

GIBRALTAR

HOUSE OF ASSEMBLY



QUESTIONS AND ANSWERS

Meeting of
13 March 1984
1 to 32

THE HON J E PILCHER

When was the Gibraltar Shiprepair Limited incorporated?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

On the 27th February, 1984, Mr Speaker.

SUPPLEMENTARY TO QUESTION NO. 1 OF 1984

HON J E PILCHER:

Mr Speaker, can the Hon Financial and Development Secretary inform us if Appledore have been already appointed as Managers and if so on what terms and conditions?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As Appledore have already been appointed as Managers, Mr Speaker, as far as the remainder of the question is concerned I think I would require some notice of it.

HON J E PILCHER:

Mr Speaker, will the Hon Financial and Development Secretary make these available to us outside the House?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

In due course, yes, Mr Speaker.

HON J E PILCHER:

Could the Hon Member tell us whether Appledore are now on the payroll of Gibraltar Shiprepair Limited or whether they continue to be on the payroll of ODA?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

At this moment, Mr Speaker, the remuneration of Messrs Appledore is covered by the Consultancy Agreement they have with the Overseas Development Administration, that is, the remuneration of Appledore.

HON J E PILCHER:

How long will this continue?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am afraid I cannot say precisely when, Mr Speaker, but I think the House will realise that the issue is one which will be determined by the release of the £28m ODA development funds and that will depend on the date at which there is either an agreement with the workforce or a sufficiently credible presence in the Dockyard to convince Her Majesty's Government that the Dockyard will be viable. Until that particular date I think we live with uncertainties.

HON J E PILCHER:

Is the Government happy with the authority they can exercise over Appledore with this state of affairs?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Government passed legislation in the House during the previous House at which the question of relationship between the Government and Gibraltar Shiprepair Limited was extensively debated.

MR SPEAKER:

Next question.

NO. 2 OF 1984

ORAL

THE HON J BOSSANO

Can Government state why Regulations were made on 16th February exempting income arising from the £6m Hambros Bank Ltd Loan Agreement, from all taxes?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, all payments of principal and interest on loans from financial institutions raised by the Government of Gibraltar are made without deduction of tax. During the negotiations in connection with the £6m loan facility recently, we received legal advice that Regulations were necessary for this purpose.

SUPPLEMENTARY TO QUESTION NO. 2 OF 1984

HON J BOSSANO:

Can the Hon Financial and Development Secretary say why it was necessary to pass Regulations on the 16th February under the Loans Empowering Ordinance when in fact a legal notice on the 2nd February exempted the payment of the interest from income tax under the Income Tax Ordinance?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The first Regulation, Mr Speaker, covered just income tax and the second covered all taxes which might be levied.

HON J BOSSANO:

Is the Government saying, Mr Speaker, that had these two legal notices not appeared the payment to Hambros Bank would have been in fact susceptible to income tax and other taxes?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As I said, Mr Speaker, we received advice during the course of negotiations that the laying of these Regulations was necessary in order to preserve strict adherence with the law. This was, of course, an interpretation by the lawyers both on the Government side and, indeed, on the side of Hambros.

HON J BOSSANO:

So the Government's view is, Mr Speaker, that in the absence of such Regulations the payment of interest and so forth in respect of such loans are indeed taxable?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Again, this is I think something of a hypothetical question, Mr Speaker, and as a lawyer yourself I think you would take the point that this would itself have to be tested by further legal advice.

HON J BOSSANO:

Is the Government intending to test it in respect of all the previous loans about which they have not passed Regulations beginning with the Barclays Bank loan of 1981?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I rather expected that question, Mr Speaker, and I think the answer to the Hon Leader of the Opposition is that I think we have better things to do.

HON J BOSSANO:

Mr Speaker, the Hon Member is telling the House that he has better things to do than to establish whether people who are required by law to pay tax are in fact paying that tax or not. Is he saying that in the case of the Hambros Bank loan the law had to be amended to exempt them from tax and in the case of all the previous loans there was no need to amend the law?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I am saying that we have, of course, borrowed previously and Regulations, to the best of my knowledge which of course is not extensive, have not been laid. I referred to the advice we received on this occasion and the substantive question is whether the loan to the Bank should be subject to tax. If they had been subject to tax then, clearly, we would not have been able to conclude negotiations for the loan facility as it was understood by both parties on the terms in which it was understood. The rates quoted by the bank were based on the assumption that the repayments of principal and interest would be free of tax and that is really the substance of it, Mr Speaker.

HON J BOSSANO:

No, Mr Speaker, the substance of the question, if the Hon Member will allow me, is for me to decide and the substance of the question is if the Government discovered that it had an obligation under the existing law of Gibraltar to exempt from tax interest payments that have not been paying tax, are they going to do something about the ones they have not exempted and if they are not why are they doing it on this occasion, that is the substance of the question?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, Mr Speaker, if the Hon Gentleman wants to ask that question and feels that it is of sufficient importance for us to receive advice of learned Counsel then he is perfectly free to put down such a question. He cannot expect me to give an answer off the cuff on a matter of such legal complexity here in this House.

HON J BOSSANO:

Mr Speaker, I accept the ruling of the Chair on this matter but I assume that it is perfectly legitimate a supplementary, having asked the reason why on this occasion the Regulations were amended, to ask why on previous occasions they were not amended and therefore is it the case that the Hon Member does not know why it was not done before?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The short answer to that is, certainly, I do not know, Mr Speaker, why on previous occasions. I would assume that as the law is a dynamic institution rather than a static one, the law is built up as one goes along and we received advice on this occasion from very learned people, Mr Speaker, as to what we should do on this occasion which is what we have done.

HON J BOSSANO:

Mr Speaker, however dynamic the law may be the Government has been here since 1972 so would the Hon Member not agree that if it is a matter of Government interpretation and Government policy that interest payments are required to be eligible for tax deduction unless they are specifically exempted then, in fact, there has been a serious omission of complying with the law since 1981?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The requirement, Mr Speaker, was a requirement of the Bank that it should be free of income tax otherwise the amount to be paid would have been that much greater had it been subject to tax so at the end of the day the financial consequences would have been the same and that, as I say to the Hon Leader of the Opposition, that is the substance of the issue though it may not be the substance of his question.

HON J BOSSANO:

Will the Hon Member not agree with me, since he is the Head of that particular Department, that if in fact in the absence of any Regulations covering the previous loans since under the Income Tax Ordinance tax can be levied up to 6 years after it becomes due, that if the Commissioner of Income Tax in the light of the new legal opinion in this dynamic development of the law discovers that he should have levied tax, that he is required by law to do it in respect of the previous interest payments, would he not agree with me that that is in fact the case?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, because I think that the answer to that question would really depend on the receipt of further legal advice which I am not, alas, qualified to give.

HON J BOSSANO:

Will the Hon Member in the light of the fact that I have brought this matter to his attention seek the necessary legal advice?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker.

MR SPEAKER:

Next question.

THE HON J BOSSANO

Can Government state what will be the estimated level of the Consolidated Fund and the estimated outstanding public debt at the end of this month?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the estimated Consolidated Fund balance as at 31 March, 1984, will be about £7m. The public debt of Gibraltar as at that date will be about £26.4m.

SUPPLEMENTARY TO QUESTION NO. 3 OF 1984

HON J BOSSANO:

Mr Speaker, does the Hon Financial and Development Secretary consider that in the light of that level of reserves in the Consolidated Fund, the level of public debt that he has mentioned comes within the prudential level of public borrowing that previous Financial Secretaries have led this House to believe the Government should follow?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The debt charges, Mr Speaker, which are the important thing, I think, so far as prudential limits - the phrase the Hon Leader of the Opposition has used - debt charges represent about 8% of public expenditure, I am talking in terms of order of magnitude and I would not think that a situation which would give cause for alarm.

HON J BOSSANO:

Could I ask, Mr Speaker, if the Hon Member will confirm that the first tranche of the Hambros Bank loan is included in the £26m?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker.

HON J BOSSANO:

Could I ask the Hon Member to confirm whether in fact the debt servicing costs is influenced by the nature of the agreement with Hambros Bank which defers the payment of the capital into the future?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The nature of the agreement with Hambros, Mr Speaker, is one which is normal for this type of commercial loan. I do not think that the method of debt repayment has been in any way influenced by this

particular loan. Obviously, the terms of this loan, interest, etc will vary from previous loans but we obviously got the most favourable terms which were available at the time.

HON J BOSSANO:

But when is, in fact, the first capital repayment due under the Hambros Bank loan, Mr Speaker, which the Hon Member has tabled?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

We have postponement of repayment of the first tranche, Mr Speaker, for 66 months, that is, $5\frac{1}{2}$ years.

HON J BOSSANO:

That is precisely what I asked the Hon Member, would he not agree with me that in fact if the loan agreement had followed the practice of the first loan agreement with Barclays Bank where there was immediate repayment of capital, the debt servicing costs would have in fact shown a much higher figure?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I apologise to the Hon Leader of the Opposition, I now understand his questions, well, naturally, I would agree with that.

HON J BOSSANO:

Would the Hon Member not agree that this is the first time that a loan agreement has been made which defers repayment of capital for 66 months?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think, from memory, the Hon Leader of the Opposition is right, Mr Speaker. On that, obviously, his memory is more extensive on such matters than my own.

HON J BOSSANO:

And that therefore on past practice, Mr Speaker, the debt servicing costs would be higher?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, debt servicing costs is itself something which one must discount over a period of years so I do not think I would agree necessarily with what the Hon Leader of the Opposition has said, I think I would like to consider that question, it is rather a subtle one.

MR SPEAKER:

Next question.

THE HON R MOR

Mr Speaker, since Government has been giving urgent consideration to the question of counting part-time service for the award of a pension since 20th December, 1978, will it now undertake to bring the necessary legislation to the next meeting of the House?

ANSWERTHE HON THE ATTORNEY-GENERAL

Mr Speaker, Sir, when the conditions under which part-time service should become pensionable were put to the Staff Side there were a number of objections. These objections required study and some of the objections, Mr Speaker, confirmed the very complex question of part-time teachers. Sir, the revised conditions will now be put to the Staff Side and if agreement can be reached with the Staff Side then the necessary amending legislation will be prepared and brought to the House.

SUPPLEMENTARY TO QUESTION NO. 4 OF 1984

HON R MOR:

Mr Speaker, will the Hon Member say when was the last meeting of the Staff Side?

HON ATTORNEY-GENERAL:

Mr Speaker, I have no idea when the last meeting of the Staff Side was but I can give you the date on which the proposals to be put to the Staff Side were finally made, they have not yet been put to the Staff Side but that date, Mr Speaker, is the 14th December last year.

HON R MOR:

Can Government now commit themselves to bring this to the House as soon as possible?

HON ATTORNEY-GENERAL:

Mr Speaker, we most certainly can and I do undertake that once an agreement has been reached with the Staff Side the legislation will be prepared and will be prepared quickly, I personally undertake that, Mr Speaker, and will be brought to this House but we must have an agreement.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, can Government confirm that work on the GASA swimming pool promised during the election campaign will commence in the 1984/85 financial year?

ANSWERTHE HON THE MINISTER FOR SPORT AND POSTAL SERVICES

Mr Speaker, it is Government's intention that work on the GASA swimming pool project should continue during the 1984/85 financial year.

The project is to be phased over a period of time and as far as possible work is to be done by GASA members on a voluntary basis. The project includes a certain amount of reclamation from the sea and work on this has been in progress for some time on the basis of PWD providing and tipping the spoil and GASA members spreading and levelling the reclamation works.

Improvements to changing rooms and facilities at the old Tarik baths has also started on the basis of PWD providing the materials and the GASA membership carrying out the work themselves. The main item of expenditure is of course the structure of the swimming pool itself the cost of which would be in the region of £150,000 to £200,000.

Whether this work, which cannot be carried out by voluntary labour because of its complexity, is to be commenced in 1984/85 financial year will depend on the presentation of the annual estimates of expenditure, which are still being considered.

SUPPLEMENTARY TO QUESTION NO. 5 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, will the Minister do his utmost to fulfil this long pledge in his four year term of office?

HON G MASCARENHAS:

It is very difficult and as I have said already we are considering on the basis of this year's estimates how we can contribute to that. The only thing I can add to that is that on Tuesday last I met the GASA Committee and they have extended an invitation to me to visit their premises to have a look at the situation and I hope the Minister for Public Works will accompany me.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, can Government confirm whether it intends to make financial provision for improving the amenities for nursing staff at St Bernard's Hospital, which has been promised for a number of years, but which has still not materialised?

ANSWERTHE HON THE MINISTER FOR EDUCATION AND HEALTH

Mr Speaker, as far as I have been able to ascertain, the only further amenity requested by the nursing staff is the reprovisioning of male changing room facilities. This has been under consideration for some time and a number of alternative solutions have been suggested. The matter is currently under discussion by the senior management of the Medical Department and proposals will shortly be made to the staff in question.

Should the Hon Questioner have any other "amenities" in mind I shall be glad to look into them if she will provide me with the details.

SUPPLEMENTARY TO QUESTION NO. 6 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, the amenities were in relation to the changing and washing facilities which are the normal part of the amenities of any workplace. Can the Minister say why this has taken such a long time to materialise when it was in 1981 that the Government informed the Staff Side that the current changing rooms were provisional and that they would be moved from their location into adequate changing rooms?

HON J B PEREZ:

The problem mainly has arisen through lack of space at St Bernard's Hospital but I want to add, Mr Speaker, that the proposal has in fact been put to the Procedure Committee which consists of the Director of Medical and Health Services, Administrator, Matron and Assistant Matrons, the Tutorial and senior staff representing all areas of the Hospital, for the lounge at the Hospital Quarters to be given to the senior female staff and the junior male staff to be moved to the area vacated by the former in the basement of the Quarters. This, at present, is under consideration and a report is awaited.

MR SPEAKER:

Next question.

NO. 7 OF 1984

ORAL

THE HON R MOR

Can Government state whether they will be providing funds in the forthcoming Budget for the setting up of the College for Further Education?

ANSWERTHE HON THE MINISTER FOR EDUCATION AND HEALTH

Mr Speaker, negotiations for the setting up of the College of Further Education have not been finalised with the Ministry of Defence. Financial provision will therefore continue to be made for Government's share of the expenses of running the Gibraltar and Dockyard Technical College for the next financial year.

SUPPLEMENTARY TO QUESTION NO. 7 OF 1984

HON R MOR:

Is Government saying that they do not foresee that the College will be handed over during this year?

HON J B PEREZ:

Government is not saying that, Mr Speaker.

HON R MOR:

Could I ask the Government what it is saying then?

HON J B PEREZ:

The Government is saying that negotiations for the setting up of the College of Further Education has not been finalised with the Ministry of Defence. Financial provision will therefore continue to be made for Government's share of the expenses of running the Gibraltar and Dockyard Technical College for the next financial year.

MR SPEAKER:

But I think you are being asked now when does Government expect to finalise negotiations?

HON J B PEREZ:

What I am saying is that the negotiations have not finalised and therefore we are budgeting to continue the College as it is. If, in fact, negotiations are completed before then obviously we will have to come to the House for money.

HON R MOR:

Can Government foresee when they will complete the negotiations?

HON J B PEREZ:

I am not responsible for the negotiations but I am aware of what is going on. I think there is some time left yet for the matter to actually be finalised. We are talking about transfer of land and negotiations of prices, whether the Government ought to pay £X or £X + Y or shouldn't pay anything.

HON R MOR:

Doesn't the Hon Minister feel that he should apply pressure so that the negotiations are finalised?

HON J B PEREZ:

I am personally satisfied that the negotiations are being carried out as speedily as possible by the relevant authorities of the Government. I am not responsible for the negotiations but may I, however, point out that as far as I am concerned, in preparation for the College's new role we have already identified its Principal designate, the in-service training of the College's teaching staff is in progress, in fact, two senior lecturers attended courses at Coombe Lodge Staff Training Centre in November, 1983, and all lecturers will be undertaking a local course also organised by Coombe Lodge in early July. Senior staff from both Comprehensive Schools will be attending so as far as the Government is concerned we are trying to move.

HON J BOSSANO:

Mr Speaker, on the question of the land which the Hon Member has mentioned, is this in fact covered by the agreement that was made public recently by the Government where the price of any buildings transferred from MOD to the Gibraltar Government was based on a formula on continuing costs plus related to the age of the building?

HON J B PEREZ:

I am told that is the case, Mr Speaker.

HON J BOSSANO:

Mr Speaker, cannot the Government not confirm that this is a fairly straightforward formula since what we are talking about is how long the building has been there and if it is a continuing use I believe it was up to 60 years and after 60 years the transfer was free? I find it difficult to understand that there can be complication about the price if it is covered by that formula.

HON J B PEREZ:

The information that I have, Mr Speaker, is that there happens to be a dispute as to certain valuations of parts of the building.

MR SPEAKER:

Next question.

THE HON R MOR

Can Government state what specific service the College for Further Education is intended to provide within the education system?

ANSWERTHE HON THE MINISTER FOR EDUCATION AND HEALTH

An essential need is recognised by Government for a Further Education Institution capable of meeting the community's requirements for vocational training and re-training, particularly during a period likely to see the re-orientation of major sectors of the economy.

On transfer from the MOD, the Gibraltar and Dockyard Technical College will become the Gibraltar College of Further Education. It will be organised into three Departments as distinct from the single Technological Department at present. The latter will continue to concern itself with the full-time and part-time academic/theoretical training of apprentices and other students seeking vocational orientated qualifications.

It is intended to open a new Business/Commercial Studies Department catering for similar type of students seeking/requiring training in these areas. It has been noted that no facilities exist for these studies outside the Commercial Section of Westside School. It is envisaged that the new Department will cater for Business Education Council qualifications as well as the introduction of Managerial/Supervisory courses.

The third Department will provide General Studies support to courses in the other two Departments as well as taking over the Adult Education provision presently run from the Teachers' Centre.

The College of Further Education will therefore be providing vocationally orientated courses for students beyond compulsory school age, as distinct from the academic orientated courses offered by the two secondary schools. It will cater for employed young adults seeking training on a day-release basis, as well as offering full-time courses in specific vocational areas identified as community needs. All three Departments, but particularly through the Adult Education programme, will also offer an avenue for a continuing educational opportunity for members of the community wishing to partake of it.

The new College, together with the senior sections of both secondary schools, will endeavour to offer a wider, more rational and more realistic set of options to the individual student, particularly in the 15 and 19 age range.

SUPPLEMENTARY TO QUESTION NO. 8 OF 1984

HON R MOR:

Can Government state whether they have the qualified staff to teach Business Studies and Commercial Studies?

HON J B PEREZ:

I am not quite sure that we have at present. I know there is a qualified teacher at Westside but she is a contract teacher but if there isn't, obviously, we will be having one out when the College starts off. In supplementaries to the previous question I did point out that certain lecturers had already been on courses and that in-service training is already in progress for teachers at both schools but, of course, the vacancies when available will be filled in by people with the necessary qualifications.

HON R MOR:

Can the Hon Minister say how many pupils can be accommodated?

HON J B PEREZ:

I cannot say that at this stage, Mr Speaker.

HON J BOSSANO:

Mr Speaker, would this involve a substantial increase in the establishment? The Hon Member will recall that in the estimates for 1983/84, in last year's budget, there was an increase in lecturers from eighteen to nineteen and it is shown in the estimates as College of Further Education as if it had been Government's intention last budget to start the process of which he is talking. Does it mean that the teaching staff that Government envisage is required is already there or will it mean a substantial increase?

HON J B PEREZ:

There should be an increase of staff at present there because we are of course dividing into three departments and more staff will be required.

MR SPEAKER:

Next question.

NO. 9 OF 1984

ORAL

THE HON J C PEREZ

Mr Speaker, can Government state whether the cost of the new equipment for IDD has now been passed to the Telephone Service Fund?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Mr Speaker. The first charge on the Fund is being made in 1983/84. The IDD Capital Expenditure will be amortised over 15 years and will be charged to the Fund as each bill matures; each repayment will be individually amortised over the remainder of the 15 year period.

SUPPLEMENTARY TO QUESTION NO. 9 OF 1984

HON J C PEREZ:

Mr Speaker, can Government confirm that the repayment costs will not require any further increases in tariffs?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As far as increases in tariffs are concerned, Mr Speaker, the Government takes into consideration a variety of things in which the capital charges are clearly one factor but only one. I can give no assurance about tariff increases to the Hon Member.

HON J C PEREZ:

Mr Speaker, can the Hon Member state how it is intended that the cost will be spread out? The Hon Member has said that it is intended to be spread out over 15 years, is this equally in the remaining part of the money that needs to be transferred from the Development Fund to the Telephone Service Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not quite sure that I understand the latter part of the Hon Member's question, Mr Speaker, but in my earlier answer I said that the expenditure will be amortised over 15 years and the 15 years is chosen because that is the estimated life of the plant so, in fact, in normal commercial terms one has chosen a 15 year depreciation period because one thinks that is the period for which the plant is likely to have a viable life. After that, new technology or some other events might cause a need for replacement or of course there might be a need for replacement earlier than then.

MR SPEAKER:

I think what you are being asked is when is the first charge being made on the Fund and is it being spread evenly after the 15 years?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The first charge is in 1983/84, Mr Speaker, and thereafter as far as the Telephone Fund is concerned, over 15 years.

HON J C PEREZ:

Mr Speaker, can the Hon Member inform the House how much of the money has already been transferred and how much of it is left to be transferred?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The total capital expenditure amounted to just over £1m and the total amount is being transferred to the Fund.

MR SPEAKER:

Next question.

THE HON J C PEREZ

Mr Speaker, what is Government's policy with regard to disconnecting telephone subscribers who are in arrears?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

The general rule, Mr Speaker, has been that telephone service should be withdrawn when subscribers are in arrears for two quarters.

SUPPLEMENTARY TO QUESTION NO. 10 OF 1984

HON J C PEREZ:

Mr Speaker, if a subscriber in one quarter is in arrears of a substantial amount of money does Government not consider taking action against the subscriber?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have stated the general rule, Mr Speaker, obviously the general rule is not implemented without referring to the circumstances of each individual case or each individual difficulty.

HON J C PEREZ:

Can the Hon Member state whether there is a different policy as to whether the costs have to do with operator assisted trunk calls rather than with the normal costs?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, not that I am aware of, Mr Speaker, I do not think that is considered itself as an issue but we are talking about disconnections.

HON J C PEREZ:

Is the Hon Member aware that there is an instance of a subscriber who owed the Government £3,421 out of which £3,300 were operator assisted trunk calls and that that individual has left Gibraltar and that that bill has not been paid?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, what I can say is that the Government is seriously concerned about the extent of arrears for municipal services and is studying the situation closely to see what additional measures may be necessary to reduce the arrears.

HON J C PEREZ:

Can the Hon Member confirm that the £3,300 of operator assisted trunk calls are paid by the Gibraltar Government to outside services and that that money needs to be passed now to the rest of the subscribers, that cost needs to be spread out now to the rest of the subscribers?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I have said that I cannot confirm that because I am not aware of the particular instance which the Hon Member has mentioned but of course if he wishes to enlighten me about it.....

MR SPEAKER:

I think the question you are being asked is, is it the general policy for the Gibraltar Government to become responsible for that part of the charge which is payable to the other country when these monies are not paid?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

Mr Speaker, has the Ministers' Committee set up to solve the unemployment problems, which the Chief Minister said during the election campaign had been considering radical ideas before the elections, now completed its work?

ANSWERTHE HON THE MINISTER FOR HOUSING, LABOUR AND SOCIAL SECURITY

Sir, as stated by the Chief Minister in his address at the Opening of the House on 22 February, 1984, one of the first tasks to which Ministers addressed themselves after the election was to consider the report of the sub-committee of Council of Ministers which had been appointed to review employment policy.

The report contained proposals on employment and retirement policies, amongst which were:

- a. That steps be taken to retire Government employees who are over the retirement age in order to make way for school-leavers and others without jobs. Exceptions would be made to safeguard the interests of those who would suffer hardship.
- b. That Government employees who are conditioned to voluntary retirement before the age of 60 should be encouraged to do so.
- c. That in order to discourage persons over the age of 65 from staying in employment or seeking re-employment, consideration be given to move towards the payment of a Retirement Pension rather than an Old Age Pension as at present.
- d. That control should be exercised over part-time employment, so that persons who hold a full-time job and are also working part-time should be required to relinquish their part-time employment unless they are expressly authorised.
- e. That recruitment policy be directed at ensuring that breadwinners out of work are given priority of employment over other applicants.
- f. That a sub-committee under the Chairmanship of the Minister for Public Works should consider the extent to which posts which are conditioned to long working hours can be split up and what additional posts can be created in preference to high overtime working.

All these proposals have been approved in principle by the Government and the cooperation of the Unions will be sought for the implementation. The measures will be introduced as the unemployment situation demands and this depends to a large extent on progress on the commercialisation of the Dockyard.

In addition to the above a Committee under my Chairmanship is at present considering ways of dealing with the problem of youth unemployment. This will subsequently be the subject of consultation with the Unions and private employers and it is hoped that proposals will be finalised within the next two months. I have already arranged to meet all the unemployed youngsters at the Construction Industry Training Centre on Thursday 22 March to discuss this problem.

SUPPLEMENTARY TO QUESTION NO. 11 OF 1984

HON M A FEETHAM:

Mr Speaker, the purpose of asking this question is to ascertain from Government what in real terms are they proposing to do about creating jobs for the unemployed.

HON MAJOR F J DELLIPIANI:

Mr Speaker, if I have not said that in my answer I do not know what I have said.

HON M A FEETHAM:

Can the Hon Member opposite say whether in his answer he has in fact stipulated any area where he is going to create new jobs in the economy?

