibraltar Government.

HON CHIEF MINISTER:

That is why I am warning the Hon Member that this has to follow whatever amendments are made. Any savings can be obtained provided they are specified and the Attorney-General will elaborate on this in his contribution. I am very sorry that if an affirmative answer was given some time ago that we have not pursued it and we will certainly not take time this time to see to it if there is approval to it subject to the conditions the Attorney-General will put down.

HON ATTORNEY-GENERAL:

Mr Speaker, I, too, was unaware that this matter was raised three years ago. I should have done that and I regret the delay in the matter. Following on from the Hon and Learned the Chief Minister, Mr Speaker, I see no reason why technically an amendment of this nature cannot be made. As the motion is worded, without in any way detracting from the spirit of it, I think it is rather wide because there are points which I would like to refer to. I do not think they are insuperable, but I would like to refer briefly to them. If I can just come back to the role of the person representative just to be quite clear on it. Somebody must take charge of an estate and manage the estate, pay off the debts, distribute the proceeds and as the Hon and Learned Chief Minister has said it does not matter whether there is a will or not. In the case of a will the deceased person will have nominated his executor. In the case of a person who dies without making a will then the law provides for persons to apply and normally it will be a person with a close connection. I am sure the Hon Member will accept that principle that somebody must manage the estate and be responsible in law for the management of the Estate. Therefore, it seems to me that what we are talking about here is a limited derogation from that principle to cover that difficult period after a person dies, with his bereavement there is a need for money, the funeral expenses and so on. We are looking for a limited derogation from that, a limited regime, if you like, within that to cover the situation. If, as the motion expresses it, it is the personal representative at large who is going to be the person to whom this derogation is to be granted, then it is not necessary to nominate him because in law that is his role anyway. You do not nominate your personal representative,

he exists as a matter of law. Were that the approach to be used, to say that the personal representative may obtain this money to tide the estate over, then to me it would seem to be more appropriate to say let us have a statutory provision for that to be the case within the Administration of Estate Laws and possibly within the Wills law as well. I have reservations personally as to whether that might not be a little wide and in fact wider than is needed to meet the point that the Hon Member is making. There is another way of doing it and I am grateful to him for having given to me the precedents from the system that works in England and I see that they do follow the other alternative and that is to nominate a person specifically, and logically where the deceased is married it would seem to be in normal circumstances desirable that it be the wife. Perhaps, speaking more generally one would provide for the nomination of next of kin which term could be defined.

HON J BOSSANO:

If the Hon Member would give way. As I understand it, it is not an area where I can speak with any great deal of authority because of the technicalities, but the basic argument that has been put in the discussions between the Official Employers and the Trade Union movement on this point has stemmed around the fact that the employers have maintained that as the law stands at present if somebody were to nominate a person whom they want to be paid whatever money is owed to them, the employers have got no protection against their liability against the claim from someone else on the basis that the money should have been paid to the person making the claim rather than to the person that has been paid and the unwillingness of the employer to put themselves into that position of potential liability, so that seems to be really what needs to be changed to give that protection.

HON ATTORNEY-GENERAL:

Mr Speaker, under either option one could include a provision for an indemnity, I would imagine, on the making of a declaration by the person who comes along and says: "I am the widow or I am the son", or indeed if we have the personal representative option. If the person who is claiming makes a declaration then I think the law should provide for the employer to be indemnified. I personally prefer the second alternative of nominating a specified person as being the next of kin. I think that is a narrower and therefore a more controllable way of doing it. I think it should meet the practical considerations that arise because they are the people who are going to be needing money. I think it is necessary to control that as strictly as possible because there are valid interests, there are the interest of creditors and it follows that one should desirably limit the class of persons who can be nominated, and I think it also follows, Mr Speaker, that one should limit the

amount to a sum which is functional, in other words, reasonably enough to cover funeral costs, to cover living expenses, for that period of time which would normally elapse before the Estate can be brought under a formal control by the obtaining of Probate or Letters of Administration. For myself, Mr Speaker, those two criteria would be desirable, a definition of the class of person who can be nominated and also some upper limitation on the amount of money that may be advanced. I think it should be on a functional basis and the rest I think would be machinery but obviously one would need the indemnity clause because that is the most important aspect of it, one would also need I think to have some sort of sanctions to make sure that the proper person applies for it. If those criteria were taken into account I myself see no reason why it could not be done, Mr Speaker.

HON P J ISOLA:

Mr Speaker, we sympathise with the motion. I think the wording of it is not the right wording because the personal representative as has already been said, you never know who the personal representative of somebody is until the Court has said who they are because you might find the wife saying she is the personal representative and the sons saying they are and somebody else saying that they are. As I understand the nomination procedures, what happens is that an employee lodges with his employer a nomination form and he says: "In the case of my death give the money to my wife or my children, named next of kin". I think that if there is a cash limit as to what can be paid under this, I would not like to see a need for the person before he gets the money to clear with the Estate Duty Office in Gibraltar that any estate duty has been paid because then you are back to the same procedure as in the courts. What one could do is that in the legislation you could make it a legal obligation on the person who pays to notify the Commissioner of Estate Duties as to the person to whom the money has been paid, and the amount, so as not to interfere with the actual payment. If the person who has received the money does not receive much else but this particular gratuity of £3,000 or £4,000 which does not attract Estate Duty, if the Estate itself does attract, in fact, because it has much more money, the person can be chased up, I would have thought. The idea of getting the money quickly to a person would require it to be paid on proof that that person is the person in the nomination form, to a limited extent. I agree with the Hon and Learned Attorney-General that there would be a need in the law to indemnify the person who pays. I can visualise quite easily the situation of somebody who has signed the nomination form in 1980, dies in 1985, having forgotten he signed his nomination form, has divorced his wife, there are other children, and people coming along and saying that belongs to them. To make this work there has got to be a legal obligation from the employer to pay the person nominated but, equally, he must have a legal indemnity otherwise it just does not work because the question of representation, as the Hon and Learned Attorney-General has said, the question of going to court for

representation is a very sensible procedure because it is the only way you can ensure that somebody who is dead and is no longer there to say what he wants done with his money, that his money is not dealt with except by people who have been recognised as his personal representative. That is, Mr Speaker, for bigger estates but not for the sort of estate that the Hon. Mover talks about and certainly we would go along with the system of nomination provided we have the safeguards that the Hon. and Learned Attorney-General has set out. We support the spirit of the motion but we cannot really support the motion in those words because personal representative means somebody the court has recognised as personal representative.

HON CHIEF MINISTER:

The only point I would like to make on the contribution of the Leader of the Opposition is that for that to happen, for payment to be made straightaway irrespective of Estate Duty there must be a limitation in the value that has to be paid. Somebody could have a gratuity for £4,500 and £15,000 or £20,000 on Savings Bonds and therefore the estate duty that the money would call for would not be inconsiderable and therefore there should be a limitation of the money that a person can receive related to his gratuity and to his benefit at work, the rest must follow the usual procedure.

HON P J ISOLA:

That is why I said that there did not seem to me to be any point in holding back the money because if there was no other money than that there would be no death duties payable anyway but if there was £20,000 or £30,000 tucked away somewhere then the Government can get its bite from there through the normal procedure.