HON MAJOR F J DELLIPIANI:

Mr Speaker, the only areas that I could possibly mention I have actually indicated where we could open up new areas of employment are in relation to youth unemployment. In respect of the others the measures are all there in respect of other people. What I am trying to do with my Youth Employment Committee is to try and make Gibraltar as self-sufficient as possible and in this way encourage the youngsters to look at other areas of jobs which they are not prepared to do in the past. In this respect, yes, it is a question of creating jobs for youngsters who have never wanted these kind of jobs before.

HON M A FEETHAM:

Will the Minister explain how he proposes to do this within his general manpower planning policy, please?

HON MAJOR F J DELLIPIANI:

As the Hon Leader of the Opposition well knows, as Chairman of the Manpower Planning Committee between us and other members of the Board we exercise a very tight control in the Manpower Planning Committee and obviously the control of manpower and the training of young people to take up jobs because of the tightening of control that we have, go hand in hand.

HON M A FEETHAM:

Does not the Minister agree that to pursue this policy without the safeguard in the longer term by creating a manpower planning policy which meets the criteria that we require growth in the economy that in fact he is working towards a lowering of the standard of living of the Gibraltarian workers in particular?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I do not think I have to answer that question.

THE HON R MOR

Will Government state what is the current level of supplementary benefits in Gibraltar and in the United Kingdom?

ANSWERTHE HON THE MINISTER FOR HOUSING, LABOUR AND SOCIAL SECURITY

Mr Speaker, the main basic rates of Supplementary Benefits in Gibraltar are:-

A married couple	=	£39.50 per week
Single person living on his own	=	£22.40 per week
Single person living with others	=	£11.30 or £16.20 per week
Allowances for dependant children	=	£6.60, £7.90 or £9.70 per child according to age plus £5 for first child
Long term rate (after receiving benefits for 2 years)	=	£1.70 extra per person

The corresponding rates in the UK are:-

A married couple	=	£43.50 per week
Single person living on his own	=	£26.80 per week
Single person living with others	=	£21.45 per week
Allowances for dependant children	=	£9.15, £13.70, £16.50 or £21.45 per child according to age
Long term rate (after receiving benefits for 1 year)	=	An approximate 25% increase on the above figures

The foregoing are only the main basic rates. In addition there are a number of other allowances (particularly in the United Kingdom) which are too numerous to detail in this answer but which I will be pleased to make available to the Hon Member on request.

SUPPLEMENTARY TO QUESTION NO. 12 OF 1984

HON R MOR:

Mr Speaker, since it is Government policy to maintain parity with the UK for employed persons, can he confirm it is equally their policy to increase Supplementary Benefits to the same level as in the United Kingdom?

HON MAJOR F J DELLIPIANI:

No, Government's policy towards parity is in regard to wages and conditions and not to Supplementary Benefits.

HON R MOR:

Can Government confirm that the number of unemployed persons who have exhausted their Unemployment Benefit and are now on Supplementary Benefits has increased?

HON MAJOR F J DELLIPIANI:

Yes, Sir.

MR SPEAKER:

Next question.

13.3.84

NO. 13 OF 1984

ORAL

THE HON R MOR

Has Government now considered waiving social insurance contributions for unemployed persons over 60 years of age?

ANSWER

THE HON THE MINISTER FOR HOUSING, LABOUR AND SOCIAL SECURITY

Sir, the Government is currently considering proposals for extending social insurance credits for unemployed persons over 60 and these considerations are near to completion. I expect to be in a position to make a statement on the matter at the next meeting of the House.

THE HON J L BALDACHINO

Sir, is it Government's intention to re-accommodate North Gorge tenants within the next financial year?

ANSWERTHE HON THE MINISTER FOR HOUSING, LABOUR AND SOCIAL SECURITY

No, Sir. These tenants will only qualify for re-accommodation in accordance with the pointage value awarded to their respective applications.

SUPPLEMENTARY TO QUESTION NO. 14 OF 1984

HON J L BALDACHINO:

Sir, can the Minister then confirm that North Gorge is intended as temporary accommodation?

HON MAJOR F J DELLIPIANI:

North Gorge was intended as temporary accommodation and it has lasted a long time, like Glacis.

HON J L BALDACHINO:

Has the Government got a policy on how long tenants can stay in temporary accommodation?

HON MAJOR F J DELLIPIANI:

No, Sir.

HON J L BALDACHINO:

Mr Speaker, in the absence of a policy, doesn't that mean that a tenant can stay in temporary accommodation for a lifetime, doesn't the Minister think that there should be a maximum period?

HON MAJOR F J DELLIPIANI:

The whole question of accommodation whether temporary or otherwise for new accommodation is based on points so it is not a question of being there a lifetime, some of them could be there a lifetime but it does not necessarily follow. There is a pointage system which gives points for time, too, so the longer you are there the more likely you are to get a new house somewhere.

HON J L BALDACHINO:

Mr Speaker, do or do not temporary buildings have a lifespan and if so when will the lifespan of the North Gorge buildings end.

HON MAJOR F J DELLIPIANI:

The building in question, Mr Speaker, was in fact made available for social cases and not for the people on the general housing waiting list.

MR SPEAKER:

You have been asked what is the lifespan of North Gorge?

HON MAJOR F J DELLIPIANI:

I have no idea, Sir.

HON J L BALDACHINO:

Can the Minister find out and let me know?

HON MAJOR F J DELLIPIANI:

Certainly, Mr Speaker.

HON J C PEREZ:

Mr Speaker, since the Government has no intention to re-accommodate tenants of North Gorge during the next financial year, will the Government commit itself to undertake certain repairs to alleviate the living conditions of people at North Gorge including, perhaps, an extension to the communal washing facilities at present existing?

HON M K FEATHERSTONE:

Sir, the Government is willing to effect any repairs that are necessary to put North Gorge into a reasonable condition but I would mention with regard to some of the washing facilities, certain equipment that was there has apparently been taken away by persons whom we do not know who they are but we have certain suspicions it is the tenants themselves.

HON J C PEREZ:

Will the Hon Member undertake to look at the points raised by the tenants through us and if I write to the Hon Member would he consider the points raised by the tenants?

HON M K FEATHERSTONE:

I will not only undertake to do so, we are already in the process of doing it.

HON J E PILCHER:

Mr Speaker, can the Government then confirm that there is no difference in fact in being accommodated in temporary or permanent quarters as regards the allocation of buildings?

HON MAJOR F J DELLIPIANI:

There is no difference.

HON J E PILCHER:

And there is no pointage allotted to people who are put in temporary quarters?

HON MAJOR F J DELLIPIANI:

There is no difference, Mr Speaker.

HON J L BALDACHINO:

Mr Speaker, will the Minister or his Department then make the people living in North Gorge aware that temporary and otherwise is no different since they are under the impression that temporary means temporary?

HON MAJOR F J DELLIPIANI:

I have not introduced the word temporary into this debate. The people at North Gorge are there for social reasons and that is the only reason they are there. They were not allocated that particular unit or flat at North Gorge because they were in the general housing waiting list. They were allocated that particular flat because they had social problems at their particular homes.

HON J C PEREZ:

Mr Speaker, does the Hon Member not agree that the conditions in which those people are living indicate that they are already a social case by the way in which they are living at North Gorge?

HON MAJOR F J DELLIPIANI:

Mr Speaker, they were probably homeless before.

MR SPEAKER:

Next question.

13.3.84

NO. 15 OF 1984

ORAL

THE HON J L BALDACHINO

By how much does Government plan to reduce the housing waiting list in each of the next four years?

ANSWER

THE HON THE MINISTER FOR HOUSING, LABOUR AND SOCIAL SECURITY

Sir, it is not possible to quantify the reduction in the housing waiting list in the manner requested by the Hon Member. Thirty new flats at Rosia Dale will be completed in July and twenty-two modernised flats, comprising Phase 2 of Road to the Lines, will become available in 1985. The modernisation of Tank Ramp, Phase 2, will provide an additional fourteen units. The release of the voids at Bayside Comprehensive School should provide a further fourteen units.

Further incentives for home ownership in the private sector are to be introduced by the Government in connection with this year's Budget. It should be noted that the private sector is already in the process of implementing some schemes, notably at the Calpe Hostel Site. Upon fruition, this should reduce the waiting list by at least forty applicants.

Consideration is also currently being given to the provision by the Government of a site for private sector development under conditions that would ensure an impact on the housing waiting list.

THE HON J L BALDACHINO

Mr Speaker, can Government confirm that people living in condemned dwellings are classified as homeless?

ANSWERTHE HON THE MINISTER FOR HOUSING, LABOUR AND SOCIAL SECURITY

No, Sir. No-one is classified as homeless unless they are actually out in the street. If, however, they happen to be applicants for re-accommodation, their application is automatically reassessed in accordance with the provisions contained in the Housing Allocation Scheme regarding homelessness. They are awarded additional points depending on family composition and requirement.

SUPPLEMENTARY TO QUESTION NO. 16 OF 1984

HON J L BALDACHINO:

In other words, Mr Speaker, can the Minister then confirm that they do not have priority over other people in the normal housing scheme?

HON MAJOR F J DELLIPIANI:

They are given points for the type of house that they are living in.

HON J L BALDACHINO:

Doesn't the Government consider that people living in condemned houses are worse off than others who are living in normal houses that are alright?

HON MAJOR F J DELLIPIANI:

That is precisely why they get more points.

HON J L BALDACHINO:

Mr Speaker, are they then offered first choice when a new building or a modernisation project is ready?

HON MAJOR F J DELLIPIANI:

Mr Speaker, they are only given consideration if they have more points than anybody else.

HON J L BALDACHINO:

Mr Speaker, isn't the Government concerned that there are people living in these conditions and at least they should have had their problem solved by being provided with adequate houses?

HON MAJOR F J DELLIPIANI:

The Government is always concerned that people are suffering either because they are homeless, because they are social cases or because they are living in dwellings which are not up to standard. I think one well knows that housing is one of the biggest problems that Gibraltar has. What the Allocation Committee and the Advisory Committee does is to try to be as fair as possible because as we all know no system is perfect and people get up to all kinds of tricks to become social cases so that they are given a house. They pretend they have quarrelled with their in-laws, etc, etc. The answer is that we are concerned and we are trying to do our best as fairly as possible.

HON J L BALDACHINO:

Mr Speaker, my question is on condemned dwellings. I am sure that when a dwelling is classified as condemned this has been done by the Health Department, which is a Department of the Government.

HON MAJOR F J DELLIPIANI:

That is so. It could be so easy to get yourself into a condemned dwelling so that you could then be reallocated a new house.

HON J L BALDACHINO:

Mr Speaker, how can it be so easy to get into a condemned dwelling when they are all full up and, anyway, the one that allocates people in condemned dwellings is the Minister?

HON MAJOR F J DELLIPIANI:

Mr Speaker, they do squat in condemned dwellings, that is part of our problem.

HON J L BALDACHINO:

Mr Speaker, I am not talking about the people who squat, I am talking about people who are living in condemned dwellings. Doesn't the Minister think that those people who are living in a condemned dwelling which has been allocated by the Government are worse off than other people who live in other dwellings?

MR SPEAKER:

I think the answer to that one has been that they do and that is why they are awarded extra pointage, is that correct?

HON MAJOR F J DELLIPIANI:

That is right.

HON J BOSSANO:

Mr Speaker, could I ask the Minister or the Government whether in fact once a dwelling is declared unfit for human habitation by the Public Health authorities, the landlord of the dwelling is in fact contravening the requirements of the Public Health Ordinance?

HON MAJOR F J DELLIPIANI:

Yes, Mr Speaker.

HON J BOSSANO:

And what happens, Mr Speaker, when the landlord happens to be the Government?

HON MAJOR F J DELLIPIANI:

The Landlord and Tenant Ordinance does not affect the Government.

HON J BOSSANO:

I am talking about the Public Health Ordinance, Mr Speaker. Is the Public Health authority required by the Ordinance to take action against the landlord, a private landlord, that rents unfit accommodation to tenants and what happens when the landlord happens to be the Government?

HON MAJOR F J DELLIPIANI:

The Public Health Ordinance does not affect the Government either.

HON J BOSSANO:

Does the Minister not think that the credibility of the Government in requiring private landlords to comply with the law would be enhanced if they set an example by acting consonant with their own legislation?

HON MAJOR F J DELLIPIANI:

We are doing that, Mr Speaker.

HON J BOSSANO:

So then can the Hon Member answer the question that I asked? Notwithstanding the fact that it does not apply, what happens?

HON MAJOR F J DELLIPIANI:

We have a case, for example, Jumper's Buildings, which has been declared a condemned building. We are making every effort for safety reasons in re-accommodating the people at Jumper's Buildings but the problem is because they know that we want to move them out because of the risk to life, instead of trying to get out as quickly as possible they become choosy and they try and blackmail the Government into getting other accommodation which they are not entitled to.

HON J BOSSANO:

But apart from the specific problems, the policy then is in fact more than just simply giving more points as the Hon Member has been saying because he is now saying that as landlords where they have tenants living in condemned dwellings they do re-accommodate them, not just give them points?

HON MAJOR F J DELLIPIANI:

There are various ways of condemning. The most obvious serious one is danger to life. When there is danger to life like in Jumper's Buildings that has priority over other types as happened with Penney House. Penney House was a good example where we decanted the whole building.

MR SPEAKER:

Next question.

NO. 17 OF 1984

ORAL

THE HON J L BALDACHINO

Sir, is Government satisfied with the safety of North Gorge buildings?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 17 OF 1984

HON J L BALDACHINO:

Sir, if that is so, who or what Department certified that the building could take the new imposed load when it changed from being a hostel to become a normal dwelling?

HON M K FEATHERSTONE:

Sir, the information I have is that it is accepted that the North Gorge buildings are of a temporary nature but their condition regarding safety is considered as acceptable. My Department complied with Fire Brigade requirements on fire precautions and new landings, stairs and fire resistant doors were constructed. It is confirmed that the Chief Environmental Health Officer has not condemned these buildings and my Department informs me there are no outstanding structural defects.

HON J L BALDACHINO:

Sir, when I talk about imposed load, the imposed load on a building is that when a building is constructed you look at what it is going to be used for, is going to be installed, how many people are living there and so on. As I understand it, North Gorge was a hostel and therefore when they looked at the imposed load it was looked at from the point of view of its use as a hostel. When it changed to a normal dwelling and when people start putting in their furniture, their beds and more people, that is what I am talking about, that is the imposed load I am talking about. In other words, will the structure of the building take the new load that has been imposed on it?

HON M K FEATHERSTONE:

I accept that but, as I have said, my structural engineers inform me that there are no structural defects. I would presume, therefore, that it can take the extra load of these gentlemen moving in grand pianos or what have you.

HON J L BALDACHINO:

Mr Speaker, I think the Hon Minister does not understand my question.

HON M K FEATHERSTONE:

Yes, I have understood it quite clearly. You are stating that the building was built as a temporary hostel and as a hostel perhaps it was given a floor loading of xlbs per square inch. Now, because the people are moving in with extra furniture, refrigerators, etc, the loading is X + Ylbs per square inch. But my structural engineers inform me that the structure is sound enough to take the X + Y plus possibly a Z. If, however, people were to move in something of extreme weight, for example, if you had somebody who moved in 500 tons of lead, then perhaps the building might collapse but under normal circumstances they inform me it is structurally sound.

HON J L BALDACHINO:

Can the Hon Minister confirm that the removal of boulders by explosives at Glen Rocky Distiller which was supposed to take place on the 2nd March was cancelled due to fear that the structure of the building would not take the vibrations of the explosion?

HON M K FEATHERSTONE:

I am not aware of that fact, Sir.

HON J L BALDACHINO:

There were notices put, I do not know if it was by the Housing Department or not, saying that there was going to be an explosion at Glen Rocky and that the people should not be afraid if they heard the noise.

HON M K FEATHERSTONE:

I understand that there were such notices placed but that the actual explosions were cancelled, I am not sure of the reasons why they were cancelled.

HON J L BALDACHINO:

Somebody informed the tenants of North Gorge on the day that the explosion was to take place that it had been cancelled because they thought that the building would not take the vibrations of the explosion.

HON M K FEATHERSTONE:

Information has just come to me that the reason why it was not done was that the person who was the expert in doing the explosive work had gone to England and that it was afterwards decided to do the breaking of the rocks by hand.

HON J C PEREZ:

Mr Speaker, since the Hon Member in the previous question said that he was looking at North Gorge in relation to repairs, etc, will the Hon Member not look into the broken fence at the edge of the precipice to the North Gorge Distiller which is broken and is a safety hazard to children there and will the Hon Member not look into a fire door which is broken and has been broken for a long time?

HON M K FEATHERSTONE:

Yes, I am quite happy to look at the fence and also at the fire door. I would mention that these doors do not normally break by themselves, it is hoped that the tenants once these repairs are effected will look after the property with a reasonable amount of care.

HON J C PEREZ:

Mr Speaker, but if the proper glass had been placed on the door which is a fire protective glass, it could not have been broken by the tenants.

HON J L BALDACHINO:

Mr Speaker, seeing that North Gorge is a temporary building, does Government carry out periodical checks on the structure of the building?

HON M K FEATHERSTONE:

A check was carried out before the building was actually allocated as temporary accommodation. I do not know if any checks have been carried out since then but if the Hon Member wishes me to make a specific check I shall be happy to see that it is done.

HON J L BALDACHINO:

I would like the Minister to carry out that check.

HON J E PILCHER:

Mr Speaker, I am slightly confused. The Hon Minister for Housing said that the tenants are not temporary, they are allocated on a permanent basis whereas the Minister for Public Works says that the building is temporary. Could the Government enlighten me on who is right?

HON M K FEATHERSTONE:

By a temporary building one means a building which theoretically will have a limited life whereas a permanent building has a life of anything over 50 to 100 years. I think mention has already been made of certain temporary buildings that were put up at the Glacis site. I remember they were going to be for some 5 to 10 years and I believe they lasted some 20 years. The normal conditions of a temporary

building is that you should be able to get at least 10 years use out of it. I think the same thing appertains in the MOD where on the Cormorant site there is quite a lot of temporary buildings but they have been there for a very long time.

HON J L BALDACHINO:

Did the Minister say that temporary buildings normally have 10 years life?

HON M K FEATHERSTONE:

No, I said that it is hoped that they should last for 5 to 10 years but if they are kept in reasonably good condition and maintained properly then one can get, as happened at Glacis site, up to 20 years out of them.

MR SPEAKER:

Next question.

13.3.84

NO. 18 OF 1984

ORAL

THE HON J L BALDACHINO

Sir, is it normal procedure for Government tenants to sign contracts without seeing the allocated dwellings?

ANSWER

THE HON THE MINISTER FOR HOUSING, LABOUR AND SOCIAL SECURITY

No, Sir. Prospective tenants are always taken round by an officer from the Housing Department and given an opportunity to view the accommodation offered before they actually accept and sign for it, unless they specifically state they wish to accept without viewing beforehand.

SUPPLEMENTARY TO QUESTION NO. 18 OF 1984

HON J L BALDACHINO:

Sir, am I to understand then that when a dwelling is allocated to one of the tenants he is told that he can actually go and see where it has been allocated?

HON MAJOR F J DELLIPIANI:

Yes, Sir.

HON J L BALDACHINO:

All I have to say to the Hon Minister is thank you very much.

MR SPEAKER:

Next question.

THE HON J E PILCHER

What is the forecast percentage increase in tourist arrivals for the financial year 1984/85 over the years 1983/84?

ANSWERTHE HON THE MINISTER FOR TOURISM

Mr Speaker, it is difficult to forecast percentage increases in tourist arrivals for 1984 compared to 1983. However, the indications are that the late booking trend from the UK persists but an increased all inclusive charter programme will boost hotel traffic especially in Summer 1984.

SUPPLEMENTARY TO QUESTION NO. 19 OF 1984

HON J E PILCHER:

Mr Speaker, is the Minister not aware that according to his own statistics the tourist arrivals for 1983 are an all-time low and in fact a decrease of 34% over the figures when they came into Government in 1980, the previous House of Assembly?

HON H J ZAMMITT:

I do not think that is relevant to the question I have been asked, Mr Speaker.

HON J E PILCHER:

Mr Speaker, I am only trying to establish, given the same figures, that a 51% increase in tourism is needed to bring the level up to 1980 and if it didn't have any beneficial effect on the economy in 1980 I do not see how it is going to have a beneficial effect on the economy now when the Government is saying that tourism is going to be the pillar of the economy.

HON H J ZAMMITT:

Mr Speaker, I can argue that but I do not think it is pertinent to the question. The question is: "What is the forecast percentage increase for the financial year 1984/85 over the years 1983/84?" I just cannot possibly forecast that with accuracy. All I can say, in essence, is that there appears to be a much higher indication of tourist arrivals, all-inclusive tour arrivals, that is, people staying in hotels for this summer than certainly was in 1983 which was a bad year.

HON J E PILCHER:

Doesn't the Minister agree that the Government should have a target to which it is working?

HON H J ZAMMITT:

Mr Speaker, you cannot have a target. Tourism is business, as long as we do not lose money, we obviously would like to have all the hotels full.

HON J E PILCHER:

Is that your target?

HON H J ZAMMITT:

Of course it is, Mr Speaker, that is my aim. I know it may be a pious hope but I wish I could have all the hotels full.

HON R MOR:

Mr Speaker, could the Government say what happened in 1975 when we had such a high figure of tourists?

HON H J ZAMMITT:

Yes, in 1975 it was the question of the financial restrictions out of the sterling area and we benefitted very highly from that and 1979 was a boom year for Gibraltar in similar circumstances.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, is it Government's intention to release the Inner Keep at Moorish Castle to the Museum Committee?

ANSWERTHE HON THE MINISTER FOR TOURISM

Mr Speaker, in his Annual Report, the Chairman of the Museum Committee, says that in order to progress on the project to open up the Northern Defences to visitors "it is essential that the Inner Keep, a magnificently preserved monument of 14th century Moorish architecture, containing the British Army 18th century Military Prison, should be released to the Museum Committee for its restoration. At present, it is part of the prison, and scarcely used, just for a solitary confinement cell and a carpentry workshop". He suggests that these could be resited by building a small extension on the south side of the Prison.

The Museum Committee's Report was issued last month and the recommendation in respect of the Inner Keep will be considered in detail against the background of the Government's declared policy of improving tourist amenities and attractions in Gibraltar.

SUPPLEMENTARY TO QUESTION NO. 20 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, in view that the Prison Superintendent is being allocated quarters outside the Prison, can the Minister look into the possibility of moving whatever there is inside the Inner Keep to this area?

HON H J ZAMMITT:

Yes, I suppose everything will have to be looked at. I do not really know the connection between the ex-Superintendent's quarters within the confinements of the Prison and the Inner Keep but I accept total ignorance on what one could do by using that office or whatever. It is certainly in the whole context of what one would like to see at Moorish Castle of hopefully re-siting the Prison some day.

HON MISS M I MONTEGRIFFO:

Mr Speaker, will the Minister then confirm that he will look into this possibility?

HON H J ZAMMITT:

I will certainly look into it.

MR SPEAKER:

Next question.

NO. 21 OF 1984

ORAL

THE HON M A FEETHAM

Mr Speaker, when was the contract for the development and rehabilitation of Tank Ramp Phase II awarded?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Sir, the contract for the development and rehabilitation of Tank Ramp Phase II was awarded on the 30th January, 1984, and contract work commenced on site on the 1st March, 1984.

SUPPLEMENTARY TO QUESTION NO. 21 OF 1984

HON M A FEETHAM:

Could the Minister state when the tenders were actually invited?

HON M K FEATHERSTONE:

I think the tenders were put out some time late in August.

HON M A FEETHAM:

In view of the deflated state of the construction industry, could the Minister state why it has taken so long to have the actual contract awarded?

HON M K FEATHERSTONE:

The tenders came in in their due time but it is a condition that a tender cannot be awarded until there is the money to cover the actual cost of the tender. Because we had not finalised the tranche of borrowing that we have recently finalised with Hambros Bank we had to hold the actual awarding of the tender until such borrowing had been completed.

HON M A FEETHAM:

Will the Minister give assurances that apart from the statement which he has just made that in fact these things will be speeded up in the future because I am not entirely satisfied with the answer.

HON M K FEATHERSTONE:

The Government is fully appreciative of the dearth of work in the construction industry but as I have said it is an essential that we do have the full amount of money before we award a tender and if we do not have the money then of course the tender cannot be awarded. Where the money is available there is normally no delay in the awarding of tenders.

MR SPEAKER:

Next question.

THE HON J C PEREZ

Can Government state when the MOT vehicle testing station at Eastern Beach was completed?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Sir, the MOT Vehicle Testing Centre at Eastern Beach Road was completed on the 15th September, 1983.

SUPPLEMENTARY TO QUESTION NO. 22 OF 1984

HON J C PEREZ:

Can the Hon Member state whether the staffing requirements have now been agreed to and when will the MOT station be operating?

HON M K FEATHERSTONE:

The delay in getting the staffing was a certain amount of considerably difficult negotiations with the relevant union but I understand this has now been finalised. The Government will shortly be advertising for the extra posts that are needed to cover this and it is hoped that the Vehicle Testing Centre will come into operation at the beginning of April.

HON J C PEREZ:

Mr Speaker, when was it envisaged that the Vehicle Testing Centre would be completed and when was Government expecting it to be operational?

HON M K FEATHERSTONE:

Government had hoped that the testing centre would be operational at the beginning of this year but unfortunately, as I say, there were rather difficult negotiations with the relevant union and this has created a certain measure of delay. However, as I said, the situation now seems to be clarified and we are expediting the actual opening as rapidly as possible.

HON J C PEREZ:

Mr Speaker, if it was intended to be operational at the beginning of 1984 why is it that the Government bought the equipment in 1981 with a warranty of only one year and is that warranty applicable as from the beginning of 1984 or has that expired already?

HON M K FEATHERSTONE:

I am afraid I do not know the answer to that question but I would understand that the warranty should normally start from the beginning of use of the equipment.

HON J C PEREZ:

Can the Hon Member confirm whether it is Government's intention to bring out an expert from the company which supplied the equipment to see whether the warranty can be valid as from the date of use?

HON M K FEATHERSTONE:

I would not say we have to bring out an expert but we can communicate with the company, of course.

HON J C PEREZ:

Is it the intention of the Hon Member to communicate with the company to see whether the warranty is to be extended?

HON M K FEATHERSTONE:

If such has not been done I will see that it is done.

MR SPEAKER:

Next question.

THE HON J C PEREZ

Can Government state whether the recent street cleaning campaign is covered by the funds provided for in the estimates of expenditure presented to the House at the last Budget?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Yes; Sir, the recent street cleaning campaign is covered by the funds provided in the 1983/84 estimates.

SUPPLEMENTARY TO QUESTION NO. 23 OF 1984

HON J C PEREZ:

Can the Hon Member confirm that it is covered under Head 60, sub-head 38 which is Cleaning of Highway where £267,000 was allocated?

HON M K FEATHERSTONE:

If the Hon Member is quoting correctly from the estimates, yes, Sir.

HON J C PEREZ:

Will the Hon Member state what are the duties that are not being done by the employees doing this street cleaning campaign whilst they are on these duties?

HON M K FEATHERSTONE:

They are mainly not cleaning the beaches, Sir, which is not normally done during the winter period.

HON J C PEREZ:

Is the Hon Member considering whether to employ people on a permanent basis for the street cleaning campaign to be a permanent feature rather than a temporary one?

HON M K FEATHERSTONE:

That is something we shall have to look at when preparing the estimates, Sir.

MR SPEAKER:

Next question.

NO. 24 OF 1984

ORAL

THE HON J C PEREZ

What is the policy of the Government in respect of the safety of public parks, playgrounds and their amenities?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Sir, it is the policy of the Government to maintain the highest possible standard of safety at the public parks and playgrounds.

SUPPLEMENTARY TO QUESTION NO. 24 OF 1984

HON J C PEREZ:

Can the Hon Member expand on what this effectively means? Is there an annual check, a monthly check, a weekly check or how is that undertaken?

HON M K FEATHERSTONE:

Normally a check is made by somebody on a six monthly basis but where the playground actually has a park keeper he is informed that if he should see anything untoward in any of the equipment he must inform the department immediately and some measure is taken to remedy what is wrong.

HON J C PEREZ:

Was this not the case recently in the Glacis park where a guard on the slide was broken which caused a five year old girl to lose half of her finger?

HON M K FEATHERSTONE:

I would rather not comment on that at this moment, Sir, because Government has received a claim from a legal entity with regard to this and I think anything I might say might be classified as sub judice.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

Mr Speaker, will Government state whether it has considered the report entitled "Gibraltar, the Way Forward" drawn up by the Economist Intelligence Unit commissioned by the Chamber of Commerce and make a statement on the matter?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, the Government has taken note of the Economist Intelligence Unit report's findings and is considering taking action on its more specific recommendations. The report does not reveal any new, major proposals nor solutions. I would say, however, that I welcomed its positive views on the commercialisation of the Dockyard and its helpful emphasis on Her Majesty's Government's responsibility in assisting the Gibraltar economy.

SUPPLEMENTARY TO QUESTION NO. 25 OF 1984

HON M A FEETHAM:

Will the Minister state specifically which part of the report is considered favourable and which part of the report is not considered favourable?

HON A J CANEPA:

I do not think it is a question of considering some part favourable and some other part unfavourable. I could make a fairly detailed statement on my own views about the report but with regard to the specific recommendations, if I mention one perhaps you might get an idea of the nature of the recommendations that I am referring to. For instance, there is in the report a recommendation regarding the lowering of the ceiling of expenditure for qualification for a development aid licence, this is the kind of specific recommendation that I think the Government can be more sympathetic towards but other arguments advanced in the report about the nature and the role of the private sector and the burden that should devolve upon the Government in this connection I would reserve my views unless I am pressed by the Hon Member to answer.

MR SPEAKER:

Perhaps the Hon Member would like to ask the Minister whether Government intends to make a statement on the report.

HON M A FEETHAM:

Apparently he is not prepared to make a statement. Would the Minister not agree that in essence the report says nothing new to anybody in Gibraltar?

HON A J CANEPA:

I agree.

MR SPEAKER:

That is a matter of opinion.

HON M A FEETHAM:

Will the Minister agree as well that in fact the report which is a collection of views primarily from the Chamber of Commerce and people in that sector of the community is, in fact, a reflection of Government's past and present policies?

HON A J CANEPA:

No, Mr Speaker, and I will say that first of all because as I indicated earlier on, one of the main shortcomings or disappointments of the report is that it fails to say what the private sector should do to help itself. For instance, what should be its pricing policies? What should be its pattern of trade? It says nothing about the licensing of trade. It says nothing about training in and by the private sector. The onus has been placed entirely on the Government and I cannot accept that. Also the report ignores the underlying element which I think is crucial in an analysis of our economic situation and that is the fact that since, and largely because of the closure of the frontier, Gibraltar's social and infrastructural needs multiplied to such an extent that this resulted in the near total allocation by the Government of capital resources into housing, into education, electricity and water and very little, therefore, could go into developing tourism or any private sector orientated activity. I do not think the report really has analysed fully what the reasons for our present problems are other than the obvious one of the partial opening of the frontier and the closure of the Dockyard but it does not make a proper historical analysis of what in fact has happened in Gibraltar from 1969 to the end of 1982.

HON M A FEETHAM:

Whilst agreeing to a great extent with the reply of the Minister in clarification of my question, can it also be said that a response from the private sector to the difficulties which it has faced is impossible in the light of the closure of the Dockyard and in the light of the policies of the British Government towards Gibraltar?

MR SPEAKER:

I will allow a short reply to that but we must not debate the report under the guise of a question.

HON A J CANEPA:

It is extremely difficult, I think, to get the right sort of response, yes.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

Does the Minister for Economic Development consider that Her Majesty's Government has now fulfilled the pledge to provide Gibraltar with a viable economic alternative to the Naval Base?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, I assume that the Hon Member is referring to the Naval Dockyard and not the Naval Base. Firstly I should say that in the 1981 Defence White Paper Her Majesty's Government did not unfortunately pledge to provide a viable economic alternative to the Naval Dockyard; the reference was to alternative ways of supporting the economy. Notwithstanding this, I would reaffirm that the Government is satisfied that a reasonable package has been obtained to help offset the effects of dockyard closure, particularly given the assurances on future assistance.

SUPPLEMENTARY TO QUESTION NO. 26 OF 1984

HON M A FEETHAM:

Will the Minister not agree that as far as his Government is concerned what in fact they have obtained as a viable economic alternative to the Dockyard has not been an alternative amongst others but the only alternative since something is better than nothing?

HON A J CANEPA:

In the event the study that the consultancies, the sum total of all the consultative reports and the very deep and profound analysis that the Government made of the situation during 1983 led to our arriving at the view that commercialisation of the Dockyard was the only way forward in respect of putting the assets and the facilities at Her Majesty's Dockyard to some reasonable use that could make a significant contribution to our economy.

HON M A FEETHAM:

Does the Minister not agree that there is a fundamental difference in principle in having to accept something that is better than nothing when someone else is ultimately responsible for it and that of having to accept it anyway and making oneself responsible for it?

HON A J CANEPA:

Yes, but there is an aspect that the Hon Member is conveniently forgetting and that is the assurances given by Her Majesty's Government about future assistance in the context of any problems which the economy might face in the future and in particular as a result of commercialisation of the Dockyard. I think Her Majesty's Government because of the statement made by the Minister at the time and because of their underlying obligations under the Constitution, cannot shirk off responsibility for future economic difficulties by the people of Gibraltar.

HON M A FEETHAM:

Will the Minister not agree that in fact Government obtained the package deal within the framework of what the British Government intended Gibraltar to have?

HON A J CANEPA:

That is not for me to say, Mr Speaker.

HON CHIEF MINISTER:

The people have said that..

HON M A FEETHAM:

Did Government at any stage propose their own alternative to the Dockyard closure from a Gibraltarian point of view?

HON A J CANEPA:

Our own alternative, Mr Speaker, was to keep the Dockyard open. That was the policy of the Government until it became abundantly clear that the British Government was not prepared to keep it open and that the only alternative to commercialisation was grant-in-aid and that we were not prepared to countenance.

HON M A FEETHAM:

The Minister has not answered my question. Did the Government at any stage propose in the light of the difficulties they were having in their negotiations, their own alternative to the Dockyard closure from a Gibraltarian point of view?

HON A J CANEPA:

The alternative was that, Mr Speaker, it had the support of the then Opposition party, it had the support of the Trade Union Movement that the Dockyard should be kept open and that it should undertake much more commercial work than has been the case in the past and the answer to that was nothing doing.

HON M A FEETHAM:

Will the Minister then clarify why Government took the unprecedented step in their dealings with the British Government of having accepted responsibility for the economic viability of the package deal Government negotiated as a substitute for the Dockyard?

HON A J CANEPA:

We have not accepted responsibility for the economic viability of that package.

HON M A FEETHAM:

Can the Minister clarify how he has not accepted responsibility?

HON A J CANEPA:

Because if there had not been a promise of future economic assistance on the part of the British Government we would not have accepted the package.

HON M A FEETHAM:

Is the Minister still of the view that the alternative to the Dockyard, the new Gibraltar Shiprepair company, is not viable?

HON A J CANEPA:

He is not going to draw me out of that one, Mr Speaker. I knew that it would come sooner or later in a supplementary. If Mr Gerald Restano was there we would probably be getting chapter and verse.

MR SPEAKER:

Well, you cannot blame him for trying.

HON M A FEETHAM:

Can the Minister say whether there will be any economic activity in respect of Queensway and Rosia this coming financial year 1984/85?

MR SPEAKER:

No, it does not arise from this question.

HON A J CANEPA:

Mr Speaker, economic activity is a very loose word, if the Ministry of Defence starts reprovisioning some of the facilities there then I suppose indirectly that is of economic benefit but if what he means is will there be any developers starting work there the answer is no.

HON M A FEETHAM:

Will the Minister explain what safeguard conditions or reservations did Government take into account in accepting responsibility for the success or otherwise of the package deal of the impact on the economy in relation to the present negotiations taking place within the EEC affecting Gibraltar's future economic independence?

HON A J CANEPA:

Mr Speaker, that does not arise from the question, it is a separate question altogether and for the first time from the Government benches I must say I require separate notice.

MR SPEAKER:

If it does not arise you must not answer it, that is the answer.

HON M A FEETHAM:

Mr Speaker, does the Government not consider that when it is negotiating with the British Government on something of such fundamental importance that as the elected Members of Gibraltar they have to consider the immediate short-term and long-term impact of any such package deal and my question is within that context.

MR SPEAKER:

With respect to the Questioner, we are just asking questions and supplementaries on the original question which is whether Government accepted that they had been given a viable alternative.

HON J E PILCHER:

Mr Speaker, could the Hon Mr Canepa tell me when he discovered that the pledge was not for a viable alternative?

HON A J CANEPA:

We have always known, Mr Speaker, I think perhaps I might quote what the Defence White Paper actually says.

HON J E PILCHER:

Mr Speaker, I am quite aware of what the Defence White Paper says.

HON A J CANEPA:

But perhaps not everybody is. "Consideration will be given to alternative ways of fulfilling the Government's obligation to support the economy of Gibraltar if it is decided that the Dockyard work there cannot be kept up indefinitely. This consideration will be undertaken in closest consultation with the Gibraltar Government". That was the Defence White Paper of June 1981.

HON J E PILCHER:

Can the Minister then say why in 1982, in a presentation at the Construction Training Centre, he said that we had to hold the United Kingdom to its pledge to produce a viable alternative?

HON A J CANEPA:

Of course, and we still do and we think that the assurances which are contained in Mr Ian Stewart's statement underline that. When I came back from London in the debate here in the House I said that in my view that was the most important part of the Minister's

statement and that was the most important statement that had been made by the British Government with regard to its responsibilities for the economy of Gibraltar since the famous support and sustain policy was first promulgated by George Thomson in 1968.

MR SPEAKER:

I think we are talking at cross purposes. I think what the Minister has said is that the United Kingdom Government has never promised a viable alternative, the Gibraltar Government has always sought a viable one. I am just stating, by way of explanation, what has been said in the House.

HON J BOSSANO:

Can the Minister, in fact, confirm that in November, 1982, speaking to the people who had just finished their training at the Construction Industry Training Centre he said, quoting from memory: "The British Government is committed to providing a viable alternative and we must hold them to that pledge", did he use those words?

HON A J CANEPA:

I forget the exact words that I used, we can check on that, but certainly I remember the background distinctly in which I made that. The background was that we were not getting any assistance from ODA, ODA had not yet come forward with a new development programme, we were being told that the change in the economic circumstances of Gibraltar that were going to be brought about was an exciting challenge and I had my doubts about that. Between that date, November, 1982, and July, 1983, we got £13m of ODA assistance, we got the transfer of major sites and we got the assurances for future economic assistance together with an improved naval programme for the Dockyard which together make the package tolerable.

MR SPEAKER:

I think we are not going to discuss that any further. Next question.

NO. 27 OF 1984

ORAL

THE HON J BOSSANO

Can Government state whether the contribution to be made by the Inland Revenue in lieu of rates for Crown Properties will be greater in 1984/85 than it has been in 1983/84?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir. The contribution by Her Majesty's Treasury in lieu of rates for Crown Properties occupied by the MOD in Gibraltar will be greater in 1984/85 than for 1983/84.

SUPPLEMENTARY TO QUESTION NO. 27 OF 1984

HON J BOSSANO:

Can the Minister state what will be the percentage increase in that contribution?

HON A J CANEPA:

About 7% more, Mr Speaker.

HON J BOSSANO:

Can the Minister state whether in fact the percentage contribution by the Inland Revenue will be in line with the percentage increase in yield from rates collected from the public sector tenants and from private sector tenants?

HON A J CANEPA:

I do not know about that, Mr Speaker, because I am aware of the fact that a general revaluation of properties is due, in fact, it was deferred last year and the Government will now have to consider whether it should be implemented or whether it should be deferred again and I have an indication, if it was not deferred, what the increase revenue from the private sector, in particular from business, would be because, as I say, the revaluation is now overdue by a year and it will have been six years since the last revaluation and therefore the impact on revenue would be very considerable during 1984/85 and much in excess, certainly, of the 7% which, after all, all that it does is to compare a normal year with another normal year 1983/84.

HON J BOSSANO:

I accept that point, Mr Speaker, in respect of the private sector. Can the Minister say whether the increase will be in line with the rates assessment on the properties of the Gibraltar Government itself which, presumably, will not be subject to such a revaluation?

HON A J CANEPA:

I have to check on that. If the Hon Member wishes I can do so and perhaps give him the answer later on in the course of the meeting.

HON J BOSSANO:

Would the Hon Member agree with me that it would be a reasonable criteria to apply that the public sector, whether it is in respect of the Ministry of Defence or in respect of the Gibraltar Government, should have the same sort of rates reviews?

HON A J CANEPA:

At first hand I would say yes, but I am very much a layman in these matters.

HON J BOSSANO:

Could I just ask one final question, Mr Speaker? Has, in fact, the amount been affected by the decision of the British Government now, recently announced in the Commons, to transfer to the Gibraltar Government both the area occupied by the Naval Dockyard and the area of the North Mole?

HON A J CANEPA:

I am pretty certain that it has not in respect of the latter, Mr Speaker, because if that were to be the case then in the draft estimates of the Port Department there would not be any provision for payment of rent which there is at the moment. I am aware that there has been a Treasury Minute on the transfer of the North Mole laid in Parliament and I was asking about this particular aspect as recently as last Friday morning but I do not think it has come through yet and therefore at the time when the estimates of revenue are being drawn up I do not think that that will be reflected. Whether anything were to happen between now and the middle of next month which might alter the situation is another matter.

MR SPEAKER:

Next question.

"HON A J CANEPA:

Sir, I undertook yesterday, arising from supplementaries to Question No. 27 to try to obtain some further information for the Hon Leader of the Opposition. His question then was whether the increase in the rates payable by the MOD as between 1983/84 and 1984/85, whether the increase was in line with the increase of Government properties and the answer is, indeed, yes. The increase in contribution is, in fact, due to the increase in the rents of Government residential accommodation which have been equally applied to Ministry of Defence domestic premises. The percentage increase is therefore the same in respect of the domestic civilian list but it reduces to 7% as a result of the non domestic element which has not been reassessed pending a general revaluation as I explained yesterday".

THE HON M A FEETHAM

Mr Speaker, can Government confirm that the area of the slipway and Gun Wharf will not be handed over by MOD on a permanent basis but will be leased to the Government of Gibraltar?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, I can confirm that the area of Slipway and Gun Wharf will not be transferred to the Gibraltar Government on a permanent basis. The area will instead be leased to Gibraltar Shiprepair Limited at a peppercorn rent.

SUPPLEMENTARY TO QUESTION NO. 28 OF 1984

HON M A FEETHAM:

Will the Minister say why the Government has accepted this state of affairs?

HON A J CANEPA:

The reason, Sir, is the Ministry of Defence wish to be assured of the continued availability of adequate repair facilities for its small craft and that is why the lease will contain a proviso allowing the Ministry of Defence, if necessary, to resume repairing its small craft using the facilities in this area and I should perhaps mention that the lease involved is one for a period of twenty years.

HON M A FEETHAM:

Mr Speaker, could it not be taken as well that the MOD are showing very little faith in the Shirepair company?

HON A J CANEPA:

Well, they are waiting twenty years to find out.

HON M A FEETHAM:

Could the Minister give details of the lease?

HON A J CANEPA:

I do not think it arises from the question, Mr Speaker.

MR SPEAKER:

You do mention the lease in the answer, you have said it is going to be for a term of twenty years, whether you wish to disclose any further information is up to you.

HON A J CANEPA:

That is the only information that I have.

HON J BOSSANO:

Mr Speaker, the fact that the lease is for twenty years does not mean that the Ministry of Defence cannot decide prior to the termination of the lease to terminate it and take over repairs themselves if they are not satisfied with the way the Shiprepair company is performing, is that not the case? It is not a question that they are waiting twenty years to find out, in fact, there is a safeguard in the lease which enables them to step in at any time, is that not the case?

HON A J CANEPA:

Presumably that is the case but I am not involved in the negotiations myself and I have not been at any stage, I do not know enough about it.

MR SPEAKER:

Next question.

NO. 29 OF 1984

ORAL

THE HON J E PILCHER

Can the Chief Minister explain how the future pay levels in the Gibraltar Shiprepair Limited will be linked with the success of the commercial yard?

ANSWERTHE HON THE CHIEF MINISTER

Sir, I presume the Hon Member is referring to my statement of the 1st December, 1983, where I made the point that future pay levels in the Dockyard will depend on the efforts of all concerned with the operation. It is not for me, however, to say how pay will be determined. That is a matter for negotiation between the company and its employees.

SUPPLEMENTARY TO QUESTION NO. 29 OF 1984

HON J E PILCHER:

I think the Minister has referred to another question. I think in statements before and in fact it is different from now, the Chief Minister is referring to, obviously, levels of productivity. Is he referring to levels of productivity?

HON CHIEF MINISTER:

I said that the statement which is the one that I have been able to find which no doubt the Hon Member is referring, was the statement made on the 1st December. First of all I said that parity was applying to all other sectors of the MOD and then I went on to say: "Insofar as Dockyard employees are concerned, the question of parity will depend on the efforts which all concerned are prepared to make in order to ensure the success of the commercial yard. Parity will apply" - obviously they were talking about wages - "parity will apply on 3rd January, 1985, the pay that workers in the commercial yard will get thereafter will depend on their efforts and the efforts of all concerned in making a commercial Dockyard a success". It does not go any further than that.

HON J E PILCHER:

Yes, Mr Speaker, but since the Chief Minister has said this what does he understand by that?

HON CHIEF MINISTER:

What I understand by what I said? Well, that the level of pay at the beginning of 1985 would be similar to whatever level of pay was parity and thereafter it would depend on the success of the Dockyard and the way in which the whole thing develops.

HON J E PILCHER:

But how?

HON CHIEF MINISTER:

I am not prepared to say. I am not an economist and I have not made any assessments as to progress from day to day. All I can say is, I think, which is a generally recognised basis is that it will very much depend on the success and the efforts that everybody puts into it and I did not specifically say the workers, I said everybody concerned.

HON J E PILCHER:

Mr Speaker, taking into account that the analysis and projections of Appledore have themselves said there will be a loss in the first three years, does that not mean that there won't be a pay rise for the first three years irrespective of who sets the pay and the pay limits, whether it is done by the Gibraltar Government or Appledore?

HON CHIEF MINISTER:

No, I do not agree with that. I am quite prepared to talk about this to the extent I know and I do not say that I claim to know a lot about it, but the question of making part of the support money account for setting off the losses that may be suffered in the first two years normally must be taken into account in the whole context of how the thing is progressing. I think that it could well be a loss and if the productivity is high, this is my own view, I am not expressing anybody's view, if the productivity is good and the loss is there nevertheless that will be reflected in the pay of the people concerned.

HON J E PILCHER:

So what in fact the Chief Minister is saying is that there will be, if there is no productivity because there will be a loss for the first three years, there won't be a rise for the first three years?

MR SPEAKER:

I think, in fairness, all these questions and answers are completely and utterly hypothetical because it has been said by the Chief Minister that it is not his concern that it is the concern of the Shiprepair company and the employees.

HON CHIEF MINISTER:

I think I would like to explain that I said the opposite of what the Hon Member understood.

HON J C PEREZ:

Mr Speaker, does the Hon and Learned Chief Minister think that it would be unfair if the effort is made by the workforce and that the Shiprepair company through other factors is unsuccessful, that the workforce involved which is making a great effort

should be paid less than the rest of Gibraltar and can the Hon and Learned Chief Minister explain how it is possible that this will be an incentive for the people involved to carry on putting on that effort?

HON CHIEF MINISTER:

No, I am not prepared to answer that further hypothetical question. I see the point in the question and I see that irrespective of other factors, I think it is fair to say that the performance of workers at the beginning must be taken into account in their earnings as it would after the losses are covered by the package.

HON J C PEREZ:

Mr Speaker, doesn't the Hon and Learned Chief Minister think that even if it is a hypothetical situation that these need to be looked at before going into something which could arise in the future to the detriment of the whole project?

HON CHIEF MINISTER:

I do not think that anything more can be looked at theoretically in the future that has been done already by all parties concerned and it is only in the performance and in the implementation of it that time will show whether the thing is the right thing or not. That is as far as I will go.

MR SPEAKER:

Next question.

NO. 30 OF 1984

ORAL

THE HON J E PILCHER

Can the Chief Minister explain what he means by the statement made on the 1st December, 1983, that parity would apply on 1st January, 1985, for employees of the Gibraltar Shiprepair Company?

ANSWERTHE HON THE CHIEF MINISTER

I think I have answered that virtually in my supplementaries to the other.

The managers of the yard have repeatedly made the point that; initially, average hourly pay would be equal to the parity level prevailing in the Dockyard on closure. That is my understand of the position.

SUPPLEMENTARY TO QUESTION NO. 30 OF 1984

HON J E PILCHER:

How can the Chief Minister reconcile this with the fact that Appledore's rates of pay are set by themselves to form the basis of the 1983 report? Could Appledore in 1983 predict what the basic wage will be in 1985?

HON CHIEF MINISTER:

I understand, and I stand to be corrected, that the offer that they would make would be that the wages of the staff of the shiprepair yard will be the wages that are being earned by other sectors in the Ministry of Defence employment as wages and then after that the result would depend on productivity.

HON J E PILCHER:

Mr Speaker, the rates have already been published, in fact, some people have already got their rates of pay in offers made by Appledore and in fact Appledore told the unions in the union meeting that the pay would be the same on average with a difference of a few percentage points. Does not the Chief Minister agree with me that nowadays a few percentage points is the difference between the pay of one year and the next?

HON CHIEF MINISTER:

This is a matter for the management of the company and I do not know whether by the measure in which they decide the wages there may be variations but I would certainly be very surprised if the offer to start, in fact, I can easily say that I understand that some grades have been offered starting wages higher than the ones being paid at present.

HON J BOSSANO:

Mr Speaker, would the Hon and Learned Chief Minister not agree with me that if he has made the statement that he has made on so many occasions since December, 1983, and during an election campaign, in fact, there is a responsibility to ensure that the company does not make him out to be a liar by failing to fulfil what he has said was going to take place, does he not agree with me?

HON CHIEF MINISTER:

I think the word liar is rather strong. You mean make a mis-statement of fact, I would accept that but not liar. Yes, of course, the answer to that one is yes and I would be very surprised and in fact I had no evidence of that, if that evidence was brought to my attention I will see that my words are honoured.

MR SPEAKER:

Next question.

NO. 31 OF 1984

ORAL

THE HON J BOSSANO

Will Government state whether they have been consulted on the possibility of the Gibraltar guardship being removed from Gibraltar and placed on 96 hours standby?

ANSWERTHE HON THE CHIEF MINISTER

No, Sir. As the House knows questions of security and defence are the responsibility of Her Majesty's Government in the United Kingdom and His Excellency the Governor. It is therefore not customary to have consultations about them.

SUPPLEMENTARY TO QUESTION NO. 31 OF 1984

HON J BOSSANO:

Would the Chief Minister not agree that in the context of both its economic and its effect on morale it is something that he might wish to initiate consultation on if in fact the consultation is not initiated by the other side?

HON CHIEF MINISTER:

I entirely agree and it has happened, but I do not call it consultation, I call it complaint.

HON J BOSSANO:

The Chief Minister has, I take it from his answer, therefore, made the relevant authorities aware that he is concerned that something like this should be done without his having an opportunity of expressing the important implications for Gibraltar?