HON G T RESTANO:

One very brief suggestion that I would make and that is on the question of the nomination form. The nomination form first of all nominates wife or husband but there may be cases where people may wish to nominate other people. It seems to me that this nomination form which is a very good thing because at least on paper it would be recorded who the person wishes his money to go to, it is a form of executorship but I feel it should be the onus of the employers to send reminders every year whether the same nominee is intended because it may well be, Mr Speaker, that persons may at the beginning of their employment when they may not even be married in those days and they may decide that their executor or their nominee should be their parents and then during the course of the years they may get married and then they might wish their husband or wife to be their nominees and it may well be that they might even

get separated and I think it is very possible that they might forget to inform the employers that it is no longer their parents in the first place and their husband or wife in the second place. I think that it is quite natural that this may well be so and I think it will be a very small administrative point which would not take a lot of effort for reminders once a year to be sent to employees asking them to confirm that so-and-so is still under their nominee or executor.

HON J BOSSANO:

Mr Speaker, if I can just take the point made by the Hon. Mr Restano, I think the mechanics of how the introduction of the nomination form takes place is a matter for agreement between the employers and the staff representatives. The point, basically, is that the employers have been unwilling to move on this issue because they feel themselves unprotected under the existing law against a liability arising out of an unknown will existing so that if they pay to a person that they think they should pay and then find themselves with a claim from someone else they then feel that they have got no way of avoiding paying twice. That is basically what has held up the situation until now. Consequently, what I am asking the House with my motion, and I apologise to the House if it is not particularly well drafted, I do not claim any technical expertise in this matter, what I want basically is to remove that obstacle so that the necessary negotiation can go ahead between the employers and the Unions to enable an agreed form of nomination to be signed so that the employer can pay whoever the employee wants to be paid and the onus of responsibility must be on the employee. Quite frankly, I think the employers would be very reluctant to accept a greater responsibility than the one of saying: "OK, if an employee comes and tells us he wants so-and-so to be paid then it is up to him to come and tell us if he changes his mind". I think that would be the attitude of the employers, quite frankly. Effectively, I do not think we in the House can do anything to change their minds one way or the other. As far as we are concerned if we move into a situation where the main obstacle is removed then it should be possible to introduce a system acceptable to both sides. I commend the motion to the House and I am grateful for the support that it has found, Mr Speaker.

Mr Speaker then put the question in the terms of the Hon. J. Bossano's motion which was resolved in the affirmative and the motion was accordingly passed.

HON J BOSSANO:

Mr Speaker, I beg to move under Standing Order No. 60 the suspension of Standing Order No. 19 to enable me to move a motion of which I have given notice, in view of the fact that there has not been enough time since the lapse of the original notice.

Mr Speaker put the question which was resolved in the affirmative and Standing Order No. 19 was accordingly suspended.

HON J BOSSANO:

I beg to move that: "This House considers that in selecting the successful tenderers in the sale of land for private development, the major consideration should be the impact on Gibraltar's housing problem taking into account the number of units that will become available subject to compliance with statutory requirements". Mr Speaker, the motion effectively calls for a declaration of policy by the House to be taken into account by the Government and by the Tender Board in exercising their judgement as between competing tenders for land for development. The principle involved in the motion and the principle which I would urge upon the House to support, is one which is related both to the motion that we have had on the construction industry and, indeed, to the views that have been expressed by the Government and by other Members of the Opposition as to the importance of increasing the output of houses to meet Gibraltar's housing needs. We have to understand that in a situation like we have in Gibraltar where we have got very limited land available to house adequately the population, where we have a situation where over a ten-year period our total population has grown from 26,800 to 29,700, an increase of 3,000, we cannot effectively look upon land purely as a commodity that should go to the highest bidder regardless of the opportunities inherent in developing land in a particular way. Once a piece of land is used in one way there is a price that is paid which is not just the price paid for the land, it is the price that is paid for the opportunity that is lost by developing that land in some other way and consequently what I am saying is that the Government, in looking at the promotion of private sector development of land as a part of a programme to increase the supply and the stock of housing, and I believe that one cannot develop an adequate programme for housing in Gibraltar without such a programme being comprehensive enough to cover the public and the private sector, this is in fact one of the fundamentals of the policy of my Party on housing, again it is a motion carried at our last Party Assembly, that there should be development in the public sector and encouragement of the private sector in the development of housing and that the two things should be complementary rather than in conflict with each other. I would maintain, Mr Speaker, that if one allows a plot of land to go to someone who may pay a few thousand pounds more for that area and then develop it as one unit with extras like a garden and a swimming pool that very few people in Gibraltar can afford to have, that would be the wrong way in which to use land in Gibraltar if there is someone else willing to develop that area more intensively to provide cheaper units that can accommodate a greater number of families. The last part of the motion effectively ensures that if that is the sort of priority that is given, that priority will not be to jerry-building or to sub-standard housing which I do not think we should encourage or want. We do not want a situation where

we have land speculators wanting to make a fast buck by putting a lot of unsatisfactory housing on a small piece of land in order to get the maximum return in a very short period, Mr Speaker, and therefore the Government itself should ensure that the standards are adequate although I hesitate to say that the standards should be those of Government housing in the light of recent experience. Nevertheless, Mr Speaker, I think that the Government should not accept, obviously, plans which they consider would provide housing that might be cheap only because they are built with inferior materials or because the standard of workmanship is below that which is required by building regulations, etc. But within the context of what is considered necessary in the United Kingdom very many years ago, Mr Speaker, the Government introduced what was known as the Parker Morris standard in public housing which I do not think we have got the equivalent of in Gibraltar. I think it would be desirable to have a standard of housing and that people should not be allowed to build below that standard. But within our existing statutory requirements, if the Government has got to choose between the development of a piece of land which in the end will produce less units, then they must consider that it is in Government's own interest to see more units produced because that affects the total supply/demand equation which I was making reference to in my previous motion on the construction industry where I drew the attention of the House to the growth of the population over the last ten years, the growth of the number of housing units over the last ten years, we must see, of necessity, that if the population is going at a certain rate, then if we are producing houses above that rate, taking into account both public and private, then there will be a spin-off on the demand on public housing which redounds to the Government's benefit. In addition, no doubt, the need to subsidise houses would then move more into the area of subsidising those in need rather than having to subsidise virtually everybody now because 70% of the population is housed in Government housing because basically there is no alternative within the means of many people of the middle income. We should have an unusual situation for Western Europe in Gibraltar where it is only basically the relatively very well-off who can afford to own their own homes and a lot of professional people who would anywhere else consider it natural to be owner/occupiers in Gibraltar, look to the Government for adequate housing because there seems to be no choice. It is either getting into debt to an extent that they cannot really afford to or else having to go on to the waiting list which makes the Government's task in providing public housing much more difficult than it needs to be if we compare our own situation with that of anybody else. I think there are two basic arguments, Mr Speaker, that it makes economic sense within a comprehensive housing programme to encourage private sector development that is compatible and not in conflict with public sector development. Secondly, that we have got a limited amount of space in Gibraltar on which we all have to live and that it is in my estimation totally immoral to allow anybody just because they can afford to do so, to take too big a share of the space that is available. I commend the motion to the House.