HON CHIEF MINISTER:

I am not going to have the Hon Leader of the Opposition tell me what I have said. What I have said I have said but incidentally the facts in the question are not exact - I do not want to get involved in that - and less bad than they look.

HON J BOSSANO:

Would the Hon and Learned Member agree, Mr Speaker, that it would be unnecessary for me to tell him what he had said if he told me what he had said?

HON CHIEF MINISTER:

Yes, but I will have the pleasure of not telling you.

MR SPEAKER:

Next question.

THE HON J E PILCHER

Can Government state why the visit to London of the Deputy Governor between the 5th and 7th February, in his capacity as Chairman of GATAB, to attend a meeting on civil aviation matters, was not previously cleared with the Board?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, GATAB advises the Governor in the discharge of his responsibilities for civil aviation matters. The Deputy Governor's visit to London, as such, did not require previous clearance with the Board. The talks he attended were of a preliminary nature and the question of asking the Board to advise the Governor did not arise at that stage and has not arisen since.

SUPPLEMENTARY TO QUESTION NO. 32 OF 1984

HON J E PILCHER:

Mr Speaker, I take what the Chief Minister has said but if the Deputy Governor went in his capacity as Chairman of the Board and taking into account that he did not seek the advice of the Board first, should he not have reported to the Board after his visit to the United Kingdom?

HON CHIEF MINISTER:

The purpose of describing the Deputy Governor in the press release as the Chairman of the Gibraltar Air Transport Advisory Board was to show why he, who is also the Governor's senior official adviser on foreign affairs, rather than any other official should attend the meeting and I will concede myself though I was not responsible for this but I accept responsibility to the extent that it was a press release, that with hindsight and in order to have avoided the confusion which appears to have arisen it would have been better not to describe him in that way.

HON J E PILCHER:

Is the Hon and Learned Chief Minister then saying that the Deputy Governor did not go in his capacity as Chairman of GATAB?

HON CHIEF MINISTER:

Well, it is very difficult to say. Of course he could not divest himself of that responsibility but I have also said that describing him in his capacity as Chairman of the Gibraltar Air Transport Advisory Board was to show why he rather than anybody else went and, of course, the fact that he is the Chairman of GATAB was an element in it and I would have thought that if it was necessary the report would have been made. I know actually what happened and I can tell the Hon Member that really nothing worth reporting back came out of it.

HON J E PILCHER:

Can the Chief Minister then say why this, which is something that is not worth reporting, was not taken to GATAB and everybody reassured?

HON CHIEF MINISTER:

I am not responsible for what other people do. I have answered the question to the best of my ability. This is what the then Deputy Governor did and that is it.

HON J E PILCHER:

Just on a point of clarification. The Chief Minister is then saying that GATAB will not be called for information as regards the Deputy Governor's visit?

HON CHIEF MINISTER:

No, I am not saying that. It is for the Governor to decide when he needs to seek the advice of the Board in order to discharge their responsibilities. All I can say now is that in my estimation there has been really nothing to report back on.

GIBRALTAR

HOUSE OF ASSEMBLY



QUESTIONS AND ANSWERS

Meeting of
26 June 1984
33 to 85

THE HON J E PILCHER

Has the management contract between the Gibraltar Shiprepair Limited and A & P Appledore International been agreed?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir.

SUPPLEMENTARY TO QUESTION NO. 33 OF 1984

HON J E PILCHER:

Could the Honourable the Financial Secretary seeing that I have been checking the Hansard of the 18th October where it was said at that time that the draft was already ready, their agreement was in draft form, in fact it spoke of a provision for the Controller as well, this is way back in October, 1983. The company is now working, could the Honourable Financial Secretary tell us when there is a likelihood of this contract being agreed?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, as I said in my reply on a more recent occasion than that quoted by the Honourable Member, namely, in the debate on the Appropriation Bill, I would not expect the Management Agreement to be ratified until my replacement as Chairman of GSL is in office.

HON J E PILCHER:

Will the Honourable Financial and Development Secretary tell us how Appledore is being paid at the moment, is it still through ODA funds direct?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The arrangement for remuneration of certain members of GSL, I think I would say the senior Appledore personnel, including the Managing Director, for example, is at present covered by the terms of the Consultancy Agreement with the ODA. The remuneration of other employees of GSL is, of course, from the funds made available by the ODA following the application to Her Majesty's Government for the release of the £28m.

HON J BOSSANO:

Is, in fact, Appledore already receiving part of the £300,000 management fee, apart from the question of the individuals who may be employed in doing work for the company?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker.

HON J BOSSANO:

And that in fact will not happen until the management agreement is signed, am I right?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is correct, Mr Speaker.

HON J E PILCHER:

So at this time the Gibraltar Government do not have a direct control over the managers of the GSL since they are being paid direct from ODA?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Gibraltar Government are 100% owners of Gibraltar Shiprepair Limited and that is therefore of control.

THE HON J E PILCHER

On what terms has the Ministry of Defence made available 44 properties for the use of expatriate managers of the Gibraltar Shiprepair Limited?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, up to 46 properties will be made available on a three year lease.

SUPPLEMENTARY TO QUESTION NO. 34 OF 1984

HON J E PILCHER:

Mr Speaker, what rents are being paid and who is paying the rent, the company or the individuals?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Honourable Member has already written to the Honourable the Chief Minister on this subject and the Chief Minister provided the Honourable Member with details of the properties in question. The Chief Minister also made the point in his reply that detailed questions affecting the properties should really be a matter for the Honourable Member to raise directly with GSL.

HON J E PILCHER:

Mr Speaker, I am asking a general question. Are the rents of the properties being paid by the company or by the individuals?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think this is a matter for the company, Mr Speaker.

MR SPEAKER:

In fairness to the questioner, you are being asked a simple question. Is the rent being paid by the individual or by the company? The answer is by one or the other or I cannot answer.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, I think that is a matter for arrangement between the company and the individuals.

MR SPEAKER:

That is what you are being asked, have any arrangements been made.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Arrangements have not yet been made, no.

HON J BOSSANO:

Is it, Mr Speaker, that the Government does not accept a responsibility for answering questions in the House regarding a company of which they are 100% owners, and can the Hon Financial and Development Secretary explain what authority a Member of the Opposition has got to put questions to a private limited company without being told to go and mind his own business?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think that the latter part of the Honourable Leader of the Opposition's question is a hypothetical one, Mr Speaker. I would be surprised if any Member of the company which I am privileged to be the Chairman for the time being, would be so discourteous as to reply in that way, but I do think, indeed I am at pains to emphasize the point, that matters of day to day administration are not really for the Government to answer in this House.

MR SPEAKER:

What is to be answered in this House or not is not for the Honourable Member to say but what Honourable Members wish to answer is another matter. I will say that I have already made a ruling insofar as the Gibraltar Quarry Company is concerned and the procedure is very simple and very clear. Insofar as matters affecting the day to day administration of GSL are concerned and as far as the responsibility of the Honourable the Financial Secretary to that company as Chairman is concerned, he is not answerable to this House. Insofar as any matters to which Government responsibility applies, he is answerable.

HON CHIEF MINISTER:

First of all we are breaking reasonably new ground on this matter because of the Quarry Company and this one. Secondly, because it happens to be that the Financial and Development Secretary who sits here as Financial and Development Secretary, happens to be the temporary Chairman of the company. When his identity as temporary Chairman of the company disappears, then of course his knowledge of detail which he is expected to know as Chairman will be much more remote than it is now and then, of course, perhaps his position will be seen clearer that on day to day matters it is the company, formed under the Companies legislation, which have to carry on its business in its own way and that it is only answerable to the shareholder, the Government, in matters of policy which the Government will be fully responsible for, in major matters of policy within the terms of the management agreement that will be signed between GSL and the operators.

MR SPEAKER:

May I ask to be clear in my mind, insofar as the properties are concerned, are the properties being released direct to GSL or to the Government?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

To Gibraltar Shiprepair Limited.

MR SPEAKER:

Then it is a matter for Gibraltar Shiprepair Limited.

HON J BOSSANO:

Mr Speaker, if I can put a supplementary to the very useful question that you asked. If, in fact, the properties are being released directly to GSL, isn't this contrary to the whole question that the Government has followed that all properties no longer used by the MOD pass to the Government of Gibraltar, I mean, the Lands Memorandum and all the rest of it? The Government is in agreement that private companies should get properties direct from the MOD or is any other limited company precluded from renting property from MOD?

HON CHIEF MINISTER:

Mr Speaker, for obvious reasons, the company which has been formed in full consultation with the British Government, have been entrusted with the funds to run the company itself. This is an arrangement for this, it carries with it the transfer to the company by the MOD, in due course, all the assets in the Dockyard to the company that is owned by the Government. I think if the Honourable Member considers the position with regard to the nationalised industries in the United Kingdom, he will see that nobody is answerable in Parliament for the nationalised industries in the United Kingdom and this could be not exactly the same because it has not been in that way made into a major corporation, but it is the same in that it is a separate legalised entity in the form of Gibraltar Shiprepair Limited.

HON J BOSSANO:

Mr Speaker, isn't it the case that the Honourable and Learned the Chief Minister signed an agreement in July 1983, with Sir Geoffrey Howe and that one of the clauses in that agreement provided for the Ministry of Defence to make available to the managers of the Shiprepair Company for their occupation 46 properties and that is a fact. Doesn't the Chief Minister have to answer in this House questions regarding the consequences of the agreement that he signed?

HON CHIEF MINISTER:

I have no recollection that the question of the 46 quarters or whatever it is, is out in the agreement and no doubt the Hon Member, who is very well documented, has got a copy of the agreement there. My own recollection is that it hasn't and even if it had it was the arrangement whereby the commercialisation of the Dockyard took place. I think, with respect, the Hon Member is a bit confused about this question of the transfer of land and so on. Of course it is obvious that the owners of the Dockyard will be the Gibraltar Government through a company owned by the Gibraltar Government. The management of it, the way in which

the thing is going to be worked out, is being explained by the Financial and Development Secretary and to the extent that I am able by myself.

HON J BOSSANO:

Mr Speaker, I am afraid nothing has been explained. The position, Mr Speaker, is that 46 flats have been passed or are to be passed from the Ministry of Defence to a company of which the Government is 100% owner. Does the Government know on what terms those flats are being made available to Gibraltar Shiprepair Limited, or doesn't it know?

HON CHIEF MINISTER:

The availability of these quarters, which was not an easy thing to obtain, let me tell the Honourable Member, not an easy thing to obtain, in order not to press further on the demands on housing in the private sector and certainly in the public sector because we were in no position as a Government, to take on the responsibility of having to house these people and the agreement was reached that they would make these flats available. They have done so on a three year contract, we have made some reservations for the future and for the moment it is on the basis that it is granted to the GSL for personnel of their managers to run the commercial side of the Dockyard.

HON J BOSSANO:

And does the Chief Minister know how much GSL is going to be paying the MOD for those properties in those three years. Are they free of charge, is there a rent?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There will be rent, certainly, Mr Speaker.

HON J BOSSANO:

The Government doesn't know what the rent is at this moment, is that the case?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I do not know what the rent is at this moment, Mr Speaker.

HON J BOSSANO:

The Chairman of the company does not know the rent he is paying for 46 properties.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, one of the reasons is, of course, that the properties are not yet being rented.

MR SPEAKER:

And I am sure the other reason is because it is still not clear as to whether it is going to be paid by the Gibraltar Shiprepair Limited or by the employees. Is that correct?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, I did not hear that.

MR SPEAKER:

Another reason being that it is not clear yet whether the rent will be paid by the Gibraltar Shiprepair Limited or by the employees. Correct me if I am wrong.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not sure what the precise arrangement is. Remuneration is normally a package of salary and arrangements for meeting accommodation. I am not in a position to give details, Mr Speaker.

HON J E PILCHER:

Mr Speaker, does that mean that the MOD have signed a three year contract with the GSL of which the Government do not know the provisions. Is that what the Financial Secretary is saying.

MR SPEAKER:

All that the answer has been is that as far as either Government or Gibraltar Shiprepair Company is concerned, they are clear on one thing and that is that the flats or the accommodation is going to be rented on a three-year lease and nothing else.

HON J C PEREZ:

Mr Speaker, is it expected that these properties or some of them should be transferred to the Gibraltar Government once the three year lease runs out?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Honourable Member's question has indeed had a good deal of a discussion recently, Mr Speaker, anticipates the reply I propose to give to question No.40 on the Order Paper.

HON J E PILCHER:

Mr Speaker, I do not want to press the point but the Honourable the Financial Secretary has said they will pay rent but he does not know how much it is. Can he tell me whether they will pay rates at the rate of private properties or MOD properties? Can he tell me who is going to do the maintenance of the properties?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I cannot give you those details, amongst other reasons, of course the properties, up to 46 properties I have quoted, have not yet been rented been subject to any rental agreement, because the individuals who will be renting them are not yet all there. But as I have said earlier I think that in matters of detail of this nature it will be more appropriate to ask the company.

HON J E PILCHER:

Mr Speaker, the individuals are not all there, does it mean that there are some there.

MR SPEAKER:

May I suggest that the Opposition should ask a question exclusively seeking from the Financial and Development Secretary an undertaking that at a later meeting he will give full details. We are now speculating and nothing else.

HON J E PILCHER:

Very well, Mr Speaker, will the Honourable Financial and Development Secretary at a later date give us all the information that we are asking for?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Financial and Development Secretary will pass on the request of the Honourable Member to GSL management and I am sure that GSL management will take steps to give the Honourable Member whatever information they think appropriate.

HON J BOSSANO:

Mr Speaker, is the Financial and Development Secretary then saying that the Government of Gibraltar does not accept that it has a responsibility to the Opposition and to the public to provide information.

MR SPEAKER:

We don't know who the properties are going to be given to and who is going to be responsible for repairs and maintenance. It is only then that you will be able to ask further questions, that is why I have suggested that the information to the extent to which the Government is responsible will be given to the House.

HON J BOSSANO:

But, Mr Speaker, the point of principle that I am trying to establish and I think it is important to establish it right at the onset, is whether in fact the Government's position is that they will pass a request for information on to the company and then it is up to the company, and the Honourable says he is confident that the company will not be rude, but is it up to the company in their sole discretion to decide whether they give information or they do not.

MR SPEAKER:

My answer to that one and it must be as a ruling is that the fact that we are having this discussion now springs from the coincidental position of the Financial and Development Secretary being the Financial and Development Secretary and answerable to this House and at one and the same time also being the Chairman of the Gibraltar Shiprepair Limited. When that is done away with I most certainly will rule in this House, that any matter which concerns exclusively the running of Gibraltar Shiprepair Limited and for which they are responsible, most certainly the Government will not be answerable in this House. To the extent that I have allowed questions on non-defined domestic matters, if there were any particular question as to will Government inform itself or has Government any information, questions will be most certainly acceptable but not beyond that.

HON J BOSSANO:

Mr Speaker, it is a question of interpretation as to what is the question of day to day running.

MR SPEAKER:

It is not a question of day to day running; it is a question of Ministerial responsibility.

HON J BOSSANO:

Does the situation then that this House has voted money for the share capital of the company not mean that this House has got a right to question what is happening to the money it has voted?

HON CHIEF MINISTER:

I am trying to be helpful. Hopefully, when the preliminaries are got over, I hope to be able to make a comprehensive statement of what the Government will in future be prepared to answer and what the Government will decide, for guidance of Honourable Members they will not answer. In which case, of course, they can still ask the questions and whether they are ruled out of order or not is another matter. We are in a rather difficult situation but I think it is fair that I should say that we should say as a Government what we think we are responsible for. It is very difficult to say that until we get the agreement signed. We want to exercise control, too, to the extent that it is consistent with allowing them to run the Dockyard efficiently.

MR SPEAKER:

Next question.

26.6.84

NO. 35 OF 1984

ORAL

THE HON J E PILCHER

What is the present issued Share Capital of the Gibraltar Shiprepair Limited?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the issued Share Capital of Gibraltar Shiprepair Limited is £1,000.

SUPPLEMENTARY TO QUESTION NO. 35 OF 1984

HON J E PILCHER:

Mr Speaker, can the Honourable the Financial Secretary explain to me how Gibraltar Shiprepair Limited is paying the wages of its employees.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think that it is paying the wages of its employees with money. It will be necessary to increase the share capital in due course and that will be done in the light of legal and financial advice as and when necessary.

HON J BOSSANO:

But, Mr Speaker, isn't it the case that we have here the Gibraltar Shiprepair Ordinance which established that any money out of the £28m would go into a special fund and, in fact, that that money would then be used to increase the share capital and that then the company would use the money from the shares it sold to the Government to pay the employees. Isn't that what we have provided in law and if it is not being done like that, can the Financial Secretary tell us how it is being done and who decided to do it differently?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, I could not possibly answer all those questions of the Honourable Member off the cuff, so to speak, Mr Speaker. I note though, from recollection that shares would be sold by the company to the Government but it is certainly not the sense of the legislation. The Bill certainly made provision for the sale at some future date of the Government's holdings in GSL but not in the terms that the Honourable Member has mentioned.

HON J E PILCHER:

Mr Speaker, the Gibraltar Shiprepair Ordinance was passed and a provision was made for a fund and the explanation that the Honourable the Financial Secretary gave at the time was how this money was going to be transferred by Her Majesty's Government to the Gibraltar Shiprepair Limited. How is the money being transferred if it is not being transferred through the fund into the share capital of the company?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I understand the Honourable Member's point, Mr Speaker. The fund referred to in the legislation, in the Gibraltar Shiprepair Ordinance, was a means whereby monies were not paid into the Consolidated Fund, that is to say it was a mechanical or counting routine so that the monies were not paid into the Consolidated Fund but could be used for Gibraltar Shiprepair Limited for the purposes of establishing a commercial dockyard. That was the purpose of the provision in the legislation.

HON J BOSSANO:

Mr Speaker, has the Government of Gibraltar received any money from the United Kingdom Government for the purpose of setting up Gibraltar Shiprepair Limited, yes or no?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker.

HON J BOSSANO:

And has the money received been placed in the Special Fund as provided for by Section 6(4) or 6(3) of the Gibraltar Shiprepair Limited Ordinance, 1983, yes or no?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker, and also has been passed out of that into the account of Gibraltar Shiprepair Limited.

HON J BOSSANO:

How, Mr Speaker, when under Section 6(4) it says it shall be charged upon the Fund such money as the Financial and Development Secretary may authorise for the subscription or purchase by the Government of Gibraltar of shares in the company and for nothing else. Because in fact, I objected in the House at the time that this was too restrictive and the Government accepted that they ought to widen that Section to permit the Government itself to pay for direct construction work on the assets because the assets were not being transferred to the company, the assets were being transferred to the Government of Gibraltar and leased to the company and the Honourable and Learned Chief Minister said at the time that the Bill was being discussed that it had been a very

useful suggestion because they realised that the way it was being done they were limited exclusively to buying shares and nothing else. The law does not allow the Government to take money out of that Fund and give it to anybody.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I am sure that we are not doing anything which is contrary to the law, either the spirit or the letter of the Ordinance.

HON J BOSSANO:

Can I ask the Honourable the Financial and Development Secretary whether he can confirm that monies from the Shiprepair Limited Fund have been used for other than the purchase or subscription by the Government of Gibraltar of shares or the expenditure on assets belonging to the Government that are to be leased by the company. Has money been used for either of those two things which are the only things for which he has got authority to use the money?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, I do not understand the purpose of the Honourable Member's question.

MR SPEAKER:

Well, the purpose is not explainable, with respect to the Honourable Financial and Development Secretary. You have been asked a question, you can answer or you cannot. The Hon Member has no need to justify the reason why he is asking the question.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, in that case I can only suggest that the point that the Honourable Member has raised, subject to my clarifying with him outside the House, besides what it is that he wishes to know, I will take up.....

HON J BOSSANO:

But, Mr Speaker, I think it is reasonable that the Honourable Financial and Development Secretary should require more notice when we are asking something that is unrelated to the original question, but the original question says; "What is the share capital of the Gibraltar Shiprepair Limited?" The share capital of the Gibraltar Shiprepair Limited was established by an Ordinance passed in this House in December. That Ordinance provides that that share capital should be increased by the Government subscribing for shares using money in the Fund and therefore it follows logically from the question about the size of that share capital we are asking the Government whether they have used money from the Special Fund to subscribe for extra

shares and if not, and the answer clearly is not, because the share capital is still £1,000, have they used money from that Fund for anything else, yes or no? Surely, the Financial Secretary who is the Controlling Officer of that Fund, it is on his authority that money is used, he must know whether money has been used from the Fund or not.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the arrangements for the funding of GSL operations are certainly complex because we simultaneously have arrangements with the ODA whereby they provide money in accordance with an itemisation of the £28m which has been agreed between the two Governments and, secondly, we have a private company which is set up with the share capital, the present issued share capital of £1,000, which will in due course be increased. The point which the Honourable Member has raised because I think there is a certain disparity, if I may say, in arithmetical terms between the amount of money which is going to be spent on refurbishing the Dockyard and paying the employees of GSL, and the issued share capital, is one on which we are taking legal and financial advice, I am speaking now, of course, in my capacity as Chairman of GSL, as to the appropriate means and time at which we should increase that share capital.

HON J BOSSANO:

I appreciate that, Mr Speaker, I am not asking the Honourable Member to give me an answer as the Chairman of GSL, I am asking him to give me an answer as Financial and Development Secretary because we passed an Ordinance in this House which binds him because he is the man who authorises the use of the money from the Special Fund. The law puts the responsibility on him, it mentions him specifically. Sub-section 4 of Section 6 says "As the Financial Secretary may authorise", I am asking him has he authorised expenditure from the Gibraltar Shiprepair Limited Fund, yes or no?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker.

HON J BOSSANO:

And therefore, I am now asking him, has he authorised expenditure from that Fund for anything other than the subscription of shares or the expenditure of assets that belong to the Government, not to the company, to the Government as provided for by the Ordinance and if he has authorised expenditure for anything else, under what authority?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I need time to consider the provisions of the Ordinance in greater detail before replying to the Honourable Leader of the Opposition's learned question.

26.6.84

NO. 36 OF 1984

ORAL

THE HON J E PILCHER

How many RFA's are programmed to be repaired by the Gibraltar Shiprepair Limited in 1985?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, discussions with the Ministry of Defence on this question are currently taking place.

SUPPLEMENTARY TO QUESTION NO. 36 OF 1984

HON J E PILCHER:

Mr Speaker, is this not part of the agreement signed between the Gibraltar Government and the United Kingdom Government, as highlighted by Baroness Young and the £14m of further aid which she mentioned?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker, it is true. The Honourable Member if he had had the privilege of listening to the now Honourable Leader of the Opposition's questions in the House in December would have seen that we had a full discussion on this and certainly £14m of RFA work has been guaranteed by Her Majesty's Government.

HON J E PILCHER:

Is the Government not aware, Mr Speaker, that the MOD normally have a programme of work which is 12 months ahead and can tell where a ship is to be refitted six months or nine months from the date in advance?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am aware but in this particular case, Mr Speaker, it is not wearing my Financial and Development hat nor even my Chairman of Gibraltar Shiprepair hat, but my former hat as a person who worked in the UK Treasury, so I do understand that the MOD have forward programmes but the precise timing of them is, of course, a matter for ongoing discussions.

HON J BOSSANO:

Mr Speaker, can I ask the Financial Secretary, does the implication of his answer suggests a change from the number of ships that were programmed in the proposals? He is saying the matter is still under discussion, is it not the case.....

MR SPEAKER:

What the Financial and Development Secretary has said is that the number of ships which will be tackled during the year 1985 is not yet agreed.

HON J BOSSANO:

Well, then, can I ask the Financial and Development Secretary whether he can confirm that in fact the proposals that were accepted for the Dockyard's commercialisation by Messrs Appledore provided for a number of ships to be done in the first year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't think I could confirm the precise number of ships, Mr Speaker, that is not my recollection. My recollection is the £14m at July, 1983, prices.

HON J BOSSANO:

Mr Speaker, will the Honourable Member then check his report of the Appledore proposals where he will find that there are a number of RFA's scheduled for work in the first year and then perhaps he can come back and tell us whether he is still keeping to that target or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I am sorry, I must decline the Honourable Member's invitation.

HON J BOSSANO:

Doesn't the Honourable Member agree that if there is a proposed commercialisation taking place now and being implemented, if there is a departure from the number of RFA's programmed for the first year, he ought to come and tell the House?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I think that especially in the light of the most recent reference provided to Baroness Young, if there were any doubt about the £14m.....

MR SPEAKER:

I do not want to widen the scope of the question, I think the scope of the question is a clear one.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I cannot give precise information as to the number of ships or the amount which will be spent.

HON J BOSSANO:

Mr Speaker, we are not asking about the amount to be spent because we recognise that the Honourable the Financial Secretary is not able to say how much will be spent until the thing is working and we know how much is being charged, but there was a commitment in the original proposals that X number of RFA's would be provided in the first year of operation. Has there been any change in that commitment?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The discussions are still taking place, Mr Speaker. I cannot add any more to that.

MR SPEAKER:

We are not going to get any further on this one.

HON J BOSSANO:

But, Mr Speaker, is the Honourable Member saying that there are discussions taking place about something that was made available to the Opposition a year ago as something that had been agreed, the number of RFA's had been agreed.

MR SPEAKER:

The Financial and Development Secretary says that the workload for 1985 is being discussed and that the answer cannot be given because you have asked for a precise number of ships for 1985. That is the impression I get and I stand to be corrected.

HON J BOSSANO:

Mr Speaker, my reaction to that is, how does the Financial and Development Secretary explain the fact that today, when we are only five months away from work starting on the first ship on the 1st January 1985, he does not know how many ships are going to be provided because there are still discussions when in fact in 1983 there was already in a Report presented to this House a number of ships being given as the number that would be provided in the first year of operation. The number we are asking for now should be the same as it was last year unless there has been a change, so if there are discussions is it the case then that the number of RFA's that have been made available is now again under discussion, it is being reopened, the question has been reopened, is that the case?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I am sorry, I cannot assent to the interpretation which the Honourable Member has put on it. A lot of things have happened since the early part of 1983. We have had a general election and there have been other changes and the original programme for the Dockyard was subject to, shall we say, some interruption.

One must expect that budgets and forecasts, especially when they are refined to the extent of identifying individual numbers, would be subject to some change. What is not being subject to any change is the £14m at July 1983 prices.

HON J BOSSANO:

So then, in fact, we have got an answer now Mr Speaker. The situation is that the six RFA's committed for the first year of operation of the commercial dockyard is no longer there, it could be subject to change and it is now under discussion whereas before it was a clear commitment. We are still talking about the time scale. Surely, the Financial and Development Secretary will admit to me that the proposals of Appledore have only been altered by twelve months, that is, that if they start working in July 1983, they start repairing in January 1984, and logically if they start working in July 1984, they start repairing in January, 1985, that changes nothing, so the situation now is that the commitment included in the proposals of six RFA's in year 1 is no longer there.

MR SPEAKER:

Next question.

NO. 37 OF 1984

ORAL

THE HON J E PILCHER

What will be the annual salary of Mr Brian Abbott as General Manager of the Gibraltar Shiprepair Limited?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, Mr Abbott's remuneration is at present met from the money ODA are paying A & P Appledore under the Consultancy Agreement. His future remuneration will be for the Board of GSL to decide.

SUPPLEMENTARY TO QUESTION NO. 37 OF 1984

HON J BOSSANO:

Does the Government of Gibraltar have any views as a matter of Government policy about the salaries that should be paid to top management in companies of which they are 100% owners?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is quite a wider question Mr Speaker, and I would feel that the Government, if the question were put to it, would need some time to consider.

HON J BOSSANO:

Mr Speaker, I am not asking the Government to tell me what its policy is, I have asked the Government whether they have a policy. How can the Honourable the Financial and Development Secretary need time to consider whether he has a policy or he has not got a policy, has he got one or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Is the Honourable Member referring to Directors of firms such as GSL or are we talking about public salaries, generally.

HON J BOSSANO:

It is very clear, I have been very specific. I will repeat the question for the benefit of the Honourable Member. I have said: "Does the Government of Gibraltar have a policy regarding the salaries that should be paid to Senior Management in companies of which they are 100% owners, yes or no?"

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, I think I can answer that in general terms, Mr Speaker. The Government's policy would be that the remuneration should be sufficient to attract the right individual.....

MR SPEAKER:

No, with respect, you are not being asked that. You are being asked would Government have a say in influencing salaries.

HON J BOSSANO:

No, Mr Speaker, I am deliberately phrasing the question in a way that it could not be inferred that I am asking the Government for anything that has to do with the day to day running of the company and therefore I am asking the Government whether they have a policy that in the companies of which they are the owners, whether they have a policy as to what should be the salaries paid to the top managers in those companies?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I can only begin once again, Mr Speaker, with the speech which you so courteously interrupted me when I was half way through and that is that I think the Government's policy must be to see that the remuneration of such individuals is adequate for recruitment and retention but not excessive, that is, one need not pay more than the market rate for the job. I think that is a very sensible policy.

HON J BOSSANO:

I see, Mr Speaker, and in fact is it not the case that in respect of Government employees the Government of Gibraltar is committed to a policy of paying parity with UK which need not necessarily be the market rate for the job? It is adopting one policy then in the companies of which it is an owner and a different policy in its capacity as an employer, is that the case?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I do not think it is, Mr Speaker. The Honourable Member has invited me and here I could speak for hours on the question of the differentials between salaries in the public or official sector and in the private sector. I think the Honourable Member's views of my views on this are known, that I find the differential of 30% lead for the official sector over the private sector a serious one, one with serious consequences for the Gibraltar economy.

HON J BOSSANO:

So the Honourable Member is then saying that on the basis of that view that he holds, he thinks that as a matter of policy employees in the private sector and by implication employees in those private companies of which the Government is the owner, ought to be paid more so that gap between their wages and those of the Government is closed.

MR SPEAKER:

If I may.....

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, that is not. Mr Speaker, I beg you not to cut me short.....

MR SPEAKER:

I want to make myself very clear. I have not cut you short but I will as often as I feel I ought to and I will not stand any nonsense in that respect. I want to make myself completely and utterly clear on that one. I will cut any Member when I feel I should do so. You may now continue.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I do not think the Honourable Member is entitled to draw the inference from what I said that those in the private sector should be paid more than the public sector. I said that the differential, the 30% lead for those in the official sector over the private sector was one which I thought had serious consequences for the health of the Gibraltar economy.

HON J BOSSANO:

Mr Speaker, isn't the Honourable Member saying if he thinks the differential has serious consequences, that he thinks that the differential should not exist. He favours the elimination of the differential.

MR SPEAKER:

Yes, but we are now entering into a debate and that is what I was trying to say to the Honourable the Financial and Development Secretary.

HON J BOSSANO:

Could I ask the Honourable Financial and Development Secretary then whether he will be in a position to inform the House of what the salary of the General Manager of Gibraltar Shiprepair Limited is when that salary is paid from the funds of the Shiprepair Limited and not from ODA?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I think in a matter of salaries the Board will want to do whatever is in accordance with good company practice and certainly in the interests of Gibraltar, generally. I would think that the remuneration of Senior Salaried Employees is something which certainly under UK company law is revealed in Annual Reports and Accounts and I would think that Gibraltar Shiprepair Limited would want to follow suit. Certainly Directors fees will be made known and I would just like to say, en passant, that the present Chairman is not, in fact, getting a fee.

26.6.84

NO. 38 OF 1984

ORAL

THE HON J E PILCHER

Can Government confirm that all the electricity requirements of the Gibraltar Shiprepair Limited will be supplied by the Inter-service Generating Station?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, this is the intention, at any rate for the first 2 years of the Company's operations.

SUPPLEMENTARY TO QUESTION NO. 38 OF 1984

HON J E PILCHER:

How much is the MOD asking for the service? Is it the same rate as the MOD charge their users or is it at a different rate?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think there is a differential, Mr Speaker, at present.

HON J C PEREZ:

Mr Speaker, has the Gibraltar Government got the capacity to be able to supply the requirements of Gibraltar Shiprepair Limited with our own Generating Station?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If I may answer the Honourable Member's question slightly at a tangent. As far as the future is concerned, and I am not giving a specific guarantee or commitment at this stage, but merely saying there is a possibility electricity will, we hope, be provided by the Municipal Service assuming enhanced capacity of the Waterport Station, at a future date. This is the expectation.

HON J C PEREZ:

In fact the Hon Member is saying that at the moment we have not got the capacity to be able to supply the Gibraltar Shiprepair Limited?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have said that, yes, that is correct, Sir.

HON J E PILCHER:

The Hon Financial and Development Secretary said there is a differential, which way? More expensive or cheaper?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry Mr Speaker, I have to check on that. Could I possibly give the Hon Member the information subsequently.

THE HON J E PILCHER

Can Government confirm that Gibraltar Shiprepair Limited is importing its office furniture direct from the UK?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Again, Mr Speaker, I do feel this is not a matter for the Government but for Gibraltar Shiprepair Limited, how it imports its office furniture. I would merely say that the Company's policy is, wherever possible, to choose the most cost effective option unless there are other considerations which are so important as to over-ride this criteria.

SUPPLEMENTARY TO QUESTION NO.39 OF 1984

HON J BOSSANO:

Mr Speaker, is the Government's policy consonant with the Company's policy, that is, does the Government believe that it is a good thing that we should all in Gibraltar go and buy things where they are cheaper because it is the most cost effective thing to do?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I cannot really speak for all my colleagues on the Government bench because they have different areas of responsibility but I am sure it will come as no surprise to the Honourable Member if I say, wearing my Financial and Development Secretary hat, that naturally one wants the most cost effective option chosen, from a Treasury point of view.

HON J BOSSANO:

Does that include ordinary consumers wanting to go across the frontier, Mr Speaker, or are they excluded from the process? And could I ask the Financial and Development Secretary whether, in fact, direct imports require a trading licence of any sort? Does the company that has got a licence for shiprepairing, does it have the facility? This is something that other people can do, is it, anybody can buy whatever they like in UK.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think you can buy for yourself, Mr Speaker, but the distinction is between importing for personal use and trading.

HON J C PEREZ:

Mr Speaker, why is it that the requirements for furniture did not go out to tender so that local firms might have been able to tender at cheaper prices than the normal sale price because of the volume of the furniture it is intended to buy,

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I would imagine, Mr Speaker, that before the Managing Director of GSL decided to import furniture or indeed any other item, he would have the commercial prudence to see whether he could purchase the item or items locally in Gibraltar at a cheaper price.

HON J C PEREZ:

Mr Speaker, if a tender comes out for the supply of furniture there is something concrete and some proof on the part of the company that that has been done but at the moment there is no proof at all that the company has done that. For all we know the company has gone to UK because it has suited them or because they like the colour of the furniture that they are buying in the UK.

HON. FINANCIAL AND DEVELOPMENT SECRETARY:

I would certainly have something to say as Chairman and also as Financial and Development Secretary if the Company were to adopt such an irresponsible approach to a commercial matter as suggested by the Honourable Member, Mr Speaker.

HON J E PILCHER:

Mr Speaker, the furniture sold locally has to pay duty, obviously, and the furniture brought in by Appledore is duty free because of this ODA. What chance have local shops to sell all this furniture to Appledore and to get part of the £28m expenditure staying in the local economy?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I can only repeat, Mr Speaker, that it is the responsibility of the Company to purchase at the cheapest possible price. The primary responsibility of Gibraltar Shiprepair Limited is to operate a commercial yard, to husband its working capital and to run its operations efficiently. It is a secondary responsibility for Gibraltar Shiprepair Limited, an important aspect of the undertaking is the spin off in terms of employment and the boost to the Gibraltar economy. I do not see the proposition which the Honourable Member has just outlined as being necessarily compatible with those primary objectives.

HON J BOSSANO:

Isn't this an example of where there is no spin off. In fact, if the furniture which could have been bought here is being brought direct from United Kingdom and can in fact the Honourable Member confirm the point made by my colleague that this furniture will not pay import duty.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is my understanding, Mr Speaker. I could confirm it subsequently.

HON J BOSSANO:

But that the furniture that the company would have bought here would have been one that had paid duty already?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I shall need to look into this particular question, Sir. I will write to the Honourable Member about it.

HON J BOSSANO:

Am I right in thinking that if Appledore tomorrow goes out and buys something from a shop, that article has paid duty on importation and therefore the price will include the duty. Appledore, presumably, doesn't then go and send off for a rebate, does it?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is my understanding, certainly, Mr Speaker, but I think I would like to check before confirming this.

MR SPEAKER:

Next question.

THE HON J E PILCHER

What is the policy of the Government regarding the accommodation that has been made available to the Gibraltar Shiprepair Limited by the MOD?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, a short while ago we had a very lengthy discussion on this when I referred the Honourable Member to the letter which the Honourable Chief Minister sent him recently. I think the only further comment I would like to make on this point on the question of policy, is that the Chief Minister said in his reply to the Honourable Member that as and when expatriate personnel were replaced by locally recruited managers we would ask that these quarters released by MOD should be allocated to the latter instead of being returned to the MOD. The Chief Minister has made that clear and I think that is how I would answer the question as to policy.

HON J BOSSANO:

Does that mean, Mr Speaker, that the Gibraltar Government believes that the properties should be permanently allocated to the Gibraltar Shiprepair Limited?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, permanently is a long time, Mr Speaker, and in the long run we are all dead but for the foreseeable future, yes, I think that would be the expectation. It was not a firm commitment, I must emphasize that, that is the Chief Minister's expression of an aim.

HON J C PEREZ:

Mr Speaker, is the Gibraltar Government expecting that the Ministry of Defence will comply with this and are they expecting that the properties will be transferred to the Gibraltar Government once the Gibraltar Shiprepair Limited has finished the lease over the properties?

HON CHIEF MINISTER:

We hope we can do that. With regard to the earlier question by the Honourable Mr Pilcher as to the timing, if, in fact, as we think, Members there don't share this view, Gibraltar Shiprepair will require management for a long time, and this management is altered to locally recruited people, it will be required for as long as that is necessary.

HON J C PEREZ:

Mr Speaker, does the fact that the Ministry of Defence has allocated these properties to the Gibraltar Shiprepair Limited not demonstrate that they no longer need them and if so why has the Government not tried to get them to be released to the Gibraltar Government and whilst the Gibraltar Shiprepair Limited is occupying them that rent should be paid to the Gibraltar Government and not to the Ministry of Defence?

HON CHIEF MINISTER:

I wish things were as simple as the Honourable Member makes them. At the time of the negotiations, the burden was on the Ministry of Defence to do a number of things if we were going to be able to accept commercialisation. One of them was we did not want further to encroach on Gibraltar Government properties or private properties for the management and after long negotiations the Ministry of Defence agreed to release these quarters for three years. For that they have had to do a lot of adjustment and it will depend very much whether progress is made on plans they have for further quartering and other buildings that they have at the time when it comes whether they will require them or not. If they are not required by MOD, if they are not required for the purpose for which MOD have passed them over, then they have a duty to pass them over to the Gibraltar Government. But one thing is releasing something on a special agreement and the other one is saying that you do not need it forever.

HON J E PILCHER:

Mr Speaker, with all due respect, that is not the answer that the Honourable the Financial Secretary gave me. He says that for the foreseeable future these properties will be allocated to the GSL. The Chief Minister is saying that if they are no longer needed for the MOD then they would be transferred to the Gibraltar Government.

HON CHIEF MINISTER:

No, I think you have got it wrong. I was trying to answer Mr Juan Carlos Perez about eventually and then eventually depends very much when it comes and what other quarters have been provided. You all have the example of the struggle we have had about the reprovisioning of the quarters for the car park and the efforts we have had to make and the difficulties we have had. Forty four quarters have been a real effort and in fact they have been provided and that is so much the better and in fact they have been provided and that is so much the better but what will happen when they are no longer required either for GSL or for MOD, then the answer is it has to come over to us.

HON J BOSSANO:

But, Mr Speaker, surely there is a conflict in what the Chief Minister is saying and what the Financial and Development Secretary has said because if the Financial and Development Secretary is saying that the policy of the Government of Gibraltar is that the 46 properties should continue to be occupied by managers of the Shiprepair Company when those posts are localised, then presumably it can only be because the MOD accepts at the end of the three years that they do not need the properties back. If the MOD accept at the end of the three years that they do not need the properties back then the Chief Minister says automatically it passes to the Government of Gibraltar.

HON CHIEF MINISTER:

I think sometimes, Mr Speaker, I ought to tell myself that I should know better than to try and help the House by explaining the matter and then getting a crossfire from different angles. I was answering the question raised by Mr Juan Carlos Perez about the question of the ultimate responsibility and that has now been crossed with how long is it going to be for GSL. Certainly, for as long as it is required for GSL beyond the three years, we hope that if it is localised they will be occupied and that is all I am saying. I am safeguarding because if I do not say that and if I do not say what I tell Juan Carlos Perez, either he or el Tio del Capote or whatever it is will come out saying that the houses are going to go to somebody else, so if you are helpful and trying to explain, then you get everything distorted. I do not read El Tio del Capote but I am told what it says.

HON J BOSSANO:

Can I ask the Honourable and Learned Chief Minister that if the MOD, after three years.....

MR SPEAKER:

No, that is hypothetical.

HON J E PILCHER:

But, surely, if the MOD do not need it after the contract has run, the three-year contract, surely then the property is surplus to MOD requirements and it should come back to the Gibraltar Government and not as the Honourable the Financial Secretary has said, the policy is that expatriate personnel are replaced by locally recruited, then the properties should go to the locally recruited.

HON CHIEF MINISTER:

What we are saying and what the Financial Secretary has said, is that if the MOD are able to release properties for management of the Dockyard for expatriates, they should equally have them available for local people who occupy those posts. That is a matter of principle. It could well be that some of these posts are localised before the three years. What the position will be at the end of the three years, of course, will depend very much

on the requirements of GSL and on the requirements of the MOD. Then looking longer and longer then of course what will happen is that if they do not need it eventually it will come to us.

HON J BOSSANO:

Mr Speaker, can I just ask the Honourable and Learned the Chief Minister. Would he not agree with me that it is possible for the Government of Gibraltar to adopt one or two policies now straightaway as a matter of policy and that is either to say to the MOD; "We want those properties available for Gibraltar managers either before the three years, if some of the 46 are replaced before the three years, or at the end of the three years, if at the end of the three years the 46 are replaced". That is one policy which is apparently the stand adopted by the Government but it is possible as an alternative policy to say to the MOD; "What we want at the end of the three years is that the 46 properties should be transferred to the Government of Gibraltar and then the Government of Gibraltar in three years time will decide whether it is in the best interests of the community that they should be made available for managers of GSL or for anything else".

HON CHIEF MINISTER:

It is a good question but the answer is not what the Honourable Member wants. The answer is that they do not say that they do not require them at the end of three years, they have lent them for three years and they say they will still require them and I say it will very much depend whether they require them at the end of three years or now. That is why no valued judgement can be made now as to the future. They have come out and it has not been an easy matter and there has been a considerable amount of coming and going in certain areas of the MOD administration about whether they should be released or not. We have had them released for this purpose, it is helping us but it is on the basis of a loan exceptionally to help the management get quarters and that is all. At the end of that period it will very much depend what happens.

MR SPEAKER:

With respect, this is question time, we are not discussing policy, we are trying to seek information. If the matter is important enough we can debate it but not now.

HON J E PILCHER:

The question Mr Speaker, is what is the policy of the Gibraltar Government regarding the accommodation. I would like to have a simple yes or no. The policy as stated by the Honourable the Chief Minister in his letter to me was that when expatriate personnel are replaced by locally recruited personnel, we would ask that these quarters be allocated to the latter. Is that the

policy of the Gibraltar Government or is it that they should be returned to the Gibraltar Government for the use of the community as a whole, that is what I am asking?

HON CHIEF MINISTER:

At this stage it is the policy of the Gibraltar Government that if there is a change and transfer, as Appledore has promised, on recruiting more local people, our policy is that the managers of GSL who are from Gibraltar should occupy those quarters.

HON J BOSSANO:

Could I ask the Honourable and Learned the Chief Minister, doesn't he consider that that policy that he has just enunciated means that if local permanent staff moves into all those quarters and they are eventually passed to the Gibraltar Government, they will be passed with sitting tenants, there is nothing he can do about it then. How can he then say that he agrees to the alternative policy that the properties should be released to the Government of Gibraltar and the Government of Gibraltar should be free to decide what they are going to do with them if he had already said that he will be pressing before they are passed on to him for local employees of the Company who will be permanent employees and not contract workers to occupy all those properties. Surely, he will agree with me that he will inherit them if he is successful in what he wants to do which I know is not acceptable to the MOD but if he succeeds in pursuing that, doesn't he agree that that will follow then that when the Government of Gibraltar eventually get the properties they will have sitting tenants and they will not be able to do anything with it.

HON CHIEF MINISTER:

Yes, and in some respects though I do not want to associate one thing with the other, that is very much the case with Government quarters.

HON J BOSSANO:

Yes, and so what?

HON CHIEF MINISTER:

But we have them.

MR SPEAKER:

We will leave it there. Next question.

26.6.84

NO. 41 OF 1984

ORAL

THE HON J L BALDACHINO

Will Government keep a record of the applicants for tax relief in respect of the down payment for home ownership introduced this year so that the scheme can be monitored for effectiveness?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Mr Speaker, we will.

SUPPLEMENTARY TO QUESTION NO.41 OF 1984

HON J L BALDACHINO:

Mr Speaker, will Government keep this side of the House informed of the progress?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

We will certainly keep the House informed of the numbers, Mr Speaker.

THE HON M A FEETHAM

Can Government confirm that goods exported from Gibraltar to another EEC country are subject to VAT on entry and the Common External Tariff?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, Gibraltar does not form part of the customs territory of the EEC. As a territory for whose external relations Britain is responsible, Gibraltar is entitled to benefit from the community's Generalised System of Preferences. A Generalised System of Preferences covers a wide spectrum of processed agricultural products, manufactured and semi-manufactured goods. As far as VAT is concerned, that is essentially a point of sale tax and is applied irrespective of the country of origin of the goods.

SUPPLEMENTARY TO QUESTION NO. 42 OF 1984

HON M A FEETHAM:

Mr Speaker, am I correct in stating, therefore, that goods that are exported, for example, from France to the UK and vice versa are not subject.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

My understanding is that they are not, Mr Speaker.

HON M A FEETHAM:

And this would obviously be the case again, for example, when Spain joins the EEC as regards importation to the UK?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Again the details of the negotiations on Spanish entry are not within my responsibility, Mr Speaker.

HON M A FEETHAM:

Mr Speaker, could I phrase it another way. Would the goods exported from Spain, for example, to Gibraltar be subject to our own duty arrangements and similarly goods imported to the UK would be subject to whatever the arrangements are, in the negotiations?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, goods exported from Spain into Gibraltar will be subject to whatever arrangements Gibraltar had. Yes.

HON M A FEETHAM:

Could the Honourable Member, please explain or clarify a recent statement by Her Majesty's Government to the effect that there is an annexe to the external affairs chapter which states: "That trade would be normalised between Spain and the EEC and between Spain and Gibraltar on the same basis subject to any permitted derogation".

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I do not think I can comment on that, Mr Speaker.

MR SPEAKER:

No, you are not here to confirm or deny any statement made by another authority.

HON M A FEETHAM:

Can I ask a further clarification with regard to EEC purchases, Mr Speaker. Mr Taylor, who is a Member of the European Parliament, visited Gibraltar recently and said that once Spain was in the EEC, visitors to Gibraltar would have to be allowed to take back goods of up to £168 per day.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not an expert on this, I do not recall exactly but I think he must have been mistaken on that.

HON M A FEETHAM:

Can the Member please say whether he has actually sought clarification on a rather important statement from a Member of the European Parliament and whether he will make a statement regarding this at a later stage.

HON CHIEF MINISTER:

We have sought clarification on this from the Foreign and Commonwealth Office and I will say that Mr Taylor was stating that on the wrong assumption, that the special provision under which we are in did not apply. I can give the Honourable Member a clarification letter, we have looked into that. I am afraid that he was talking a little off the cuff and without sufficient background knowledge.

HON J BOSSANO:

Wouldn't the Honourable and Learned Chief Minister agree with me that if we have a public statement made by somebody that one assumes is fairly expert on the subject, that it needs to be publicly corrected because otherwise, for example, a lot of people in the private sector may be preparing for the day when we are going to get a rush of purchasers taking £168 of goods and that day will not materialise. The original statement by Mr Taylor was given considerable publicity, would the Honourable Member not agree.

HON CHIEF MINISTER:

In fact, I was waiting for the results of the European Elections to see whether he got back again to be able to write to him and ask him to confirm to me that he was talking on the wrong assumption. As soon as I get confirmation, I don't think it is fair for me to make a statement now contradicting, I will make a proper statement.

HON J BOSSANO:

Mr Speaker, the Honourable Financial and Development Secretary must be in fact concerned that the normalisation of the frontier will have implications for the finances of the Government and.....

MR SPEAKER:

That is opening a much wider field.

HON J BOSSANO:

What I am coming to, Mr Speaker, is that against that background, because if you will forgive me for saying so, the reason why I am saying that, Mr Speaker is because in answer to a previous question he said he was not responsible for the statements of other Governments.

MR SPEAKER:

Because he was asked to confirm the correctness of a statement made by an external authority.

HON J BOSSANO:

The point that I am making is that whether he cannot answer or make himself responsible for the statement of other authorities, if that authority is a statement in the House of Commons and if he is the Financial and Development Secretary of Gibraltar and if that statement appears to have serious implications for trade in Gibraltar and for Government revenue, does he not then consider in the background of all the points that I have made that the implications of the statement about normalising trade between Gibraltar and Spain appear to be, in principle, in contradiction with the reality of our present relationship with the EEC where we are treated as part of the external world for trade purposes, that is, goods with Gibraltar origin are no different from an EEC point of view from goods with a Hong Kong origin, am I correct or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I couldn't answer that because I do not know enough about the Hong Kong situation.

HON J BOSSANO:

Mr Speaker, then how can the Financial and Development Secretary look to a situation on normalising the frontier as a possible way out of the present economic crisis if he doesn't know what the effects are?

MR SPEAKER:

With respect to the Hon the Leader of the Opposition, we are now expanding the orbit of the question. We are not going to discuss all the consequences of the normalisation of the frontier under the guise of a question on the liability to VAT on goods exported from Gibraltar.

THE HON M A FEETHAM

Mr Speaker, can Government make a statement clarifying what are the legal rights of civilians as regards access to Western Beach?

ANSWERTHE HON THE ATTORNEY GENERAL

Mr Speaker, Western Beach is not Prohibited Crown Land within the Prohibited Crown Lands Notice and consequently it is not a criminal offence to enter upon Western Beach. The land surrounding Western Beach is Prohibited Crown Land and consequently ordinary members of the public have no access to Western Beach by land. In order to gain access to Western Beach, of course, access has to be from the sea. Access to Western Beach and to all other beaches in Gibraltar, Mr Speaker, in a mechanically propelled pleasure boat is subject to restrictions contained in the Seaside Pleasure Boats Rules, 1981.

SUPPLEMENTARY TO QUESTION NO. 43 OF 1984

HON M A FEETHAM:

Having therefore clarified quite clearly the position of civilians as regards access to Western Beach from the sea, has Government made any representations to point out to the RAF that the barrier that they are constructing which prevents effectively civilians from approaching Western Beach by sea is, in fact, against the law?