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

HON A J CANEPA:

Mr Speaker, the Government is very happy to be able to give full support to this motion. We concur fully with the objectives which it seeks to achieve. In fact, it has already been a consideration with Home Ownership Schemes that the Government has tried to get off the ground that priority has been given to people who could return to Government other accommodation that would enable the Government to direct it towards making the greatest impact on the housing problem. The safeguards at the end of the motion, namely, that the number of units that would become available should be subject to compliance with statutory requirements is a very necessary one because it will avoid the temptation of someone submitting a tender for a rather low price for a very substantial number of units to be built in the hope of being successful. I think what will happen if the spirit and the letter of the motion is applied will be, I imagine, that the Tender Board will be seeking the advice of the Development and Planning Commission in respect of particular tenders and the Commission, in giving their advice, will take into account town planning requirements. There are already limitations, however, in respect of various plots of land which are put out to tender as to the number of units that can be built. For instance, in the case of Buena Vista Cottage the plot there which I think the closing date for tenders, I believe, is sometime in the middle of next month, there there is a limitation in respect of the fact that provision for only four parking spaces can be made and therefore, perhaps, four dwellings could be built there so really you are speaking in this case of rather low density. There are also zoning considerations to be taken into account. I imagine the Hon Mr Bossano perhaps doesn't go along with me to the same extent that I do but I think that I have a duty as Chairman of the Planning Commission to take all these considerations into account and it is not entirely compatible, say, in an area like Buena Vista Cottage to attempt to build a block of flats of 14/15 storeys just because you can maximise the use to which that particular plot of land can be made. Adjacent to that particular site there is another one for which the Government has plans which Hon Members will see about soon, that is mainly Woodford Cottage where there is a combination of a cooperative housing scheme that we have in mind which will make very full use of the land and which will provide people with the opportunity, on a cooperative basis, to get together and build some 16 or 17 dwellings with priority being given to people who are able to give up either Government housing or even private sector housing if their landlords are willing to accept a Government nominee so we are moving very much in this direction. There is one problem here and that is that a limitation cannot be placed in respect of Gibraltarians either by way of a successful tenderer or in respect of what the developer might subsequently do with that accommodation. A plot of land

at Naval Hospital Hill was put out to tender a year or 18 months' ago and a restriction was made that priority would be given to Gibraltarians and that would have been unconstitutional. We cannot do that and neither can you guarantee that the developer will sell or rent their accommodation to Gibraltarians. In fact, there are some indications, one of the recent problems that is coming up with private landlords, I am sorry to say, is that the Gibraltarian is being discriminated against. I know of one or two cases that have been brought to my notice where furnished accommodation has not been hired to Gibraltarians because the Gibraltarians are likely to remain permanently in Gibraltar and therefore people are looking to outsiders, UK residents or others, so that there is a constant turnover which brings greater benefit to the landlord. That is a constraint and a problem but nevertheless I would view the matter much more broadly and I think that if we optimise the number of units that can be built on a particular plot and therefore we are adding to Gibraltar's housing stock generally and overall, in time that ought to be of benefit and it should make an impact on the Government's housing problem. With those considerations in mind, Mr Speaker, the Government would be very happy to support this motion.

HON F J ISOLA:

Mr Speaker, the Hon Mr Bossano is having a field day. We will support this motion. I was listening with interest to the Minister for Economic Development and I hope that he will learn from the mistakes that come from not looking at a situation realistically. I think that being realistic, the most that the Government can hope is to increase the housing stock of Gibraltar. I think that if the Minister thinks that he can do a scheme, for example, of Woodford Cottage on a cooperative basis, that people are going to give up a flat and then they are going to get a house there for themselves to live in, he will find at the end of the day that he gets such people who then subsequently sell or let it to a relative. This is what happened, if I remember rightly, with the Gardiner's Road development. That development, and my Hon and Gallant Friend will tell me whether I am right or wrong, was originally put out for development as one unit, somebody was going to come in and develop the whole lot and when he developed the whole lot he could then sell it. What happened was that somebody came in, I do not know whether it was in one area or in two, and he was selling the options. Before he paid the Government he had already reaped all his money and made a profit on the land. This is what happened, this is fact, and then the land was built upon and the villas have changed hands very often at greatly increased prices. Let us not have illusions that by putting lots of restrictions at the beginning you achieve what you want to achieve, you don't, because property development being as it is in the end it is the property developer, the acknowledged property developer, who really takes over because they know the market, they know how to build more cheaply than other people, they know how to deal with the situation. I

agree entirely that any land that is put out for building should be put out with the consideration of maximising the housing stock and therefore put conditions on the number of units, put all those sorts of conditions to ensure that the housing stock is increased but don't think in terms, in my view, this is practical experience over many years, that by putting lots of restrictions all that happens is that you sell the land cheaply and the profit that the Government could have made will be made by somebody else. That is what has happened in the past and an example of restrictive conditions, of course, is Engineer House, that is a famous example where it was put out to tender by the Ministry of Defence for an outright sale and eventually the Government took it over and put lots of conditions and the developer never did anything and that land has lain undeveloped over something like 15 years. Now it is going to be developed at much greater cost. If one had allowed the market forces to move in the normal commercial sense perhaps today we would have had a block of flats there and the housing stock would have been improved. It is not an easy matter, Mr Speaker, and I agree, having heard the problems that the Development Programme seems to be running into, I think there is a need to allow private development in housing, encourage private development in housing, but I agree with the Hon Member on a realistic basis, not on the basis of giving a piece of land over for a single dwelling if you can have five or six there. I do not know about this site that has gone out but my recollection of the site that has gone out is that it is for a sort of three villas as opposed to a block.

HON A J CANEPA:

There are three blocks. It is a largish plot which is being divided into three.

HON P J ISOLA:

But is the sort of condition that you only build one housing unit on each block?

HON A J CANEPA:

I do not think that it has been a restriction that they can only build one. Even in Gardiner's Road, over the years, the Development and Planning Commission has allowed changes in the tender conditions whereby in fact people have been able to build more dwellings than was originally the condition of the Tender Notice.

HON P J ISOLA:

That is the thing that I think the Government has got to be very careful about because what happens is that people say they will tender for this, it says single units, or one villa, they tender, pay the price of one unit and then three years later they convince the Development and Planning Commission that there should be five units there so for the price of one they have developed five. This is the thing the Government must be constantly careful about.

HON A J CANEPA:

May I say, Mr Speaker, if the Hon Member will give way, that there is a constraint in any case being placed by the parking requirement and over the years we are now more stringent on that. The condition used to be that for every two flats one parking space had to be provided and now we are being much more difficult and we make it a requirement that it should be one for one so that will be a limitation in any case.

HON P J ISOLA:

I do not want to argue all these things but may I make a quick observation on that. I hope we are not getting to the stage where we are restricting house building because of parking spaces. I think I would rather have the cars literally piled up one on top of the other, and the housing units, that to say that you cannot have so many housing units so as not to have so many cars. But, anyway, Mr Speaker, I think that the general purpose of the motion is something that we should subscribe to and something that should be very much in the minds of the Development and Planning Commission when anything is let out for tender and for sale. The amount of units that go there should be the maximum, it should be advertised up to a maximum of rather than one and then find that people can wheedle their way and get three or four more out of it. I think the Government should be realistic and that puts everybody at the same advantage and it stops speculation, although inevitably in private development obviously there is speculation, there must be, but it stops the wrong kind of speculation and certainly we go along with this motion, Mr Speaker, very much so. With the housing shortage that we have in Gibraltar today we must ensure that land that comes available on the market, the use of it should be maximised for living accommodation. The other point made by the Minister with regard to what is happening in accommodation generally in Gibraltar, we are all aware of the problems that are arising but again these will have to be dealt with really not ad hoc, I think there is a need to review the whole scope of our legislation on landlord and tenant. It is a very difficult one and a very technical one and one has always got to bear in mind the need for economic development in Gibraltar. You cannot frustrate development by dealing with the matter very haphazardly and on a rule-of-thumb basis.