HON ATTORNEY-GENERAL:

Mr Speaker, representations have been made to the RAF and I understand that there has been a rather helpful discussion between the RAF authorities and representatives of the civilian people involved, I believe it is the Montague Boat Owners Association. I don't know what the outcome of these discussions have been but apparently they have got some sort of accommodation. I think the RAF are fully aware of the position of this fence that has been built on the landward barge and, as I say, helpful discussions have taken place.

HON M A FEETHAM:

Does Government accept that in a case of fencing in or out of people by a third party which has no right to do so there is no question of discussion or otherwise, the question is that they should not be doing it and it should be removed forthwith.

HON ATTORNEY-GENERAL:

I don't think that is really so Mr Speaker, if people want to build a fence they can build a fence and if they are given property on which to build a fence they can do it. It is on a barge, on the landward barge, it is not going into the sea. It is an extension of a fence that existed there and you have got this landward barge which is owned by a private company and there must have been some agreement between the RAF and the private company for this fence to be extended onto this barge.

HON M A FEETHAM:

Is it conducive to good relations between civilians and Ministry of Defence to allow that to happen and would it not be far more discreet to have made representations that that will not be conducive to good relations and could you give an assurance to the House that in fact it will be pointed out to the RAF personnel that to prevent anybody from approaching the beach by sea is in fact not their prerogative to do so and that people have got every right to do so providing that the person approaching the beach by the sea is not breaking the law, whatever the requirements are about pleasure boats etc.

HON ATTORNEY-GENERAL:

I think these representations have already been made by myself to the Air Commander.

HON M A FEETHAM:

Well, can you tell us what has been the reply?

HON ATTORNEY-GENERAL:

The Air Commander is fully aware of what the position is about the approach of boats from the sea. He has been given a copy of Seaside Pleasure Boat Rules and, indeed, we issued a press release sometime last week as to what the responsibilities were under those Rules. Insofar as the fence is concerned, I can express my personal views and probably the views of the Government to the Air Commander but if he wants to build this fence on the barge he is free to build his fence on the barge whatever we may think about it.

HON M A FEETHAM:

Under the terms, presumably, of the lease that Blands has with Government, there must be some arrangement between Blands and Government when they originally were able to obtain that area. Is there any clause there which states, for example, that Blands must seek permission from Government to allow a third party to build a fence to prevent people from access to an area which they are legally entitled to have access to.

HON ATTORNEY-GENERAL:

I don't know what the terms of the agreement with Blands and Government are but I should not imagine it has got a clause in to the effect that "thou shall not build a fence or allow anybody else to do so". I don't know the terms of the agreement.

HON M A FEETHAM:

Can the Member say whether the Government are in fact in agreement with this or not because I think it is a matter of public interest. We are not trying to create an anti-RAF situation, we just want to clarify so that at least the RAF know the feelings of both sides of the House on this matter.

HON ATTORNEY-GENERAL:

I think they are aware of our feelings as to this fence because it is this fence which is, of course, the problem and I don't think Government does approve of the building of this fence on this barge. But I cannot stop people. If the RAF want to build a fence on the barge they can build a fence whatever our feelings may be and our feelings, I think, are rather strong.

HON J BOSSANO:

Can I ask the Attorney-General to confirm, if I have understood him correctly, that in fact the beach itself is not Ministry of Defence property, only the camp adjoining the beach.

HON ATTORNEY-GENERAL:

The beach is not Ministry of Defence property within the Prohibited Crown Lands Notice. The actual Prohibited Crown Lands are the Airfield, the Tarmac, the Hangers and ancillary buildings. The prohibited area starts, if you go to the beach, there is a low wall and there are three notices, the usual Prohibited Crown Lands notices on the beach side relating to the Prohibited Crown Lands on the landward side of this low wall. The beach is not Prohibited Crown Land, it is not an offence to go on that beach.

HON J BOSSANO:

And therefore if natives somehow managed to park themselves on the beach irrespective of the fact that there is a fence, whatever means of approach they adopt provided it is from the seaward side, there is nothing the RAF can do to get them to leave, is that correct?

HON ATTORNEY-GENERAL:

Yes, there is nothing the RAF can do to get them to leave even if they break the Seaside Pleasure Boats Rules and approach. The police will certainly report them and they commit an offence under those Rules but their entry onto the beach is not illegal.

HON J BOSSANO:

If there was a flotilla of rowing boats, for example, arriving on the beach, the RAF have to learn to live with that.

HON CHIEF MINISTER:

Not unless it looked like an invasion.

HON ATTORNEY-GENERAL:

On that point, we must remember that the RAF do have security, it is an RAF base. The RAF are concerned not so much as to exclude the natives, as Mr Bossano puts it, but to make sure that other people, and I am not talking about non-Gibraltarians, but foreign people do not arrive on this beach.

MR SPEAKER:

Next question.

NO. 44 OF 1984

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state when the new Landlord and Tenant Ordinance will be coming into effect?

ANSWERTHE HON THE CHIEF MINISTER

The first requisite is the appointment of a Rent Assessor and this has now been done.

There is a considerable amount of administrative work to be done before the Ordinance can come into operation.

On present information early Autumn is emerging as the likely date for implementation.

NO. 45 OF 1984

ORAL

THE HON J BOSSANO

Is Government now satisfied that the allegations made against an officer of the Customs Department in relation to certain incidents in Spain last December, are without foundation?

ANSWERTHE HON THE ATTORNEY-GENERAL

The allegation came from Spain and those making the allegation were unable to prove the involvement of the Customs Officer in any illegality.

When this information was received, Mr Speaker, the officer in question was allowed to resume his full duties in the Branch in which he was employed.

SUPPLEMENTARY TO QUESTION NO. 45 OF 1984

HON J BOSSANO:

And is the Government, if I can return to the question I put in the Order Paper, as a result now satisfied that the allegations against the officer are without foundation, or is it not satisfied?

HON ATTORNEY-GENERAL:

The authority making the allegation was unable to prove the allegation, therefore the furthest I would go is not proven.

HON J BOSSANO:

So the Government in a situation where it has reason to doubt the integrity of an officer in a key position, is prepared

MR SPEAKER:

No, I do not think that has been even insinuated.

HON J BOSSANO:

Well, isn't it the case, Mr Speaker, that the Hon and Learned Attorney-General has said that there were allegations made, that the allegations have not been proven and that subsequent to their not being proven, he has been allowed to resume his duties, isn't that what the Hon Member has said?

MR SPEAKER:

Yes, that is correct.

HON J BOSSANO:

And, therefore, doesn't it follow that the Government removed him from his duties because of the original allegations and has allowed him to resume his duties even though it is not satisfied that they are without foundation?

MR SPEAKER:

Government have not insinuated that they were without or with foundation. They are saying that certain circumstances took place outside Gibraltar, Government have taken steps, those investigations have finished and now he has been reinstated.

HON J BOSSANO:

But, Mr Speaker, does the Government not realise that that is not sufficient from the point of view of the individual concerned who requires and who wants the Government to take whatever steps are necessary to satisfy themselves fully that there was no foundation in these allegations? It isn't enough to leave a question mark.

HON ATTORNEY-GENERAL:

If you make an allegation you have to prove it though it is difficult to prove. I am not saying and I cannot say, Mr Speaker, that the allegation was without foundation. All I am saying is that the allegation is not proven, Mr Speaker.

HON J BOSSANO:

Mr Speaker, isn't the Hon Attorney-General then concerned himself that he should take whatever steps are necessary not simply to establish that it is not proven but to establish that it isn't true? How can it be enough for him that it isn't proven?

HON ATTORNEY-GENERAL:

And the officer in question, perhaps, his legal representative must also try and clear his own client's name and try to show to the Government that the allegation has no foundation. I will go as far as what has been informed by the authorities - insufficient evidence to prove, not proven. If the officer in question wishes to prove that the charges were without foundation, let him try and produce the evidence to me and to the Government that those charges were without foundation because at the moment all I am prepared to do is to say that the charges were not proven.

HON J BOSSANO:

Mr Speaker, it is no reply for the Government to tell the Opposition that the officer himself ought to do something or not do something. The officer is not sitting on that side of the House. I am asking the Government and the position of the Government is that they are not prepared to do it. That is the answer.

MR SPEAKER:

Next question.

THE HON R MOR

Mr Speaker, can Government state why the sum of £20,200 is required under subhead 8, Head 3, for the current financial year?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, the sum of £20,200 is the total approved 1984/85 Estimate of Expenditure under subhead 8 and is required for the provision of free refreshments to pupils in First and Handicapped Schools.

£10,000 is earmarked for the provision of milk to First School children. £10,200 is the cost of providing midday meals for the students attending St Martin's Special School and St Bernadette's Occupational Therapy Centre.

SUPPLEMENTARY TO QUESTION NO. 46 OF 1984

HON R MOR:

Mr Speaker, on the reallocation of the funds, £3,000 out of this subhead has been transferred to subhead 21 which is a contribution towards the extension of the dining-room facilities in St Martin's school. My question is, Mr Speaker, does it mean that when Mr Julio Pons wrote to the press expressing his delight that at long last his dream had come true, that it wasn't really that his dream had come true but that the Government was giving less milk to the handicapped?

HON G MASCARENHAS:

No, Mr Speaker, what occurred was that we had £3,000 left over from that vote and that was the money given to them last year.

HON J BOSSANO:

Mr Speaker, if they had £3,000 left over from the £18,700 what happened, is it that prices have gone up or are there more people involved or what?

HON G MASCARENHAS:

The estimate for the provision of First School milk is calculated using formula inclusive of the number of school days per academic year, the estimated number of children at the rate of one litre bottle of milk. On average about 50% of First School pupils consume the milk provided, therefore the estimate is based on known current consumption but there is no way we can tell at the end of the year whether they will consume the 50%. We could have a decrease of 45% consumed or even 35% and if we have more consumption than we have at present, we could find ourselves having to come for supplementaries.

HON J BOSSANO:

But in fact the amount voted is an increase on the amount voted last year out of which they removed £3,000 by a reallocation, is that the case or not?

HON G MASCARENHAS:

That was a saving, Mr Speaker.

HON J BOSSANO:

In fact, then, the final figure for 1983/84 eventually when it appears will show £15,000, am I correct?

HON G MASCARENHAS:

Yes, Mr Speaker.

HON J BOSSANO:

And therefore we are talking about an estimated cost in the current year which will be 33% higher than the actual cost in the last twelve months. Am I correct or not?

HON G MASCARENHAS:

If all the children take the milk as we are expecting they will, that is the answer.

HON J BOSSANO:

So the answer then was that last year there was less consumption than the Government thought there would be.

HON G MASCARENHAS:

Yes.

THE HON R MOR

Mr Speaker, can Government state when the Ministry of Defence will be handing over the Gibraltar and Dockyard Technical College and can they also say what price the MOD is asking for the building and equipment therein?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, Government is not yet in a position to state the agreed value for the transfer of the Gibraltar and Dockyard Technical College.

The question of compensation for MOD surplus buildings is now regulated by the 1983 Lands Memorandum which provides the basis for valuation of buildings under 60 years.

It will be appreciated that although the Department has an interest in the transfer of the College, it is not directly involved in these negotiations.

SUPPLEMENTARY TO QUESTION NO. 47 OF 1984

HON R MOR:

Mr Speaker, does the Government agree that the matter of the release of the College by the MOD has now been going on for several years and needs to be solved as soon as possible?

HON G MASCARENHAS:

I am advised that both Gibraltar Government and MOD valuers have completed their respective calculations and these will now be considered by Council of Ministers.

HON R MOR:

Mr Speaker, will Government be taking over, I think it is about two MOD employees, who are office employees who are presently working at the MOD?

HON G MASCARENHAS:

I am afraid I do not know, it does not arise from this question.

HON J BOSSANO:

Mr Speaker, the Hon Member has, in fact, not answered the second part of the question about what is the price the MOD is asking. Is it that they are not asking for something or is it that he does not want to tell us or is it that he does not know?

HON G MASCARENHAS:

The valuation has got to be considered by Council.

HON J BOSSANO:

Yes, I know, but is in fact the MOD asking for a particular sum of money or is it not asking for a particular sum of money and therefore what we want to know is what they are asking?

HON G MASCARENHAS:

I am not in a position to give you that information yet.

HON J BOSSANO:

Is it that the Hon Member does not know or that he does not want to make it public?

HON G MASCARENHAS:

I do not want to make it public at this stage.

HON J BOSSANO:

Well, will the Hon Member let us know by writing to us?

HON G MASCARENHAS:

Of course I will.

THE HON MISS M I MONTEGRIFFO

Can Government state whether the £5,000 they intend to provide for GASA in the current financial year is their first contribution towards the structure of the swimming-pool, which is estimated to cost between £150,000-£200,000?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, the sum of £5,000 provided in this year's estimates is not the first contribution but a further contribution by Government towards the building of a swimming-pool.

SUPPLEMENTARY TO QUESTION NO. 48 OF 1984

HON MISS M I MONTEGRIFFO:

Well, Mr Speaker, since two elections ago the Government is committed to building the structure of the pool. This year their election manifesto reiterated that commitment. Is the Minister now saying that they intend to build a pool in thirty or forty year's time considering that they have given £5,000 to GASA in one financial year?

HON G MASCARENHAS:

Given the present economic climate, it is impossible for Government to commit funds for the construction of a swimming-pool but in the meantime and in keeping with our stated policy, we shall continue to assist GASA in every way we can. Government is fully aware of the great effort and hard work that GASA members themselves are putting in towards the building of the pool. We are also aware of our commitment to build the swimming-pool but we have to face the harsh economic realities of the day.

HON MISS M I MONTEGRIFFO:

Mr Speaker, how is it possible that GASA should get £5,000 out of the PWD Maintenance vote when £700,000 was voted in the House of Assembly for the maintenance of Government buildings? Is it not against the Public Finance (Control and Audit) Ordinance that money voted for one purpose should be used for another?

HON G MASCARENHAS:

Mr Speaker, I remember very correctly that at the Committee Stage of the Budget Session you asked that and an explanation was given to you.

HON MISS M I MONTEGRIFFO:

Mr Speaker, is it not against the Ordinance in question? Can the Minister say, for example, how the construction of a swimming-pool forms part of the maintenance of Government buildings?

HON G MASCARENHAS:

Mr Speaker, I remember you asked exactly the same thing and we gave the explanation. I had made an arrangement with the Public Works, no money had been voted this year because we felt we could not earmark any money but considering the commitment that we had in our 1980 and 1984 election manifestos we felt that some contribution had to be made this year and the only way that we could arrange it was to get it out of that Fund which is sub-head 2.

MR SPEAKER:

What you are being asked is whether it is contrary to the Public Finance (Control and Audit) Ordinance.

HON G MASCARENHAS:

I am not aware of that.

MR SPEAKER:

There has been a virement from the Public Works Department vote for the repairs and maintenance of properties to give a contribution of £5,000 to GASA for the building of this swimming-pool, not specifically for the building of a swimming-pool but for works that are being carried out in respect of the swimming-pool. Is that against the Public Finance (Control and Audit) Ordinance?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Normally virements between subheads are not contrary to the Finance Ordinance, Mr Speaker, normally, but there are certain circumstances, I think if it was a virement from personnel to non-personnel or vice versa it would be a different matter.

HON J BOSSANO:

Mr Speaker, as I understand it, in fact, there has not been a virement and if there had been a virement it would be from the Public Works Annually Recurrent Head to something else because we are talking about a subhead in the Head of Public Works. What we are saying is the subhead in question is maintenance of Government properties. Is it not the case that money from that sum allocated by this House can only be used for maintenance of Government properties and how is it possible for the Government within the constraints imposed on it by the Public Finance (Control and Audit) Ordinance to use part of that money for anything other than maintenance of Government properties?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I will have to have details which I regret that because my mind was on something else I did not quite grasp and I can only offer to look into it.

HON J BOSSANO:

Let me be clear, let me just make it clear what it is that we are asking the Government. We are talking about Head 20, subhead 2 - Maintenance of Offices and Buildings. The House has voted in the current 1984/85 Estimates that £700,000 should be spent by the Government in maintaining these offices and buildings other than Housing. We are told that out of that, £5,000 is to be made available to GASA to assist them in the building of a swimming-pool. We want to know whether this is contrary to the limitations put on Government expenditure by the Public Finance (Control and Audit) Ordinance or not?

MR SPEAKER:

We will leave it at that, next question.

HON J E PILCHER:

Mr Speaker, if I may on the same question, coming back to the actual question, not to the estimates. The Hon Minister for Sport and Education said that it is not the first contribution that they have made, am I correct? How much has been contributed by the Government towards the pool?

HON G MASCARENHAS:

Mr Speaker, what I understand by a contribution is not whether money is involved. What I mean by contribution is helping them to start off the swimming-pool in terms of throwing spoil into the area, etc.

HON J E PILCHER:

Taking into account the Minister's own words of the economic restraints I am trying to balance that up with their election manifesto. Can he give us more or less a rough guess as to when the swimming-pool will be ready?

MR SPEAKER:

No, next question.

HON MISS M I MONTEGRIFFO:

Can I ask one question relating to my original one? Can the Minister confirm whether the £5,000 is going to be given to GASA as cash or as value of materials?

HON G MASCARENHAS:

Mr Speaker, it will not be cash, we are supplying cement and any facilities that they require that we can recognise as being towards the construction of a swimming-pool. In other words, what I envisage is that eventually the pool will be finished. If next year the financial situation is better and we have money available

to construct the pool, we shall do so. This year it is impossible and rather than leave them without anything, I think the £5,000 contribution to do something is better than nothing.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

In the interests of providing information where it can be provided on the spot, Mr Speaker. Now that I have heard the Hon Leader of the Opposition's question, he has been kind enough to spell it out to me, I can say that virements between one subhead and another in the terms he suggested is quite normal provided they are approved by Ministers.

HON J BOSSANO:

I welcome that answer because it shows that the Hon Financial and Development Secretary has not understood what I have said. There is no question of virement, unless he knows something that we don't, but we have not been told that he has made a virement but in any case, as I understand the virement, it would be within that particular Head, that is, he could vire presumably part of the money from subhead 4 which is the Maintenance of Government Buildings, to another subhead within the same Head. What we are being told is that part of the materials that are being voted for the Maintenance of Government Offices and Buildings are going to be given to GASA to help them in building a swimming-pool. Is that permissible, because presumably if that is permissible then the rest of the materials of the £700,000 can still be voted here for the Maintenance of Government Buildings but can be discretionarily made available to anybody for building anything else.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

But as I understand it it is still within Head 20.

HON M K FEATHERSTONE:

The expenditure is on what is possibly quasi Government property because the property is not owned by GASA it is only leased to GASA from Government. The actual expenditure that has taken place in the past was on what was known as the Tarik Baths and the money that was given to GASA was in the form of materials so that they could improve it. Should that revert back to Government at any time that GASA were to give it up, then Government has intrinsically had the benefit of that money coming back to them and the £5,000 will be spent on the area around GASA which, again, is Government land, in principle.

HON J BOSSANO:

Mr Speaker, we are not questioning the desirability of making funds available for the making of the swimming-pool, what we are questioning is whether this is legally within the requirements of the Ordinance. We may find that when the Auditor does his report in a year's time that it isn't but we are raising the question now and we would like the Government, if they have not thought of it, to give us an answer when they have looked at it.

MR SPEAKER:

Next question.

NO. 49 OF 1984

ORAL

THE HON J C PEREZ

Has Government completed the study of the finances of the Telephone Service Fund?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

No, Sir. The Government has not yet completed the study.

SUPPLEMENTARY TO QUESTION NO. 49 OF 1984

HON J C PEREZ:

Can the Hon Member state when he expects the study to be ready and why is it taking so long to complete?

HON J B PEREZ:

Mr Speaker, the position is that I only recently took over responsibility for the Telephone Department. I can confirm that all the ground work has already been done by both the Treasury and the Telephone Department and they have submitted a draft paper for my consideration and subsequently to transmit whatever I decide on the proposals to put forward to Council of Ministers for Government to take a policy decision on the matter. At the moment I have not yet completed the study.

THE HON J C PEREZ

Can Government confirm that interruptions to the electricity supply recently experienced arise from the type of equipment installed at the Waterport Power Station and as such will be a permanent feature of the electricity service in Gibraltar?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, the recent interruptions to the electricity supply have been mainly caused by minor faults experienced mostly in the ancillary equipment of the engines, causing them to trip automatically. The tripping mechanism which is specifically designed to prevent any damage occurring to the engines is extremely sensitive in the new engines at Waterport and responds immediately without giving sufficient time for the starting of another engine. The Electricity Department is devising a falling frequency protection scheme, which will operate in King's Bastion in order to minimise the effects when engines trip. In this connection it may be necessary to purposely trip the engines causing failure in the power supply to test the equipment. Adequate advance notice of time and dates will of course be given.

SUPPLEMENTARY TO QUESTION NO. 50 OF 1984

HON J C PEREZ:

First of all, Mr Speaker, the Hon Member has not answered whether this is going to continue on a permanent basis since it was revealed during the Budget that it is a long-term intention of the Government to close down King's Bastion and stay with the new Generating Station. As I understand it, Mr Speaker, the new generators at the Station, there is no way in which people working at the Station can know when the electricity is going to be shut because it has got an in-built mechanism that when the machine overheats it just shuts down automatically and at night, when there is one engine only, the only way that they know there is going to be a power cut is when the power cut actually occurs at the Station. What I am asking the Minister is whether that is going to be a permanent feature of the electricity supply and, if not, what is the Government going to do about it?

HON J B PEREZ:

I am saying the Electricity Department are devising a falling frequency protection scheme which will operate in King's Bastion in order to minimise the effects when engines trip. In this connection it may be necessary to purposely trip them so what I am saying is that we are devising a system which when an engine overloads and before it trips, before that particular engine trips, the feeders of particular districts will be taken off so automatically we will have time to start another engine but perhaps I am not making myself clear.

MR SPEAKER:

The answer then is that it will not be a permanent feature.

HON J B PEREZ:

As I say, if this particular device works, then it should not be a permanent feature but until we have actually tried the device that has been set up by the Department we do not know. The problem is that when the engines trip we have not got sufficient time with the new engines to start up another one.

HON J C PEREZ:

Mr Speaker, if I may, let me just clarify this point. What we are being told is that the Department is trying

MR SPEAKER:

What you are being told is that a precautionary system is being undertaken to prevent this and that this will not be a permanent feature.

HON J C PEREZ:

Could I ask the Hon Member if they are not successful in coming up with this device, will it then be proved that the cuts will be a permanent feature of our electricity supply?

HON J B PEREZ:

No, Mr Speaker, the position is that the device has already been set up. We have already prepared to start testing this week and this is why I have said that it will require the Department to purposely cause the engines to trip and cause some power cuts but we will give advance notice. The system has already been devised, all we need is to try it out.

NO. 51 OF 1984

ORAL

THE HON M A FEETHAM

Will Government state whether ODA has approved funds for the purchase of the third generating set at the Waterport Power Station?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, I am grateful to the Hon Member for this question as it gives me the opportunity to inform the House that the ODA has approved funds within the last week for the purchase of a third generating set for Waterport Power Station amounting to £3,035,000.

SUPPLEMENTARY TO QUESTION NO. 51 OF 1984

HON M A FEETHAM:

Mr Speaker, this has obviously been paid for from the £13m 1981/86 ODA. Can the Member then state how much is left over and has it been allocated yet?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If the Hon Member means how much is left of the £13m, I think that is an elastic figure because it depends on what the contract for the third generating set amounts to. Sums have been allocated but that is not the tender price.

HON M A FEETHAM:

Mr Speaker, can the Member then state how much is uncommitted at the moment?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think it is in the order of £½m, roughly speaking.

HON M A FEETHAM:

Will this require further approval from the ODA to allocate?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, the ODA normally insist on being presented with specific projects which they can identify for which they are prepared to give funds.

HON M A FEETHAM:

Will the Hon Member then state if Government have got anything in mind for allocating this?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think this anticipates something which the Hon the Chief Minister will be saying in answer to subsequent questions.

THE HON M A FEETHAM

Does the Government know how many people working in Gibraltar and residing in Spain cross the frontier daily?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

No, Sir.

SUPPLEMENTARY TO QUESTION NO. 52 OF 1984

HON M A FEETHAM:

Mr Speaker, is it the Department's intention to monitor this?

HON DR R G VALARINO:

Mr Speaker, the Government may have to consider ways and means of determining the number of frontier workers. This will be looked into and it will not matter whether they are Gibraltarians, UK, EEC Nationals or any other nationality.

HON M A FEETHAM:

Mr Speaker, I am not trying to differentiate because the question would have stated that, but in view of the present discussions going on in relation to the EEC entry, is it not essential that Government should by now have set up machinery to monitor this and get the information necessary so that we are in a better position to be discussing this elsewhere, as the Hon Chief Minister is fully aware?

HON DR R G VALARINO:

Yes, Mr Speaker, I agree to some extent with the Hon Gentleman but let me add that the only information available to the Department on addresses of persons working in Gibraltar is either on their insurance records or on their labour records of those non-EEC nationals who are issued with work permits. The information on the insurance records is generally outdated if there has been a change of address. Most of the non-EEC nationals who have work permits reside in Gibraltar and do not cross the frontier.

HON M A FEETHAM:

Is the Minister aware or has he got any information as regards the number who are non-EEC who have not got work permits who are in fact working in Gibraltar? Is Government monitoring that at all?

HON DR R G VALARINO:

Mr Speaker, Sir, though the question does not arise out of this question let me assure the Hon Member that the Department is always on the lookout for people who are working in Gibraltar without permits and not only without permits but without social insurance cards and though we are aware we are also glad for any help that any member of the public may like to bring to our notice of any infringement of the law.

HON M A FEETHAM:

Is the Minister assuring the House that he will be informing us on the arrangements or the system which he is going to implement as regards monitoring workers working in Gibraltar but residing in Spain?