You have got to go into it deeply, see what is required, get an element of fairness and justice in but on the other hand do not get into a situation that all development ceases because whatever the prices have gone out development has produced more housing stock for Gibraltar, not as much as people would like but certainly it has also contributed to the overall position of Gibraltar.

HON MAJOR R J PELIZA:

Mr Speaker, I am very pleased to see above all that my Hon Friend Mr Bossano is taking a non-ideological view of this question of housing in Gibraltar. One should try and approach this in a practical sense and this is the way that it should be. To me it is obvious that there is a demand for housing in Gibraltar by people who can totally afford it or partially afford it. It seems to me that this is a very good start except that unfortunately in this particular plot of land which I happen to know fairly well, it was not sold as a plot for a particular development where the area would be very suitable for perhaps a block of flats where more than three families could have been accommodated. I do not know whether it is too late but if it is obviously it is too late and nothing can be done but if it is not, it is a great pity that this opportunity is being lost. Then, as was suggested here, it could be put out to tender stating the maximum number of houses, as my Hon Friend said, that could be built there and then based on that give it to the tenderer that would best fit the requirements as the Government see it. I believe that if this was done it would find quite a number of people who would be prepared to buy those flats from our local population who are the people that we want to house. Furthermore, I think that if this could be done in conjunction with a building society, which I believe do exist here, it would be possible as they do in England that a certain amount of priority is given to those people who are already saving in that society. If all those factors are put in that way the very likely people who would have a first choice without any need of discriminating would be the Gibraltarians. In that way we might be able to achieve maximum results for the people that we are trying to house. We said that the land that can be used for this purpose is limited. This could well be turned into the first project and I do not know whether the Minister would not like to give further consideration to this. Mr Speaker, I think that the House seems to be in favour of the general idea and therefore there is very little to add to the arguments already put forward and I fully support the motion.

HON J BOSSANO:

Mr Speaker, I welcome the support of Members. I would like to take up a number of points that have been made in the debate. On the question of zoning raised by the Minister for Labour, I think, really, if he analyses it carefully, one thing is in

conflict with the other. We cannot effectively say on the one hand that we must treat the whole of the land in Gibraltar as one unit and use all that land to the maximum optimum use to house the greatest number of people and on the other hand to say that you are going to zone certain areas which are the areas where presumably the proletariat lives one on top of the other and then other areas we are going to zone as a green belt where the well-to-do can live.

HON A J CANEPA:

If the Hon Member will give way. It happens to be a statutory requirement. It is law at the moment, on the basis of the City Plan which was a draft City Plan in 1976 and has now gone through the whole process of being accepted by the Governor, that is now the official statutory City Plan which must be taken into account by the Planning Commission and unless that is amended that is the position, that there are certain requirements regarding density in certain areas of Gibraltar, you cannot get away from it.

HON J BOSSANO:

I accept that this is the case if the Hon Minister tells me that it is the case, Mr Speaker. I would just ask him to point out to the people who have been most influential in formulating this City Plan and its zoning, to say whether they would like to change places with me so that I can move into the zone where they live and they can move into Varyl Begg because it seems to me that it is all very nice for Gibraltar to be zoned if you happen to be living in the right zone.

HON A J CANEPA:

The Hon Member will have a very good opportunity over the next year or so because there is a new City Plan due to be drafted in 1981 and that is where the process of public participation comes in and people can make their views most effectively felt in shaping town planning policy for the next five years.

HON J BOSSANO:

I think, Mr Speaker, the important thing in this context is of course that we want to try and achieve within the context of Gibraltar's development, a balance between open spaces and areas of recreation and built-up areas but within the context of the area that we have for development for housing, people must accept that if there is a limited amount of area within a City Plan available for housing then to the extent that any part of that area is developed for low density development that, of necessity, requires an even higher density for the

rest of the area that is allocated for housing and in which the bulk of the population will be living. It has to be understood that if one says we want a particular area to be an area used for parks or playgrounds, that is a legitimate zoning purpose, but of course we cannot have a park with a palace in the middle of the park for one person, that we cannot have because that is not zoning, that is taking an unfair advantage of using an area for residential purposes. We are very proud in Gibraltar of our ability to cut across class divisions in many respects. I do not think it is in anybody's interest to move in the opposite direction. I think we can have strong ideological convictions and strong ideological differences and still be able to come together when Gibraltar as a totality is threatened. Living next to each other forces us to think like that and I would not wish to see a Gibraltar where there is an area where a certain class of people live and another area where another class of people live. In fact, there are people who claim that this, to some extent, already happens with the way that the UK-based residents are stuck in one end of Gibraltar and I do not think we want divisions like that developing amongst Gibraltarians. There are strong political reasons why we should not want to move in that direction and there are strong practical and economic reasons where we must see the land that is available for housing as being a totality from which you cannot take one piece without, of necessity, reducing what is left for the rest. That is the essence of it, as far as I am concerned, which takes precedence over questions of parking spaces and questions of zoning. I think I would really want to make this point very strongly particularly to the Minister for Labour who, on so many occasions in this House, has come so close to my own thinking on other issues. I would ask him to think seriously about whether in terms of the priorities that he himself has in life, the question of zoning a particular area because one says we do not want to over-develop that area, when effectively not over-developing it means restricting it to a certain minority who can afford them to make use of it or saying that if there are not enough spaces for cars then we cannot develop that area, whether those restrictions which might make sense in abstract terms, in the reality of the limitation of space of Gibraltar do not carry with it a price of using up land to house less people than it might otherwise do. If that does not carry with it the price of having then to load even more the places that we are left with to house the rest and that is the essential criterion which I would put to Members of the House is the feeling they have on this motion.

Mr Speaker then put the question in the terms of the Hon J Bossano's motion which was resolved in the affirmative and the motion was accordingly passed.

The House recessed at 5.30 pm.

The House resumed at 6.10 pm.

HON CHIEF MINISTER:

The Private Member's motions having now been concluded, I now formally move that this House adjourn sine die.

MR SPEAKER:

I now propose the question which is that this House should adjourn sine die. Two Members have given notice that they wish to raise matters on the adjournment. The first notice is from the Hon and Learned Leader of the Opposition.

HON P J ISOIA:

Mr Speaker, I gave notice earlier on in these proceedings that I wanted to raise the question of the settlement that the Government has reached on the problems concerning the Varyl Begg Estate and the very acute disappointment and indeed anger, Mr Speaker, at the terms of the settlement as they have been related to us. Anger and acute disappointment because the leaking roofs in the Varyl Begg Estate, the first time that roofs were leaking, were noticed in October, 1974, and the first letter of complaint from the Government to the contractors or to the consultants was in January, 1975. We are talking of a settlement that has been reached six years after the leaking roofs were first noticed. During that time, Mr Speaker, there has been a great deal of human suffering in the Varyl Begg Estate by tenants affected by the leaking roofs and all the other problems in the Estate. On top of that Government has incurred a great loss of revenue, the amount we do not know, from flats that might have earned rent but did not because of the various pieces of advice that the Government received during this period of time. Mr Speaker, we do not think it was worth waiting six years to resolve the matter even if the contractors and the consultants had paid in full for putting the thing right and also paid compensation for the distress and loss that they have caused. We do not think it was worth waiting six years to achieve that. We think, as we have said in these Opposition benches for the last 3 or 4 years, if not longer, that Government should have gone in once the causes were identified, in 1978 we were told about it, should have gone in and done the work and sued in the courts or in arbitration, paid for the work and awaited to see what would have happened. In that way flats would have been fit for occupation, people would have led a normal life in Varyl Begg Estate whilst the litigation or the arbitration took its course. Instead, Mr Speaker, we have a situation that six years, almost to the day, after the leaking roofs were noticed, a settlement is announced that, as I said in the proceedings, amounts to a surrender to the contractors and the consultants and still another eighteen months will go by before the leaking roofs are finally obliterated, if I may put it that way. Another eighteen months and that will have made it 7½ years, that is not allowing for slippage. It is 7½ years since the

leaking roofs were first reported and I think the problems in this have arisen from the Government's stand from the beginning that until the question of liability was sorted out no remedial works would be carried. The result has been 7½ years. It is a long time, Mr Speaker, in the life of any person and of course what is worse still, to my mind, that at the end of 6 years of this problem a settlement has been made that is highly disadvantageous to the people of Gibraltar and very costly and throughout this period when we have talked and we have argued, the Government has always taken the stand that there is no reason why the people of Gibraltar should be made to pay for something that they themselves did not cause and I would like to refer to one of the numerous debates we had in the House on the Varyl Begg Estate and it took place in June, 1979. At page 24, the Minister for Public Works was referring to matters that had been raised in the debate and he said: "I come back to a letter to the Director of Public Works on 25 January, 1977, from the contractors, much in the same terms in which they comment that they were willing to rectify any workmanship which had been proven to be faulty and to bring up to specification any work which was not made in accordance with the specification". And they go on to say: "However, we are convinced that such preparatory work will not in fact prove satisfactory as in our considered opinion any such faults are only a small contributory factor in the failure of the roofs". Take Government's position at this stage, that was 1977, the roofs were obviously unsatisfactory, no absolute reason had been found, Sir Hugh Wilson was talking about such things as residual water, something which I will tell you at this point Government did not give much credence to, at that time Government were not very friendly with Sir Hugh Wilson, the position seems to have changed in the last six months, the contractors were admitting that they had not carried out work as well as it should have been done and that they were ready to do this repair but they were warning: "Even if we do this repair at considerable expense", a repair which in one estimate might have gone up to £150,000, they were saying; "even if we go to all this expense of repair, it will not solve the problem". The Government obviously had referred the whole question to its legal advisers and one of the points made very strongly by the Government's legal adviser was; "before you do anything to those roofs you must find out what is wrong because it is no good spending a lot of money simply to perpetuate the same fault, if Taylor Woodrow are correct in their contention that the design is at fault". Taylor Woodrow were also at the same time saying that they would put the roofs up to the correct specification after which they would take no further responsibility. At that time in 1977 the repairs of the roofs were estimated at £450,000. It is interesting to note that as at May, 1979, the repairs were estimated at £650,000 and it is also interesting to note that the final figure agreed with Taylor Woodrow is not the figure of May, 1979, of £650,000 but the figure of January, 1977, of £450,000. Then, Mr Speaker, in the same debate the Hon and Learned the Chief Minister spoke on the matter. That is at page 28: "I do not think that there is any doubt that given the fact that we have paid or we have engaged consultants and contractors of repute and that we will

pay finally good money for the work that has to be done that any Government, any employer, any developer who does that is entitled to receive flats that can be occupied without the difficulties that have emanated from these flats from the very beginning. The principal in the contract is entitled to expect that between the design drawings and the construction, the result will not be flats with leaky roofs. That is what we are entitled to get and that is what we have been fighting to get. Patching up for the purpose of eye washing and trying to pacify people more immediately would have been perhaps more popular in the short term but certainly of greater financial commitment and consequences in the long term. That is the last thing we have wanted to do". Then again at page 29 he said: "The Government is really concerned in seeking a decision which is reasonable and which does not burden either the taxpayers of Gibraltar or the ODM for expenditure for which neither the taxpayers of Gibraltar nor the ODM are responsible in that respect. That has been the main theme and the main approach that the Government has taken in this matter. In the eyes of the average person it may seem that it is taking too long. I am not defending here any particular system but matters of this calibre and of this nature, not in Gibraltar alone, one reads in papers of £20m or £30m schools in England which are uninhabitable and hospitals that are uninhabitable because of inherent defects in the structure and this is a problem that presents itself to people responsible for development. I do not want to take the view now as to whether it was the design, the people who were appointed, the contractors, the consultants, all of which was all done before we went back into office in 1972. I do not think that anything will be gained by that kind of recrimination or investigation. I think that the problem is the problem of everybody in Gibraltar and it is one that everybody should do his best constructively to find a solution that will be the least harmful to the taxpayer, that will not prejudice funds which could go to other projects and commit them to this when in fact the responsibility may well lie elsewhere. Certainly, whether it is one or the other or the two it is certainly not the Government's legal responsibility". These are sentiments with which we agree. Where we differed with the Government was that the Government had to wait until agreement had been reached before tackling the problem. This is where we differed fundamentally with the Government. We said: "Tackle the problem, get on with it and go to arbitration or to court, whichever you have to do, and then since we are not to blame let the court decide whether it is the consultants or the contractors and let them pay accordingly". This is the consistent attitude taken by us certainly in the last 3 or 4 years. It looked at one time, Mr Speaker, as if the Government was coming round to that view because the Government announced in January, 1980, two or three weeks before the elections, that they were going to go ahead with the construction of pitched roofs, that they had made up their minds to do this. What they did not tell the public then and which appears quite obvious from what has happened and the questions that have been put in the House and answered by the Government, and I will not go into the details, what

they did not tell the people was that they still expected to settle the question of liability between the contractors, the consultants and themselves before actually proceeding with the work. This, to my mind and to our way of thinking, is the real reason why work on the pitched roofs did not begin in the spring of 1980 as was promised and has not to this day begun, because of the need to settle the question of liability. Mr Speaker, I think all that is now past history but the net result is a very heavy bill for the Gibraltar taxpayers. Let us look at the settlement that has been reached. In May, 1979, which is now 1½ years ago, the figure for carrying out the repairs to the roofs was put at £650,000. I am sure in May, 1980, the figure would be higher still. The least one would have expected from the contractors is to pay the amount, and I am only talking in general political terms, was to pay at least the amount that it would have cost to put the roofs right even if they leaked afterwards but at least the money that they should spend to put right what they did wrong, and which they said in the letter of 1977 they were willing to do so their contribution should have been at least the amount to put right what they had apparently done wrong. I am talking in general terms. But we find that their contribution is to be £450,000 plus £40,000 of repairs they do not get paid for. What about the consultants? What about the consulting architects? They, if we are to believe the contractors, were responsible for not correctly designing the roofs. This is what we have been able to gather on the debate over the years. Their plans were wrong, and how do they come out? They, of course, come out extremely well, Mr Speaker. Their contribution has been estimated by the Government at £85,000. And that is fixed, the same way as the contribution of the contractors is fixed at £450,000, but what are the obligations of the Government, the innocent party, and I will deal with the betterment side in a moment? The obligations of the Government appear to be to pay for the balance of £1.25m which is the cost of the pitched roofs. That is something close on £600,000 but remember one thing, the price for this work, the statement of the Hon and Learned Attorney-General said, the price of this work is £1.02m as at May, 1980. There is no fixed price for the Government. This would be subject to fluctuation thereafter for labour and materials and if this work is going to take eighteen months, is it going to cost £1.025m? I would imagine that straightaway there must be an increase of 15% or 20% on May, 1980, prices, that is another £200,000 odd it could be the Gibraltar taxpayer has to pay or ODM. I doubt whether ODM is in the mood to pay but maybe they will, I hope they do, but that is about £800,000 that would have gone on something else, on another project, as the Chief Minister so rightly said, when defending the position of the Government about doing a quick deal. Everything had to take its time because the Gibraltar people were the innocent party and we find the innocent party have a bill of some £800,000, possibly, and then the electrical repair work will also be paid by the Gibraltar taxpayer or the British taxpayer and the estimated cost, not fixed, I must stress, is £100,000. Again that could be completely wrong because the Government