HON DR R G VALARINO:

Mr Speaker, the system is a complex one because, as I mentioned, some of the non-EEC nationals may be residing in Gibraltar anyway so we cannot monitor this but I give you my assurance that I shall look into it and I shall be able to report back to you as soon as possible.

THE HON J C PEREZ

Can Government explain why there is a limit to the amount of social insurance stamps that can be purchased at the Post Office on a single occasion?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

There is a limit of £100 in the value of social insurance stamps which may be purchased from the general counters at the main Post Office and at district Post Offices at any one time. A service is provided from the Philatelic Sales Counter to supply any amount over £100 on 24 hours' notice.

The reasons for this procedure are:

- (a) it eases the flow at the public counters;
- (b) it relieves somewhat the pressures on staff;
- (c) in the interests of security.

SUPPLEMENTARY TO QUESTION NO. 53 OF 1984

HON J C PEREZ:

Will Government, so as not to inconvenience large firms with delays, be prepared to accept that the social insurance of employees be paid direct to the Labour Department without acquiring the stamps, by means of a cheque?

HON G MASCARENHAS:

Mr Speaker, I am aware that there is machinery two months after the end of the year whereby people in arrears can settle their outstanding sums, they can purchase them. The Post Office, as far as we are concerned, provides a service for the Labour and Social Security Department for nothing and at the end of February we return all stamps to the Labour and Social Security Department.

HON J C PEREZ:

Since the insurance stamps have gone up, will the Government at least consider increasing the limit from £100 to perhaps the same percentage as the increase in the insurance stamps?

HON G MASCARENHAS:

No, Sir.

HON J C PEREZ:

Why not?

HON G MASCARENHAS:

Because the system has been working well since 1982 and I see no reason to change this.

HON J C PEREZ:

It has been working well since 1982 but from complaints that I have received it seems that people are not satisfied now with the service they are receiving. Is Government prepared to consider raising the limit of £100, that is all I am saying?

HON G MASCARENHAS:

Mr Speaker, I have had no complaints, absolutely none, neither myself as Minister or the Director of Postal Services. The system is working very well.

HON J BOSSANO:

The Minister does not understand that every year people will be buying less and less stamps for £100, he knows that, and he thinks that that is quite a good way to do it. Eventually, presumably, people will buy one stamp for £100.

MR SPEAKER:

Next question.

THE HON R MOR

Can Government state what procedure is followed to determine the award of supplementary benefits?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Applicants for supplementary benefits are required to declare their current earnings, any other income and capital assets. Details of family composition are also required. The award of benefits is based on this information and the Department has a visiting officer who visits households of applicants as and when required.

SUPPLEMENTARY TO QUESTION NO. 54 OF 1984

HON R MOR:

Mr Speaker, since it would appear that these are cases which are means tested cases, would the Government agree that persons in overcrowded conditions would be, even though they may be worse off financially, still be prejudiced by the way Government looks at the claims?

HON DR R G VALARINO:

Mr Speaker, I feel that the Hon Member may have got it a little bit wrong. In fact, he asked about the procedure and not about the criteria, and he is now asking about the criteria. The criteria is rather complicated and it would take a long time to be able to debate it in the House and, in fact, I would invite the Hon Member to visit the Department with myself and we can talk about this and about any other matters to his satisfaction and give him full details of the criteria involved. I think this will be the simple answer and it will save the House time.

26.6.84

NO. 55 OF 1984

ORAL

THE HON R MOR

Can Government say when they intend to proceed with their commitment to introduce a credit system for unemployed persons over 60 as regards social insurance contributions?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

I have given notice to Mr Speaker that I will be making a statement on this subject, which I will do at a later stage in the proceedings. Let me say that the Hon Member will be entitled to ask any questions after the statement.

NO. 56 OF 1984

ORAL

THE HON R MOR

How far has Government gone into the implementation of the proposals to deal with the issue of employment and retirement as outlined in answer to Question No. 11 of 1984?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

The proposals outlined by my predecessor which related to the Government service, ie the retirement of Government employees over the retirement age in order to make way for school leavers and others without jobs and the encouragement of those employees who are conditioned to voluntary retirement before the age of 60 to do so, are linked to the introduction by the Government of a Unified Pension Scheme. Proposals on this are now being finalised and will shortly be put to the unions for their consideration.

The proposal for the move towards the payment of a retirement pension rather than an old age pension as at present in order to discourage persons over the age of 65 from staying in employment or seeking re-employment, will be dealt with in the context of the annual review of Social Security benefits which will be carried out later on in the year.

I will be making a statement at a later stage of the meeting on the introduction of Youth Training Schemes which is perhaps the most important step in the Government's proposed measures to deal with the problem of unemployment.

THE HON J L BALDACHINO

Can Government state how the sum of £900,279 spent up to 31.3.81 on backlog of heavy maintenance has been charged to the Housing Fund?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

(In the absence of
the Hon the Minister for Public Works)

The figure of £900,279 was an estimate (p.100 of 1981/82 Estimates refers).

The actual expenditure under the Improvement and Development Fund was:

1978/79	-	£123,378
1979/80	-	£263,989
1980/81	-	<u>£376,325</u>
Total (up to 31.3.81)	=	<u>£763,692</u>

SUPPLEMENTARY TO QUESTION NO. 57 OF 1984

HON J L BALDACHINO:

Is this done on an amortisation policy carried out in the Budget of 1981?

HON M K FEATHERSTONE:

Yes, Sir, the amount has been amortised over 22 years. It commenced in 1978/79 and ends in the year 2000/01. The total amount charged to the Housing Fund to date stands at £140,091, current repayments are at the rate of £38,184 per annum.

HON J L BALDACHINO:

So the amortisation is carried out over a 22-year period and not over a 60-year period which is the normal thing on the policy on the Budget of 1981 stated by the then Financial Secretary? There is a difference in this to what we got in the last Budget where the pitched roofs of Varyl Begg were amortised over a 60-year period. Why the difference between this and that?

HON M K FEATHERSTONE:

I think the 60-year amortisation is for new property taking the whole of its life, this was for a backlog of heavy maintenance on property which was already in a reasonably rundown state and 22 years was considered a reasonable time to amortise it.

HON J L BALDACHINO:

I understand that, Mr Speaker, but what I am trying to get at is that I understand that the 60-year period will be the life of a new building but what I am trying to get at is that there is a difference between the pitched roofs of Varyl Begg, for example, which is another area, which will now have a life of 60 years. In other words, what I am trying to say is that the roof will outlive the building according to the amortisation policy. Quite a difference between that and this.

HON M K FEATHERSTONE:

I really couldn't say, Sir.

HON J BOSSANO:

Could I ask the Hon Member because, in fact, if I recall the position at the Budget, the Hon Financial Secretary was defending the application of the 60 years to everything irrespective of whether we were talking about modernisation, rehabilitation or what have you. Is this the only exception to the 60 year rule?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I do recall the exchanges I had with the Hon Members opposite on this particular point and we were, of course, talking about a specific instance which might vary the general rule of 60 years amortisation as the Hon Mr Baldachino has mentioned. Here we are talking about another specific instance and I think the fact that you have two specific instances illustrates the general rule which I expressed at the time where circumstances alter cases.

HON J BOSSANO:

But, Mr Speaker, if the Hon Member will recall, what he was defending was that there should be no exception to the general rule and what I am asking is, is this the only exception, yes or no?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I cannot say whether this is the only exception, obviously, Mr Speaker, I would have to lift up all the exceptions and I certainly do not have that information.

HON J BOSSANO:

So, in fact, the Hon Financial and Development Secretary does not know at what rate expenditure from Head 101 in the Improvement and Development Fund is charged to the Special Fund for Housing?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I would not accept that. I think that question is like rather has the Hon Member stopped beating his wife?

HON J L BALDACHINO:

Do these figures also carry the 3% interest rate like every other amortisation?

HON M K FEATHERSTONE:

I am afraid I do not know very much about amortisation at all.

HON J L BALDACHINO:

Mr Speaker, will I then get the answer in writing?

HON M K FEATHERSTONE:

Well, I will ask the finance authorities.

THE HON J L BALDACHINO

Does Government propose to start the external cladding of the Tower Blocks this summer?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

(In the absence of
the Hon the Minister for Public Works)

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 58 OF 1984

HON J L BALDACHINO:

Will the Government then be spending all the money voted in this year's estimates?

HON M K FEATHERSTONE:

The position, Sir, is that the firm who will do the work has in this current issue of the Gibraltar Gazette made an application for a Trading Licence. On the assumption that this is granted rapidly they should start work in August. It is hoped they will be able to spend the money allocated in this year's sums.

HON J L BALDACHINO:

Therefore with the work that is going to be carried out in August, will it be finished before the winter months arrive?

HON M K FEATHERSTONE:

No, I think if one refers to the estimates, some money was to be spent next year. What would be done in this year would be the £700,000, I believe, was the figure for this year, they will not complete the work.

HON J L BALDACHINO:

Will the aluminium windows be installed on the balconies as a result of this money we have voted?

HON M K FEATHERSTONE:

Yes.

HON J L BALDACHINO:

And I take it that this will be amortised over a period of sixty years?

HON M K FEATHERSTONE:

I am not at liberty to answer this.

HON J L BALDACHINO:

Will I then get the answer together with the other answers that the Minister has promised?

HON M K FEATHERSTONE:

Yes, Sir.

THE HON J E PILCHER

Can Government state what are its plans for improvements to the facilities at the air terminal in view of its declared policy to increase substantially tourist arrivals to Gibraltar and in the light of the recent experience encountered by delayed passengers which exposed the limitations of the existing facilities?

ANSWERTHE HON THE MINISTER FOR TOURISM

There are no short term plans for improving facilities at the air terminal. The areas and seating allocated to passengers are based on the International Air Transport Association Manual on Air Terminal planning geared to normal requirements. The recent experience which the Hon Member refers to was an abnormal situation resulting from diversions due to climatic conditions at the time, leading to unexpected congestion. This happened on a Monday when, under normal circumstances, five flights arrive and depart within the space of two hours.

SUPPLEMENTARY TO QUESTION NO. 59 OF 1984

HON J E PILCHER:

Mr Speaker, I thank the Minister for that but he is talking about normal situations. I take it that our airport is geared to work the normal situation that we have at the moment but I am referring to the declared policy to increase substantially tourist arrivals and therefore that cannot create an abnormal situation. Has that been catered for, because we are talking about basic facilities, the facilities that were seen to be lacking were basic facilities in sitting capacity, toilet capacity, eating capacity, refreshments, etc.

HON H J ZAMMITT:

Mr Speaker, I can assure the Hon Member that the particular Monday in question that the Hon Member is referring to was very abnormal. I have times of expected arrival and, in fact, the actual time of arrival and diversions not only emanating from Gibraltar climatic conditions but two aircraft that were diverted from departure to Liverpool from Manchester and that was very abnormal but I can assure the Hon Member that our air terminal is, in fact, geared to cater for much more than the traffic that we are normally receiving. I accept totally that five aircraft within two hours is totally abnormal to our circumstances and our structure but wherever one goes in the world if there are delays of incoming flights or outgoing flights there is bound to be shortage of seats of which if I may say, Mr Speaker, we are certainly not short. For instance, our departure hall has 133 and we know very well that the aircraft only carries 130 and, in fact, the International Air Transport Association recommends 68% of passengers to be afforded seating facilities. It is assumed that the other 32% are either shopping or doing something else, which is also catered for, that is one instance. Of course, I think I should also emphasis what has been

said here too many times before. Our air terminal in Gibraltar because of its close proximity to the main town, attracts an abnormal number of greeters and well wishers much more than one would have in any other air terminal and it is that, too, that contributes substantially to the lack of seating and lack of toilet facilities. But I take the point, this was very abnormal and one point, Mr Speaker, I would like to make is that I was delighted to see that for the first time in May this year, when we received the five aircraft within the two-hour arrival and turn around situation, which means really ten, it was a credit to the staff of everybody employed at the air terminal. I remember GBC was down there and there were no complaints at all. The air terminal is therefore adequate under normal circumstances.

HON J E PILCHER:

It is adequate under normal circumstances but there are no plans to expand it in the future.

HON H J ZAMMITT:

No, Mr Speaker, I would disagree. If we are to expect a vast number of arrivals then, of course, yes, the air terminal would be inadequate. What I would like to see is that if we can put the hours of the day into absolute proper slots then probably we could receive ten planes a day if they arrive throughout the working day. What we cannot expect to have is ten planes in one hour. We are not geared for that.

HON J E PILCHER:

Mr Speaker, the Hon Member is really not answering the question. He says there are no plans for improvements and now he says there are plans for improvements if there is going to be a boom and we are going to have planes which can be put in their proper slots. Is this feasible, are we going to be allowed to put planes in proper slots? If we are going to have a substantial increase in tourism will we be allowed to put these planes in their proper slot or will we get what happened last time and what happens all the time that we get all the planes coming in at the same time because of their departure time in UK which is 8 o'clock in the morning?

HON H J ZAMMITT:

Mr Speaker, if one is going to receive all these planes that one is hoping for, then I think, Mr Speaker, one would have to improve the facilities, that is long term, and when you are planning air terminal I am told that you plan twenty-five years ahead, that kind of projection. But what I say, Mr Speaker, is that if we are going to receive many more aircraft then, hopefully, all planes will not be from Gatwick, there are other airports in UK and for that matter other countries and, therefore, there could well be a spreading out of aircraft throughout the day. What one has to realise here is that we have one working hour, I am not saying that people are kicking their heels, but one working hour between one and two and then we have no more aircraft arriving other than the Tangier plane.

HON J E PILCHER:

I take it, Mr Speaker, using the figures quoted this must be the international standards, 68% of the seating capacity. If we have 130 seats out of 133 seats in the aircraft then we can only handle one plane at a time, if two planes came at one time then the 130 would only be 50% of the seating capacity so we could only handle one plane at a time, so if we handle two planes at a time it is an abnormal situation. Am I correct in assuming that?

HON H J ZAMMITT:

No, wrong, I said the departure hall has 133 seats, people who are channelled in there normally half an hour, forty-five minutes before the actual plane departs.

HON J E PILCHER:

How many planes can we take at any particular time, taking into account these international standards?

HON H J ZAMMITT:

Mr Speaker, we very often accept two aircraft.

MR SPEAKER:

No, how many planes can be accepted at any given moment, in accordance with the requirements of the International Air Transport Association? That is what you are being asked.

HON H J ZAMMITT:

Well, there is no set pattern on how many planes we would accept, Mr Speaker.

MR SPEAKER:

With the facilities you have.

HON H J ZAMMITT:

I would dare say two planes more or less at the same time but I would not like to be tied down to that figure.

HON J L BALDACHINO:

It must have happened on the Monday because that is the day when we get three planes in. This situation could arise again because we have three planes coming to Gibraltar on the Monday at intervals. What happened last time on the Monday was that we had three aircraft at one time and this could happen again in the future on a Monday if all the planes are delayed.

HON H J ZAMMITT:

Mr Speaker, I think I should give the times to clarify. The first aircraft should have arrived at 11 o'clock and it was diverted to Tangier and it arrived at 2.50 pm, it should have left at 11.45 and it left at 3.30. The second aircraft that should have arrived at 11.25 arrived at 2.05, should have left at 12.25 and left at 3 pm. That one was diverted not at this end but was one of the two aircraft that were diverted from Manchester to Liverpool. The other aircraft should have arrived at noon, it was diverted to Tangier and arrived at 3.05, it should have left at 1 o'clock but left at 4.15. The fourth plane, Mr Speaker, should have arrived at 12.30, in other words, at half hour intervals, it arrived at 3.05, it should have departed at 1.15 and left at 3.45. Again, this aircraft was diverted to Liverpool from Manchester because of fog in Manchester. The last aircraft which was the only one that really arrived on time was GB Airways which should have arrived at 1 but arrived at 1.15 direct, should have left at 1.45 but left at 2.07. You can see that that is uncommon in the sense that we do have climatic conditions here, cross winds, but this was our weather and UK weather both at the same time working adversely against us.

MR SPEAKER:

Next question.

26.6.84

NO. 60 OF 1984

ORAL

THE HON J E PILCHER

Has Government decided to implement any of the recommendations in the Report on Tourism prepared by the Administrative Secretary?

ANSWER

THE HON THE CHIEF MINISTER

Sir, I have given notice that I intend to make a statement, later in the proceedings, on the Report on the Tourist Industry which deals precisely with the subject-matter of the question and on which, as is normally the case, I am prepared to expand.

THE HON MISS M I MONTEGRIFFO

Can Government confirm whether nursing qualifications from Spanish institutions would be co-validated for recognition in Gibraltar, after Spain's accession to the EEC?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, at this stage it is not possible to give a direct answer to this question since as far as I am aware this matter is still subject to negotiations. What can be said is that if the standard of nursing qualifications from Spanish institutions is acceptable to the EEC then these qualifications would be acceptable in Gibraltar.

SUPPLEMENTARY TO QUESTION NO. 61 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, does the Government know that Spain is definitely pressing for their nursing qualifications in the context of the validity of professional qualifications being recognised throughout Member States and therefore does the Government not agree that before this happens we should take the matter up with the Foreign Office to protect the position of Gibraltar?

HON M K FEATHERSTONE:

Yes, that would be acceptable.

HON MISS M I MONTEGRIFFO:

Mr Speaker, if the Minister remembers, we had in Gibraltar some time ago a Miss Briggs who came over to recommend changes so that our standards of training would be brought up to the level of UK. Our qualifications would then be recognised in UK without requiring a further period of training there. What has happened since then?

HON M K FEATHERSTONE:

I do not see that that question follows directly from this one.

MR SPEAKER:

Have you got the information?

HON M K FEATHERSTONE:

I think we are pursuing it, and I think it is going well.

HON J BOSSANO:

Mr Speaker, would he not agree that, in fact, if Gibraltar qualifications, for example, the Gibraltar Registered Nurse, is not recognised in UK, it will follow that it cannot be co-validated for the rest of the Common Market?

HON M K FEATHERSTONE:

That is correct so once the Gibraltar nurse is acceptable to the UK it will be also acceptable to the rest of the EEC.

HON J BOSSANO:

Yes, of course, but can he see how it follows, Mr Speaker, that if the Spanish qualifications are co-validated for Gibraltar and at present the Gibraltar ones are not co-validated for UK, then it means that other people can move into our nursing profession and ours cannot move into anybody else's?

HON M K FEATHERSTONE:

Yes, that is quite understandable. I agree with you.

26.6.84

NO. 62 OF 1984

ORAL

THE HON MISS M I MONTEGRIFFO.

Can the Minister for Medical and Health Services say whether he has now received the report referring to the reprovisioning of changing-room facilities for nursing staff at St Bernard's Hospital, which was mentioned in answer to Question No. 6?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, certain unavoidable delays have been experienced in clearing a store into which the furniture at present in the lounge of the Hospital Quarters can be transferred. Nevertheless, being aware of the need to accelerate the process of providing improved changing-room facilities, action is currently being taken to move this furniture elsewhere in the Hospital in order that the projected move can be made without further delay.

SUPPLEMENTARY TO QUESTION NO. 62 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, this question of reprovisioning the changing-rooms is pending since 1981. Can the Minister, therefore, keep me informed as and when any progress is made?

HON M K FEATHERSTONE:

Yes, I shall be happy to let you know as soon as the change comes off.

THE HON MISS M I MONTEGRIFFO

Can Government state how much money has been allocated for this financial year out of the PWD Maintenance Vote for buildings occupied by the Medical Department?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

£50,000 have been allocated for this financial year out of the PWD Maintenance Vote for buildings occupied by the Medical Department.

SUPPLEMENTARY TO QUESTION NO. 63 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, is the Minister satisfied that this maintenance money will meet the needs of the Hospital for the current financial year?

HON M K FEATHERSTONE:

I would say that one is never satisfied with the amount one gets. I have the boot on the other foot at the moment. No, one is never satisfied but I think it is a reasonably fair proportion. I would add that one of the things that we do intend to do this year, I would like to give it a little publicity, is the construction of a Hospital chapel.

THE HON M A FEETHAM

Can Government explain the machinery in Government Service for appeals against decisions by a Medical Board?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

There is no machinery for appeals against the findings of a Medical Board. Medical Boards consist of a panel of three medical specialists appointed by the Director of Medical and Health Services and their recommendations are accepted as final.

SUPPLEMENTARY TO QUESTION NO. 64 OF 1984

HON M A FEETHAM:

Mr Speaker, is Government saying that they consider that to be fair and reasonable, that their employees have no recourse to appeal against the decision of a Medical Board?

HON M K FEATHERSTONE:

If you have three medical specialists the only appeal would be to further medical specialists which we would not have available so I cannot see that, in fact, it is very easy to do. I accept that some form of appeal would seem to be the best possible course of action but it does not seem to be something that is easy to do.

HON M A FEETHAM:

Is the Minister aware that the UK Departments in Gibraltar, who are employees of the Crown, have the right so why shouldn't the employees of the Crown employed by the Gibraltar Government have the same right?

HON M K FEATHERSTONE:

Perhaps the Hon Member would be kind enough to enlighten me as to what rights of appeal the UK Departments have and we could consider that for Government to follow.

HON M A FEETHAM:

Yes, I will acquaint the Minister. I am not quite sure whether the Minister is aware that the question as to whether one should have the right or not have the right in terms of who should make the final decision, whether it should be a Medical Board or otherwise, is actually a fair answer because the Minister is aware that under the Social Insurance Ordinance you have got a right of appeal to the Medical Board against the decision of the Medical Board, in a case of industrial injury, for example. Why cannot the same thing be adopted by Government?

HON M K FEATHERSTONE:

I am willing to look at it, Sir, but I find considerable difficulty if you have got three specialists who on medical grounds have found something, it is rather hard for a layman to challenge what they have stated as medical practitioners.

HON M A FEETHAM:

Do I take it that the Minister is accepting the principle of an appeal by a person who feels aggrieved against the decision of a Medical Board? I will be quite happy with an answer to that, yes or no?

HON M K FEATHERSTONE:

In principle, the idea is acceptable. In practice, I find it very hard to put into effect but we are willing to look into it to see if anything can be done.

NO. 65 OF 1984

ORAL

THE HON R MOR

What is the number of households which were in receipt of rent relief during the financial years 1982/83 and 1983/84 and how many of these correspond to privately owned accommodation?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

The number of tenants in receipt of rent relief during the years in question is as follows:

<u>Calendar Year</u>	<u>Government Accommodation</u>	<u>Privately owned accommodation</u>
1982	324	30
1983	340	31
1984	335	32

THE HON R MOR

Does Government agree that the provisions of rent relief for tenants of privately owned accommodation are totally inadequate and need to be brought into line with those of Government tenants?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir. All applications are assessed on household income. The assessment of applications from privately owned accommodation is dependent on a formula which takes into consideration whether the rent is inclusive or exclusive of rates, whereas in the case of Government tenants, the whole rent, inclusive of rates, is taken into consideration for assessment purposes. Applications from tenants in newly constructed flats such as at Rosia Dale, Rose Shrine, St Joseph's, St Jago's and others constructed thereafter, are at present excluded, other than in the case of bedsitters. Consideration is being given to whether these estates should also be included in the scheme, and, if so, to what extent.

SUPPLEMENTARY TO QUESTION NO. 66 OF 1984

HON R MOR:

Mr Speaker, is it then Government's policy to discriminate against tenants who live in private dwellings?

HON M K FEATHERSTONE:

No, Sir.

HON J BOSSANO:

The Minister says that he doesn't accept that tenants in privately owned accommodation are treated in an inferior way to the ones in Government. Well, does the Minister not accept that the formula which he is applying to the private sector does not relate rent relief to the rent actually being paid but to the rent that would be payable if the property was a rent controlled property outside the scope of Section 7(a) of the existing Landlord and Tenant Ordinance?

HON M K FEATHERSTONE:

This is not the way I have read it, Sir. It is assessed on the rent that is paid, what is not taken into account is the rates.

HON J BOSSANO:

But is it not the case that the rent that is assessed is the rent that is established by virtue of the provisions for rent control properties, I mean, is the Minister not saying that people . . .

MR SPEAKER:

Are you suggesting, irrespective of the actual rent being paid?

HON J BOSSANO:

Yes, Sir.

MR SPEAKER:

Could the Minister confirm this?

HON M K FEATHERSTONE:

If a person is paying a rent that is higher than the provisions of the rent that is controlled, then he should apply automatically to the Rent Assessor to see that his rent is brought into the proper channels and into the proper figures that it should be.

HON J BOSSANO:

No, Mr Speaker, because the Hon Member must know that under the existing Landlord and Tenant Ordinance and under the new Landlord and Tenant Ordinance there are many ways in which it is possible to get a property decontrolled and if the property is decontrolled then there isn't a statutory rent for it.

HON M K FEATHERSTONE:

The Hon Member might be right; I must confess my ignorance on this point, I am rather new on this, I shall have to look into it. If he would like to see me afterwards and give me details I will be happy to look into it.

NO. 67 OF 1984

ORAL

THE HON R MOR

Will Government state why rent relief is not applicable to tenants who have occupied privately owned accommodation after 23 April, 1959?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Rent relief does not apply to those who became tenants of privately owned accommodation after the 23 April, 1959, because that was the specified deadline incorporated in the Ordinance when the Rent Relief Differential Scheme was introduced. This has remained unchanged since.

SUPPLEMENTARY TO QUESTION NO. 67 OF 1984

HON R MOR:

Mr Speaker, is Government saying that tenants who are forced to reside in private accommodation purely because the Government has failed to provide them with adequate housing, that they are being penalised for not qualifying for rent relief?

HON M K FEATHERSTONE:

I am not saying that that is so but, in fact, that is the position. Perhaps the situation is that we should look into a possible change of the actual date.

HON R MOR:

Mr Speaker, haven't the Government got its priorities wrong by placing the place of residence first rather than the economic situation of the tenant?