estimation figures as we were told in the earlier debate on housing, have been shown to be wrong by those who tender, in other words, one of the Ministers said that each unit in a particular place is going to cost £6,400 more per unit than they had thought. So the liability of the Government is opened. The only liability that is fixed is the liability of the two parties that would be held responsible. And what happens? Taylor Woodrow £450,000 and the other chaps £85,000 and then, Mr Speaker, it is a small point but I think it is significant. The Government engaged Andrews, Kent and Stone as the honest brokers and they carried out an investigation to the roofs and they made three reports to the Government. The last report was in 1979, I believe. Who is paying for those costs? According to an answer by the Minister for Public Works given in this House on 26 June, 1978, in answer to a supplementary from my Hon Friend Mr Restano, who asked who will bear the cost of this report, the Minister answered: "For the moment the Government will bear it and, ultimately, if there is any legal action etc, it will be borne by whoever blame is apportioned against". I would like to know because I cannot believe that the total bill of Andrews, Kent and Stone is £5,500. If that is so then fine, that is going to be paid by the consultants but I cannot think, judging from the amounts of money that we pay in the House

HON ATTORNEY-GENERAL:

If the Hon and Learned Member will give way, perhaps, I can clarify a point. If he is referring to the £5,500 in my statement to the House, that does not refer to Andrews, Kent and Stone, that refers to engineering work in connection with the new pitched roofs. It relates to the pitched roofs and to the electric, that is not Andrews, Kent and Stone at all.

HON P J ISOLA:

Is the Bill not referred to here at all, then?

HON ATTORNEY-GENERAL:

I will come to that.

HON P J ISOLA:

It appears, Mr Speaker, then that the costs of Andrews, Kent and Stone are not provided for and unless I am wrong it means that the Government are going to pay, that is all I can think, that is a detail that has not come to light. I certainly would like to know what those costs were, Mr Speaker, but I would have thought that consultants that were engaged in 1978 and gave their final report in 1979 and investigated the roofs and had to take some roofs off etc, I would have thought that their

bill would be quite substantial. I would like to know who is going to pay that and what is the amount involved. Mr Speaker, the total bill that the Gibraltar taxpayer is going to have to meet is going to be, it seems to me, close on £1m. I know it is said that there was a betterment value in the pitched roofs and I know there is a betterment value in the pitched roofs but, Mr Speaker, one cannot accept for one minute that if the cost of repair of the roofs in May, 1980, was £650,000, that the contractors, if they are to blame, should not have paid the whole lot and if there have been design faults as obviously there must have been, that the contribution by the consulting architects whose designs were the cause of the problem, what they are bearing is peanuts, they are not bearing anything, they are just giving their service free to do something right which they did wrong in the first place. The amounts that they are paying are insignificant when you are talking of an exercise of well over £1m. Mr Speaker, one is driven, unfortunately, to the conclusion that the Government have had to accept this settlement because of the course they have taken over the last five years that liability had to be resolved before the work was done and they either accepted a bad settlement or they had to tell the people at the Varyl Begg Estate that negotiations were still going on and that they had to be a little more patient. They saw that they were getting into an impossible position as far as the public was concerned in Gibraltar and they said: "We better make a bad settlement and get the roofs done than go on fighting". If the Government had taken the course that we have advocated and gone on to do the work in 1978 or in 1977, in the first place the cost would have been much lower and in the second place the tenants at Varyl Begg, their roofs would have been alright and the arbitration and so forth could then have carried on. They did not do this because the Government saw no reason why they should disburse the money. Now the Government has landed the people of Gibraltar in a massive bill which Government Ministers have constantly said that we should not have to pay. The amount is so great, Mr Speaker, that this is a matter of urgent importance as far as the people of Gibraltar are concerned and I would certainly like to welcome a Government statement in reply as to the reasons why a settlement of this nature was agreed to by the Gibraltar Government.

HON J BOSSANO:

Mr Speaker, the Hon and Learned Leader of the Opposition has, in fact, pointed out the crucial element that has dominated the debates on the solution to the Varyl Begg problem in all the years that the Opposition has been urging on the Government that action should be taken. The essential point, and I think the one where it seems incomprehensible today that we should be facing the situation that we are facing, has been the Government's recognition of the fact that the problem was not being resolved immediately to the detriment of the people involved and to the detriment of the Government's own housing programme. The Government itself recognised, on more than one

occasion in debate in this House, that the unavailability of houses from Varyl Begg that were intended to become available at a certain point in time was having a domino effect on the whole question of modernisation and decanting which was intended to slow in at a particular point in time and they used that argument to explain why the rest of the housing programme was falling behind and then they said they could do nothing about that because to do so carried with it the price of putting a liability on the Government of Gibraltar which the Government of Gibraltar should not accept. It was the argument that the Opposition found difficult to press the Government on in the last 4 or 5 years when this has been raised in the House. We used to listen to the Government saying: "Yes, but if we go in ourselves and put the works right and then go to arbitration or sue, by virtue of moving", in fact, they had houses empty for two years and said they could not be allocated because by allocating those houses they would prejudice . . .

MR SPEAKER:

Mr Bossano, there are 12½ minutes left. I am saying this because if the Government is going to give the information which has been sought, we must give them an opportunity. I am not stopping you because you are entitled to go on.

HON J BOSSANO:

They said they could not allocate houses for two years because that would prejudice their legal position and then somehow they were given different advice and they were able to allocate houses. Then subsequently we were told that they could not go in and build without prejudicing their legal position. At the end of that process and long wait, with the repercussions it has had on the Government's own Development Programme, one would have expected a result which would clearly vindicate the policy that has been adopted and I think the House and Gibraltar are perfectly entitled to demand an explanation that is better than what has been given.

HON ATTORNEY-GENERAL:

Mr Speaker, I shall speak very briefly. May I say at the outset that I do not believe I said when I made my statement last week that I was giving an explanation. I took some care to say I was stating a course of action that had been taken and the result that had been arrived at. I said to the House then, and I repeat now, so far as the role of the lawyers in the matter is concerned this is as the Hon Leader of the Opposition has pointed out a very major matter and at the appropriate time it is a matter which obviously must be looked at and the weight of that advice must be evaluated. I simply want in this intervention, Mr Speaker, to cover one or two points that have been made by the Hon and Learned Leader of the Opposition. A small

point but one which I do want to mention is that I would not like the impression to be left that the figure of £650,000 mentioned in 1979 was an estimate but it was a figure mentioned by the consultant engineers we had engaged. The second point I would like to make is that I do not think it is correct that in saying that Government was going to erect pitched roofs the impression was given that we were necessarily not going to pursue a settlement. It is a matter which I would like to revert to at a later date. The Hon Leader of the Opposition made the point that it may have been inferred from the fact that pitched roofs were being erected that it followed that there would not be a settlement. I do not think that that was positively stated or, indeed, necessarily intended to be conveyed. It is a point to which I would like to return because I think as he will appreciate there was a question of tactics involved in it. It follows from what I have said that I have myself a view as to the respective liability of the contractor and the consultant and that is a matter I would like to come back to in due course. Finally, Mr Speaker, just to clarify a point. In negotiating the settlement Government took into account various heads of damage and one of the items that was taken into account was Andrews, Kent and Stone's fees which come under a general head which also include other expenses. It was in fact taken into account, I do not say it follows from that that we have recovered in full, obviously we did not. Thank you, Mr Speaker.

HON CHIEF MINISTER:

Mr Speaker, as it has been mentioned before this has been a matter which has been going on for a long time and which has given the Government a considerable number of headaches not only in respect of debates and motions but in dealing with the problem itself. It has had, like all big matters or problems of this nature, a difficult history. But as has been rightly pointed out we finally identified the problem in May, 1979, by Messrs Andrews, Kent and Stone and may I say, in passing, that that liability for their work is ours and I should not want anybody to think that I am shirking answering that question and that the estimate of their work is between £12,000 and £15,000. At least it was able to identify the matters and able to put us in a better position to pursue the matter as we had not been able to do before, precisely because of the conflict between the consultants and the contractors. The Hon Leader of the Opposition did mention that he accepted that there was a betterment value but he just dismissed that very quickly. When the Attorney-General was pressed the other day as he has attempted, naturally, to stick to his brief as advisor to the Government and not responsible for policies for which we are responsible, when he was pressed the other day, he hit the nail on the head when he said that in his view, and that was his view and it was as a result of pressure from the other side, a great contributory problem to the difficulties was the design of flat roofs, not the particular design but the fact that the Estate had flat roofs and that that had brought inherent problems and this is

something for which of course this Government is not responsible. The design of the Varyl Begz Estate is the full responsibility of the IWB? Government. That is very clear. The decision to have flat roofs where people could go and hang their laundry which has been one of the problems which has created even more difficulties because of the stresses and strains that have been put to that by virtue of having drying areas and that was the idea of the former Minister, Mr Caruana, who boasted about it in this House. Precisely in the context of that we have to look at the betterment value which has not been quantified but which is a very important factor in these circumstances, the betterment value. Even if we had accepted the repairs of the roofs we are advised that even if the design was right, even if the work was right, that that would give it an age of about ten years and then we would have continuous problems. The pitched roofs are likely to last sixty years as they are going to be properly designed and done in a way that is likely to bring about less problems than we have now. That is really of very great importance. In the eyes of the problem what is the Government, the lay client, what has he got to do, we are the lay client in this matter. The contractors were blaming the consultants and the consultants were blaming the contractors. Should we go to litigation or start work? There are two great difficulties there. First of all, the length and time of the litigation, secondly, if we start on our own the kind of litigation that we would get into ourselves if later on it was proved by one or the other that the other one was to blame and that, in fact, they were not happy with the kind of work that we had done whilst the litigation was on. Thirdly, the fact that this kind of litigation would have been, as all construction litigation is, of long and tedious character, a long and difficult one in which officers of the Government would have been busy for years and years before a litigation of this nature comes to an end. It could take up to 3 or 4 years before a final decision was taken on this matter. We thought, and we still think, that we are entitled to have had the roofs repairs properly either as a result of liability of one or the other, but it came to a stage where a decision could not be left any longer and we had to try and see whether we could come to a settlement. A good settlement or a settlement, if it can be obtained, is much better than uncertain litigation not because we would not have been right in deciding but of course there was the element of time because the time that it has taken to reach this stage for a number of reasons has increased the value of the repairs and, finally, I would like to state that accepting full responsibility for it, the decision of arriving at a settlement was taken on the best advice possible and in that respect and without in any way trying to throw back that this is the result of the advice that we have received, you will see at page 4 of the Attorney-General's statement, after following up saying that the last chance would be given for a further round before a settlement was reached said: "As a result of this further round of talks, officials were able to put to the Government and to support a further proposal made by the contractor. The architects concurred in the proposal. I was also able to recommend to the

Government after consultation with officials a basis for settlement with the architect himself. Both of these proposals were referred to and approved by Council of Ministers and agreement was then reached with the contractor and the architect accordingly". It is not a decision in order to finish up and patch up the whole question. I would agree that we have taken a little longer than we should have taken but it is because we have followed a cautious view that otherwise would have cost more. On the question of the betterment there is a rather good and fringe benefit that we are having in the fact that putting up the pitched roofs is going to be financed by the Economic Export Guarantee Department and that of course means that payment will be made in very, very favourable terms at rates of 8%. We will quantify that when we give a full account of the details for the settlement and it will be seen that that is a very great advantage. The other problem is that from the very beginning our own Quantity Surveyors calculated that the cost of the roofs as at May, 1980, was in the region of £960,000 whereas the contractors said it was £1,025m. They said it was higher and they came to an agreed one which of course allows for an element of profit because they are not going to build that without an element of profit, but it is a fixed contract on terms unlike the difficulties we had which have been the subject of comment about the fact that you put out a tender for something which you think is going to cost you £3m and to come out with a tender of £5m. This is a negotiated contract with the contractors and our Quantity Surveyors on the proper basis and that is where we have the great advantage. Having put out the work for tender and going on with litigation would have landed us in considerably more expense. The point is quite settled, this is not a question of speculation. The contract provides for the usual clauses that have been mentioned by the Financial and Development Secretary in respect of other contracts, that it allows for escalation but this is the norm and it was fixed at the time and we are giving the time and the time that the escalation will follow any kind of contract whether it was made now or is made in the future. I would be quite happy when we have all the details to give the House, and Gibraltar, a full account and satisfy the people, as we hope we will, that it is in the best interests of the people having regard to the affair and having regard to the disastrous decision of having flat roofs this is the best that we can do for Gibraltar.

HON A T LODDO:

Mr Speaker, on Friday of last week I brought before this House a motion asking the House to welcome the advent of the Gibraltar Sports Council as being truly representative of the different Sporting Associations in Gibraltar and further sought the Government's support and encouragement for this body. My motion was, as we all recall, amended by the Hon Minister for Sport to such an extent that it completely altered the meaning and the intention of the motion. The intention of my motion, I will reassure the House

MR SPEAKER:

May I say that when I gave permission for you to raise this matter on the adjournment, I did it to a large extent tongue in cheek for the simple reason that once a decision has been taken by the House of Assembly, that decision cannot be questioned even by the House. I have allowed you to raise the matter on the adjournment because the raising of matters on the adjournment is very liberal but we must not do or say anything during the course of this debate which will put in doubt or in question the decision that was taken by the House. I did warn the Leader of the Opposition of this. One is entitled to comment but not to ridicule or to put in question any decision which this House has already taken.

HON A T LODDO:

Mr Speaker, thank you for correcting me. I recall that the Chief Minister, when I expressed my surprise at the complete change of my motion, he pointed out that the Government would continue to amend all motions presented by the Opposition to suit Government policy and not those of the Opposition.

HON CHIEF MINISTER:

If the Hon Member will give way. I did not say that in those terms. I said that for as long as motions of the Opposition reflected matters which were not accepted as Government policy, we would have to alter them. That is the right of the Government.

HON A T LODDO:

And this, of-course, Mr Speaker, begs the question. Even if his policies are unrealistic, even if his policies are illusionary, in fact, even if his policies turn out to be a myth. In raising this matter on the adjournment, Mr Speaker, I want to make it as complaint, as a protest. If the Minister for Sport had had any inkling that the Sports Committee was on the point of resigning, if he had had any knowledge of the disintegration of his Sports Committee, in amending my motion and asking the House to welcome the Sports Committee instead of the Council, in my opinion he made himself and the Government look foolish. In fact, the Hon Minister bowled us a no ball and we should have treated it with the contempt a no ball deserves, we should have hit it for six. Mr Speaker, the Government could merely have defeated the motion instead of which it amended it and passed it with a Government majority only for the Minister subsequently to find himself in a position where he had no Committee to encourage, support and foster. After this I am surprised that when the Minister for Sport suggested his mini-Olympics he did not include the Scilly Isles, he could have called it the "Scilly mini-Olympics".

I shall be charitable because, as I recall, the Minister said that the Committee was fully behind him and yet the Committee resigned hours after hearing this in the House. I will assume that when the Minister for Sport said this he in fact did not have the prior knowledge, in fact, he was showing a complete lack of knowledge of the real situation vis-a-vis his Sports Committee, the depth of feeling of this Committee and the honest concern the members of this Committee had for their role in the Sports Committee and for sport in Gibraltar. If we were speaking in boating terms, Mr Speaker, whether it be rowing or sailing, two of the sports the Minister did not have represented on the Committee, we would be entitled to say that the Minister had missed the boat. I think, in fact, that is an understatement, he missed the boat and the House and I must emphasise that in my opinion, in defeating my motion by means of a hollow amendment, the Minister for Sport was most unfair to myself and to the House.

MR SPEAKER:

I always give that warning in fairness to the Minister, so that he can be given an opportunity to reply. If there are any other contributors they should speak now because we are limited in time.

HON H J ZAMMITT:

Mr Speaker, Sir, quite honestly I must say that I was shocked and surprised when you yourself, Sir, informed me that there was a motion on the adjournment on this particular issue. I can assure the House that I am informed that there was a television broadcast on Friday which I missed and I am informed that members of the Gibraltar Sports Committee had resigned. I have today been ringing up the Victoria Stadium, the Sports Manager, who is here in the Ante-Room and I have as yet, and I give my sincere word, I was told that the Chairman of the Sports Council said that the resignation of the Sports Committee was in the post and I give my word that were it not for the Chronicle that said that Mr Ramagge said this, I as Minister for Sport have not yet received official confirmation of this. Mr Speaker, it does not surprise me that the Members opposite are aware that they have resigned. They heard it on television and at Sandpits Lawn Tennis Club but the Minister has not been informed yet, Sir.

HON P J ISOLA:

I would like the Minister to take back what he said that he was not surprised the Opposition knew. If we knew that the Sports Committee was resigning and we do not have access to the information, we would have said it in the debate. We would have tried to save the amendment, we would have tried to save the

House making itself look foolish by telling the Minister: "Don't you know your Sports Committee is already resigning?" I would like the Minister to reconsider that remark that he has made that he is not surprised that the Opposition knew. I knew it myself when I watched the television question and answer.

HON H J ZAMMITT:

Mr Speaker, on Friday when the Hon Mr Loddo moved the motion I said, with no knowledge that the Sports Committee members had resigned, I said that the members were four square behind me and I remember the Hon Mr Loddo looking at the Hon Mr Scott and saying: "No, no, they have resigned". This was during the motion and if they are honest, Mr Speaker, they will accept this. If they would like to reconsider the gesticulation that was going on on the Opposition benches I think they will find it to be absolutely as I am saying now. Secondly, Mr Speaker, when I say the Opposition knew of it, I think I can substantiate this because I myself saw the Hon Mr Loddo having a rather lengthy chat with Mr Ramagge and then I am aware that on Sunday, after the motion, there was a meeting at Sandpits where the Hon Mr Restano, the Hon Major Peliza and the whole DPBG were taking up playing tennis at Sandpits Lawn Tennis Club, Mr Speaker.

HON W J SCOTT:

Is the Hon Minister for Sport, Mr Speaker, suggesting that we are precluded from meeting anybody, any committee, anywhere that we wish?

HON A J CANEPA:

On a point of order. I have been a Member of this House now for 8½ years and the fact is that it is becoming a very frequent practice now for Members on both sides of the House, having sat down and really finished their intervention, pretending that they have not done so. This is a feature of the present House of Assembly, it has been happening since February. I cannot say that I am enamoured of the practice. I personally do not like it because we are in danger of reducing the proceedings of the House to the realm of farce and I would ask you whether you might consider this point in consultation with the Chief Minister and the Leader of the Opposition so that at future meetings this practice is not resorted to as often as it is. It is one thing for a Member to give way to another Member of the House on the other side and give him an opportunity to intervene but what is now happening is that having sat down and finished we pretend that we have not and I do not think this is conducive to conducting our affairs in the best traditions of parliamentary practice.

MR SPEAKER:

I can give you a straight answer to what you have said. This has exercised my mind through the last meeting, as a matter of fact, and I have made comments both to the Chief Minister and to the Leader of the Opposition on it. I can do no better than read the relevant Standing Order. It is Standing Order 46 (ii) which reads as follows:-

"No Member shall interrupt another Member except:

- (i) by rising to a point of order, when the Member speaking shall resume his seat and the Member interrupting shall simply direct attention to the point which he desires to bring to notice and submit it to the President or Chairman for decision; or
- (ii) to elucidate some matter raised by another Member in the course of his speech, provided that the Member speaking is willing to give way"

and that is where Members are going wrong. If Hon Members do not give way then the Speaker would have no option but not to allow the Member to speak. The Rules goes on: "Provided the Member speaking is willing to give way and resumes his seat and that the Member wishing to interrupt is called by the President or Chairman". I have, as I said before, called the attention both to the Chief Minister and Leader of the Opposition on this matter. I have been rather concerned at the number of interruptions we have had in this meeting and I will most certainly bear it in mind for future meetings.

HON A J CANEPA:

With respect, Sir, that is not quite the point that I am making. The point is that a Member sits down having concluded his intervention, and then pretends that he has not in order to give an opportunity to another Member to intervene and then he does not even resume his speech because he has nothing further to say.

MR SPEAKER:

This is the way that we can deal with this matter and that is one of the matters which we must most certainly bear in mind for future meetings.

HON CHIEF MINISTER:

Mr Speaker, perhaps I can remind you of your own remarks on many occasions that a point of order is not a point of clarification.

MR SPEAKER:

That is so. A point of order is a point where it is alleged that a Member has breached the Standing Orders and that is why the Speaker is required to find out what is the point of order before anything else is done.

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 7.05 pm on Monday the 10th November, 1980.