HON M K FEATHERSTONE:

No, I wouldn't think so, Sir.

THE HON J L BALDACHINO

How many Government dwellings declared unfit for human habitation are still occupied by tenants?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

There are at present ten tenants in occupation of dwellings, which although not actually declared to be unfit for human habitation, would be so declared in the Chief Environmental Health Officer's opinion by a Court of Summary Jurisdiction.

SUPPLEMENTARY TO QUESTION NO. 68 OF 1984

HON J L BALDACHINO:

Mr Speaker, can the Minister then state if rent is payable on the same principle as the other dwellings?

HON M K FEATHERSTONE:

I would say, yes, Sir.

HON J L BALDACHINO:

Mr Speaker, is that because the Landlord and Tenant and Public Health Ordinance do not apply to the Government that people are allowed to live in Government flats like that?

HON M K FEATHERSTONE:

Mr Speaker, the position is that the Government is not bound by the Ordinance but the Government does respect it and as far as possible applies it.

HON J L BALDACHINO:

Mr Speaker, I understand that the Government respects the Ordinance but they still have ten tenants living in that state. If they pay the same as any other dwellings, what is the responsibility then of the Government towards these tenants in case of accidents occurring due to the state of the buildings - and I have seen some of the buildings?

HON M K FEATHERSTONE:

I am under the impression that that is really a matter for the Law Officers to decide.

HON J L BALDACHINO:

Mr Speaker, it was established in the last session of Questions and Answers of this House that these tenants are not given special consideration, they are given only more points and they cannot take the Government to Court, that is another point. Then how can the Law Officers decide what is payable or not?

MR SPEAKER:

The Law Officers have to decide as to the responsibility of Government insofar as injuries received as a result of the state and condition of the premises.

HON J L BALDACHINO:

Mr Speaker, it was established in the last session of Questions and Answers in this House that these tenants are not given special consideration, they are only given more points. Can the Minister then state what is the minimum and maximum points awarded for people living in these conditions?

HON M K FEATHERSTONE:

I wouldn't say they are not given special consideration if they are given extra points. I do not know offhand the number of extra points they are given but if they are given extra points it does give them some advantage for the poor conditions under which they are living.

HON J L BALDACHINO:

Mr Speaker, when I said that they are not given special consideration I was referring to what the previous Housing Minister said in this House, that they were not given special consideration but they were given more points. If the Minister were to look at the Housing Allocation Scheme he will find that these points are given at the discretion of the Housing Allocation Committee and it is not just for people living in condemned dwellings, it covers a wide range of cases. That is so, isn't it?

HON M K FEATHERSTONE:

Yes, that is so.

HON J L BALDACHINO:

Therefore, as I have explained, the guidelines used by the Committee is laid down in paragraph 15 of the Housing Allocation Scheme. Does the Minister then agree with me that these tenants are living in conditions which contravene the law and the only thing that is stopping the tenants taking legal action against the Government is the fact that the law does not apply to the Government, therefore, Mr Speaker, does not the Minister then agree with me that there should be provision in the Housing

waiting list for people living in condemned dwellings and points awarded should not be by discretion but by right laid down in the Scheme with just one set of points, Mr Speaker, because there is only one category in condemned dwellings - condemned dwellings?

HON H J ZAMMITT:

Mr Speaker, if I may help the Hon Member. There is, in fact, a particular formula in the case of condemned dwellings which the Hon Member might well find in the Scheme. It is allocated by the Housing Advisory Committee and there is a stipulation, it is not at the whim of any individual, there is a formula set down and it goes on areas, family composition and the like.

HON J L BALDACHINO:

Mr Speaker, paragraph 15, discretionary provisions, under that it states: "In special circumstances of any case including a case where the applicant has been dispossessed"

MR SPEAKER:

With respect, I think we are talking at cross purposes. That is an extra allowance. From what you have read it is clear it is an extra allowance over and above the fact that the applicant may have had points awarded to him because he is living in unfit accommodation. What you are reading now is in excess and it is extra to what we have been discussing.

HON J L BALDACHINO:

I am trying to get agreement from the Minister that there should be a special provision for people living in condemned dwellings with just one point system. No minimum, no maximum, just one set of points for people living in a condemned dwelling.

MR SPEAKER:

What you have been told is that there is a system whereby people living in condemned accommodation are awarded a maximum number of points according to the circumstances, area and the conditions of the dwellings and such like.

HON J BOSSANO:

Mr Speaker, I think the point that we want the Government to respond to is over and above the normal pointage that is given to a person. The Minister has said that somebody living in a condemned dwelling, one of these families, for the purposes of rent pay the same rent as everybody else and, presumably, for the purposes of accommodation, the adequacy of the accommodation is treated in the same way, that is, they come and measure the place and you get so many points for overcrowding whether the place is condemned or not condemned and so forth. Additionally, it is possible to give additional discretionary points on the recommendation of the Advisory Committee. What we are

saying is would the Minister not consider that the scheme should provide that there should be a number of additional points given automatically out of the fact that the place is condemned as there are additional points if the place is damp?

HON M K FEATHERSTONE:

The Hon Member is suggesting that the number of extra points should be mandatory. I think that has a certain amount of logic behind it, I am willing to look at it.

THE HON J L BALDACHINO

What steps does Government take to ensure that pre-war dwellings allocated to social cases are fit for human habitation and safe?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Pre-war dwellings are, as a rule, rehabilitated prior to allocation to social cases. There are instances, however, when such cases request, as a result of their pressing housing needs to be allocated specific unoccupied dwellings, as they stand. They then undertake to carry out necessary repairs themselves on provision of required materials.

SUPPLEMENTARY TO QUESTION NO. 69 OF 1984

HON J L BALDACHINO:

So, therefore, Mr Speaker, what the Minister is actually saying is that the Government has no responsibility for the safety of the dwelling?

HON M K FEATHERSTONE:

No, I am not saying that at all. I am saying that in normal circumstances the house is rehabilitated by the Public Works Department before being allocated but where you have a very pressing case, for example, somebody who is living in a car and who says: "I will take the place as it stands at the moment without it being rehabilitated because I prefer at least to live with a roof over my head albeit the conditions being not as good as one would like and I myself am willing to do the repairs", then it is often allocated to that person and the materials are given by Public Works to help in the actual repairs.

HON J L BALDACHINO:

Therefore, under those circumstances the tenant himself would carry out the repairs. In other circumstances it would be up to the Housing Department to carry out the repairs?

HON M K FEATHERSTONE:

Yes.

NO. 70 OF 1984

ORAL

THE HON J C PEREZ

Can the Minister state when it is intended that the MOT Vehicle Testing Centre will be fully operational?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

As soon as the necessary legislation is promulgated and the staff recruited and trained.

SUPPLEMENTARY TO QUESTION NO. 70 OF 1984

HON J C PEREZ:

Mr Speaker, does the Minister think that it is normal that the Testing Centre should have been completed so long ago and that it is still not operational and can he say under what Head in the Estimates is the money for the maintenance of the Testing Centre going to come out until it is fully operational?

HON M K FEATHERSTONE:

It is not right to say it is not operational because they are testing at the moment goods vehicles. I am not sure which Head the money referred to comes under but, as I say, the place at the moment is giving some service and it will give a fuller service, the service that it was intended to give fully, as the necessary legislation is promulgated and as the staff is recruited. It takes a certain time to recruit and train the staff.

HON J C PEREZ:

Mr Speaker, is the Hon Member expecting the place to run at a loss until it is fully operational or will the limited use of the Testing Centre cover the cost at present without the recruitment of staff and without the range of services that it is intended to give?

HON M K FEATHERSTONE:

Well, if you are putting it on a private basis footing, then it would be running at a loss initially but many businesses do run at a loss and run at a profit later on. I hope when we do run it at a profit you do not start saying that we are making absurd profits.

HON J C PEREZ:

Has the Government already taken a decision on what they are going to charge motorists for the tests involved and could the Hon Member commit himself to keep this side of the House informed on income and expenditure in relation to what is projected?

HON M K FEATHERSTONE:

Yes, Sir, the scale of fees has already been worked out. I will be happy to give the Hon Member a copy if he has not seen it yet.

NO. 71 OF 1984

ORAL

THE HON J C PEREZ

Will Government take the necessary steps to bring amending legislation limiting the use of a second driver in the taxi service, according to the requirements of the trade as established after consultation with the Taxi Association?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, a number of amendments to the Traffic Ordinance are in preparation. Amongst these is a proposal to amend considerably the section dealing with road service vehicles and when this is completed the whole question of drivers in the taxi service will have been taken into account. During these considerations the Taxi Association will be consulted for their views and aspirations.

SUPPLEMENTARY TO QUESTION NO. 71 OF 1984

HON J C PEREZ:

If the Taxi Association were to propose that a limit on the use of a second driver be included in those amendments, will the Government be in a position to accept that?

HON M K FEATHERSTONE:

Government is willing to listen to the aspirations of the Taxi Association as long as these aspirations are reasonable. What, unfortunately, seems to be the position at the moment is that the Taxi Association is not fully sure of what they want. They seem to wish to be able to switch on the second driver at the turn of a switch which is not something that you can easily do by legislation. They seem to ask one day for one thing and when circumstances vary somewhat to what they expected they suddenly wish to change the legislation to suit their convenience. If it can be worked in such a way that a reasonable answer to what their aspirations are can be accommodated, then it will be done.

HON J C PEREZ:

Is the Hon Member aware that the suggestion of the two driver one car

MR SPEAKER:

No, we are not going to discuss that question because otherwise we are going to get bogged down. If you want to ask another question by all means do so.

HON J C PEREZ:

Will the Hon Member commit himself to bring the amendment that he is suggesting that the Government is going to make to the next meeting of the House in October, after the Summer recess?

HON M K FEATHERSTONE:

I would not like to commit myself to that because the whole question hinges on the fact that there is a considerable amount of drafting to be done. At the moment the Attorney-General's Department is depleted insofar that an actual Law Draftsman is being recruited. When we have that person I will try and push through the Traffic Ordinance as a measure of priority. There are other Bills also in the pipeline. I would not like to commit it for October. I would hope, however, to have it by the end of the year.

NO. 72 OF 1984

ORAL

THE HON M A FEETHAM

Has Government taken a decision regarding the Chamber of Commerce representation on Customs arrangements at the frontier?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

A memorandum was presented to me last Thursday at a meeting which I held with representatives of the Chamber of Commerce and the Food and Provisions Wholesalers. Because Council of Ministers normally meets on Wednesdays it has not yet been possible to consider the matter in that forum.

SUPPLEMENTARY TO QUESTION NO. 72 OF 1984

HON M A FEETHAM:

Can the Minister give an indication when a reply will be given?

HON A J CANEPA:

I cannot give any indication about a reply. What I can say is that I will be bringing the memorandum to the notice of my colleagues at the next meeting of Council of Ministers.

THE HON M A FEETHAM

Will Government give a progress report on the work done by the Think Tank set up by the Minister for Economic Development?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

No, Sir. The Think Tank is not a statutory or formally established Committee. It has been set up at my own personal initiative in order to provide me with an informal consultative body, to which I have invited a number of individuals in a purely private capacity.

SUPPLEMENTARY TO QUESTION NO. 73 OF 1984

HON M A FEETHAM:

On a point of clarification, Mr Speaker. These individuals who have been invited in a personal capacity, have they been nominated by the Associations, as far as you are aware?

HON A J CANEPA:

No, I approached everybody myself individually and I did not approach any Associations to which they may or may not belong.

HON M A FEETHAM:

Mr Speaker, is the Minister saying that in effect he does not think it important that this side of the House should have a progress report because this is something of a personal nature?

HON A J CANEPA:

What I am saying is that in the exercise of my Ministerial responsibilities and to the extent that I feel that I can get helpful advice and establish contacts with individuals, I think that I am free to meet whomsoever I wish. I do not think that there is anything to stop me from holding meetings with groups of individuals. That is what I am doing and in the exercise of that I do not think that I owe an explanation to anybody. I do not even report to my colleagues about it. Ministers, as Ministers, do not get a progress report, it so happens that three of them belong to the Think Tank but the others are not told about what is going on.

HON J C PEREZ:

I take it then that whatever policies emerge after consultations there, in fact, the Minister does not think it is necessary to seek our views?

HON A J CANEPA:

What we discuss may or may not be reflected in the policy which the Government adopts. Many matters are discussed, it is a useful sounding board as well but I would not like to keep tabs or keep a record on the extent to which our deliberations influence the policy of the Government in one way or another. I can say that it is a valuable forum and I can say that already I can detect that our discussions in this consultative body do influence our thinking, if I may use that word.

HON J BOSSANO:

Wouldn't the Minister for Economic Development agree that, in fact, to have called it a Think Tank in the first place appears then to be a misnomer because the function is not what the publicity led one to believe.

MR SPEAKER:

Well, they are still entitled to think.

HON J BOSSANO:

Anything that makes the Government think is welcome in its own right per se. I think the Hon Member is perfectly right to say he does not have to explain to the House or to anybody else who he meets and has a chat with to sound out his ideas. Does he not agree with me that the impression created was that this was a much more formal thing which effectively was a generator of new ideas, getting together with the private sector to give an impetus to the economy. Much more has been made of it, will he not agree, than appears to be the case?

HON A J CANEPA:

I think I made it abundantly clear both in the interview that I gave to the Gibraltar Chronicle and on television as to what it was and I do not think that I said then anything which is in conflict with what I have said this afternoon. Neither does it replace other consultative machinery. For instance, since the new Board of Directors of the Chamber came in, we have now established that we are going to meet on a regular basis not just as problems arise but quite regardless we will have regular meetings within a specified time basis in order for me to be able to consult them for them to find out what the Government is thinking and doing about various matters and that consultative process with the Chamber of Commerce has got nothing to do with what is going on here. I think it has given the press, including perhaps some Members opposite, a great deal of material to be able to write many stories.

THE HON M A FEETHAM

Can Government confirm that they will be legislating to require all companies incorporated in Gibraltar to publish their annual accounts?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

No, Sir. The position with regard to company law is that the Ordinance requires updating generally. At the Gibraltar Government's request, the ODA are in the process of engaging a lawyer specialising in this field to carry out the task.

SUPPLEMENTARY TO QUESTION NO. 74 OF 1984

HON M A FEETHAM:

Am I not correct in saying that there is an EEC Directive regarding the harmonisation of company law and that this Directive, in fact, requires every Limited Company to disclose annual balance sheet and profit and loss accounts?

HON A J CANEPA:

I do not really know enough about the matter, Mr Speaker. What I can say is that the whole question of the application of European Community Directives will be one of the matters which is going to be concerned in the review of the legislation but I would not want to be pinned down on any particular Directive because I do not have the information with me.

HON M A FEETHAM:

Mr Speaker, has Government received a Directive regarding this particular question of the EEC. Is there anybody who can answer?

HON A J CANEPA:

In fact, there is an EEC Directive and the Directive is communicated to the Government of Gibraltar presumably by the Foreign and Commonwealth Office and the implications of such a Directive has to be studied. Initially, I imagine it has to be studied by the Attorney-General who has got to advise the Government accordingly. That process has not reached the stage of anything being brought to the notice of Ministers for a policy decision.

HON M A FEETHAM:

I am sorry, I do not want to be a stickler on this, Mr Speaker, but isn't that Directive there since 1968?

HON CHIEF MINISTER:

We did not belong to the Common Market in 1968.

HON M A FEETHAM:

But the Directives issued by the EEC are still bound to be honoured. The reason I am saying this, Mr Speaker, is because the Directives, if I am correct, for example, makes no allowance that many companies incorporated with limited liabilities are not in fact trading companies or companies dealing with the public and, in fact, are purely the vehicle for the anonymous holdings of assets. Mr Speaker, I am asking this question because, in fact, if there is a Directive which requires all companies to furnish their accounts, is it not a fact that this will do great damage to the aspirations of Gibraltar as a Finance Centre?

HON A J CANEPA:

The answer, Mr Speaker, is that I do not know and therefore I do not wish to be drawn on commenting on the matter.

HON J BOSSANO:

Mr Speaker, is the answer that nobody in the Government knows because this side of the House has not requested Mr Canepa to answer the question?

HON A J CANEPA:

No, but it so happens that Company Law falls within the schedule of my Ministerial responsibilities and I only discovered that when the question was brought to my attention.

HON M A FEETHAM:

Mr Speaker, would it not be correct to say then that if this side of the House is correct that one of the pillars of the Government's past policies is, in fact, doomed to failure?

HON J BOSSANO:

Mr Speaker, I would like to ask the Member who says maybe the Directive was there since 1968

MR SPEAKER:

No, the year 1968 was brought in by Mr Feetham.

HON J BOSSANO:

Yes, and the Hon the Chief Minister said maybe.

HON CHIEF MINISTER:

No, I said we were not there.

HON J BOSSANO:

I accept that entirely. Is it not the case, Mr Speaker, that when we joined the EEC in 1972, we were told we had to change a number of Ordinances precisely to comply with Directives and how come if the Directive was there when we joined we were not required to do something about it then?

MR SPEAKER:

I think the Ordinances that we were required to change in order to qualify for the EEC Regulations were those which were discriminatory but, of course, I stand to be corrected.

HON J BOSSANO:

Mr Speaker, I remember we were required to change the Trade Restrictions Ordinance, the Control of Employment Ordinance, the Immigration Control Ordinance.

MR SPEAKER:

They were discriminatory and gave special privileges to special people.

HON CHIEF MINISTER:

First of all, I do not want to pose as an expert of European Law because I am not but there is a difference between the fundamental laws of the Treaty of Rome and the Directives which are sent from time to time all over the place some of which do not come to us until a long time after they are passed and in fact I know that that happens with other Governments of a bigger nature. Of course there is a Directive which deals with the way in which company law should be done and in fact this has been the subject of considerable number of representations by what is called the Finance Centre Group. The question of the applicability and the interpretation of some of the Directives is not that easy. There was a decision the other day by the European Court on a Directive about sex equality which made no sense at all, either the Directive or the decision.

HON J BOSSANO:

Be that as it may, Mr Speaker, would the Hon Member not agree with me that if, in fact, people are making representations which we are pursuing to give protection, then we must assume that in the absence of any advice to the contrary the representations that they are making are valid, that is to say, would the Chief Minister not agree with me that either we tell the Finance Group that they have nothing to worry about or we confirm the fears of the Finance Group?

HON CHIEF MINISTER:

The point is the matter cannot be decided on a black and white basis.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

What proposals has Government received for development of the Gasworks site?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

None to date, Sir. If the Hon Member is referring to an article which appeared in the press recently I ought to clarify Government's position on the matter.

The position is that any person may submit outline proposals in respect of any area of land for consideration by the Development and Planning Commission on planning grounds only. This does not mean that even if the proposals find acceptance on planning grounds, that the land will be made available to the applicant for that purpose. The manner of allocation of the land is a matter for the Land Board after Gibraltar Council has approved the terms of disposal in accordance with Section 75 of the Constitution.

SUPPLEMENTARY TO QUESTION NO. 75 OF 1984

HON J L BALDACHINO:

Mr Speaker, I suppose once the Government has made up its mind to develop the Gasworks site they will put it out to tender?

HON A J CANEPA:

It might, yes. Once the Government has agreed on a scheme it would put it out to tender. I think I should explain that we have not reached that stage. We have not reached the stage that the Government has and by Government I mean Council of Ministers. There are Government Committees, the Development and Planning Commission, the Forward Planning Committee, which is the Committee that plans ahead in respect of the Development Programme which are considering the matter but I have not yet taken a paper with proposals to my Colleagues in Council of Ministers. We have not reached that stage, it is only when that stage is reached that perhaps the question of tenders might arise.

HON J BOSSANO:

Mr Speaker, does the Minister for Economic Development agree then that on the basis of the stage that he is describing and the timescale which normally operates, there isn't the remotest possibility of any work starting on the Gasworks site in the current financial year?

HON A J CANEPA:

There is no possibility of any work starting in the current calendar year.

THE HON J L BALDACHINO

What future plans has the Government for White Rock Camp?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

The Government has no definite plans for White Rock Camp although the area has potential for a tourist orientated development incorporating the Caravan site. However, that has to be weighed against further housing requirements for the inhabitants of Catalan Bay.

SUPPLEMENTARY TO QUESTION NO. 76 OF 1984

HON J L BALDACHINO:

Mr Speaker, in the last session of Questions and Answers of this House and taking into consideration the type of building it is which is the same type as the old Glacis Estate which were temporary buildings and according to the then Minister for Public Works, now the Minister for Housing, he said that those buildings could have a lifespan if they had good maintenance and repairs for twenty years. Surely, those buildings have now exhausted even the twenty years lifespan and they are almost forty years old. What I am trying to get at, Mr Speaker, is whether the Government have any plans to re-provision the people who live in those buildings?

HON A J CANEPA:

Mr Speaker, the question was interpreted as being one generally having to do with planning policy in respect of the site. We did not identify this question as being the more specific matter of what does the Minister for Housing propose to do about the people living at White Rock Camp, that is why I have given the answer that I have given.

HON J L BALDACHINO:

I understand that, Mr Speaker, so therefore I will ask another question at the next meeting of the House. Will the Minister agree with me that when the Government decide to implement the Pitaluga Report, those buildings, even if we have the whole of Gibraltar clean, are an eyesore to tourism?

HON A J CANEPA:

I do not disagree with the Hon Member opposite.

NO. 77 OF 1984

ORAL

THE HON M A FEETHAM

Can Government state whether the reclamation in the viaduct area has been stopped?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

If the Hon Member is referring to the Causeway Project the answer is, no, Sir. Agreement has been reached in principle with MOD, subject to final confirmation, on the apportionment of the costs for the construction of the Causeway. It is hoped to put this project out to tender later on this week. If, however, the Hon Member is referring to the area between the New Distiller and Varyl Begg this is an on-going project where debris is being tipped as demolition takes place.

THE HON M A FEETHAM

Will Government state when it is envisaged that work will commence on the multi-storey car park at Casemates?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

If the agreement which has been reached in principle with the MOD, the developer and A & P Appledore materialises, then work on the multi-storey car park project could commence within a year.

As stated in a recent Press Release, this agreement envisages the conversion by the developer of a derelict building at South Barracks known as North Pavilion into six flats at an estimated cost of £160,000. These flats together with a seventh flat to be made available by the developer will then be offered to A & P Appledore as alternative accommodation in lieu of the seven MOD Quarters at Casemates which are to be leased to them for a three year period. Otherwise the developer will be unable to obtain vacant possession of the site until three years time when the lease expires and when it is hoped the MOD Build will be completed.

The MOD have also agreed to lower their reprovisioning requirements to three Type III Quarters at an estimated cost of £300,000, which on payment would see the Casemates site declared surplus to MOD requirements.

The developer is now studying the proposal in detail on the basis that he would carry out the conversion himself provided the tender sum of £105,000 is put towards the cost of conversion.

The Government has also agreed to underwrite the reprovisioning requirements with the MOD in the event of default by the developer.

The Government stands to gain by this arrangement:-

- (a) because it will accelerate an important development estimated at £5m; and
- (b) because six flats will be at Government's disposal at the end of the three year lease with A & P Appledore.

SUPPLEMENTARY TO QUESTION NO. 78 OF 1984

HON M A FEETHAM:

Mr Speaker, in view that I required a short answer and the Minister has been kind enough to give me a very lengthy one, it seems to me that there is something which I do not understand. Has there been a deviation from the original condition that were put out to tenderers originally to the agreement which has now been reached? Have you deviated to such an extent that you have put other tenderers in an unfair position?

HON A J CANEPA:

No, because the requirements that the MOD Quarters be reprovisioned is being maintained. What is happening that is different is that the tender site, together with such other expenditure as the developer will have to incur and I think I quoted a figure of £160,000 in respect of this derelict building or semi-derelict building at North Pavilion, that expenditure will have to be met by the developer. We will then be in a position that the Government will acquire six flats, that would not have been the case otherwise. One building exactly like it, South Pavilion, houses six senior Government officers in pretty good condition and the work was carried out then, about six or seven years ago, at a cost of £90,000. The Government will acquire six good flats which otherwise it would not have had because the reprovisioning requirement was in respect of the developer reprovisioning for the MOD and it would only have been at a later stage, if ever the MOD declared those flats or those quarters to be surplus to its requirements, that it would have come back to the Government. Now they could come back to the Government within three years but the interests of nobody else are being prejudiced as a result.

HON M A FEETHAM:

Mr Speaker, the reason I ask that question is because I recall that the difference between the lowest tender which was in fact the successful tender was £105,000, against the highest tender which was £605,000, a difference of £½m. I am saying this because in the detailed reply which the Minister has very kindly given, I think there has been a deviation because one of the reasons why you did not award originally the tender to the highest bidder, and we are talking about £½m coming to Government, was that he qualified his tender by stating that he would be giving the tender sum on the date that the MOD released the land and you did not think that was a good enough proposal. Have you now, by this new agreement, speeded up the process of handing over?

HON A J CANEPA:

First of all, I give credit to the Hon Member that when he quotes the figure of £600,000 he probably has his facts at his fingertips but I would refer him to exchanges which took place in this House where I think I answered questions from the then Opposition, where I explained the criteria, where I explained the reasons why the Government had selected this tenderer and the criteria were much wider than what has been indicated by the Hon Member. There were other aspects of the matter but I would refer the Hon Member to the Hansard which is available and I might find it rather more straightforward to come up with it myself and therefore the Hon Member can be provided with the information. It was not just a question of a sum of £105,000 and a sum of £605,000 and the acceleration of the completion of the project. They are important factors but there were other reasons as well but I did say at the end of my answer today that the Government stood to gain from this arrangement because it will accelerate an important development estimated at £5m. It will accelerate it in that the MOD is making the site available much earlier than what it otherwise would do, it is one factor amongst three or four others.

HON J BOSSANO:

Mr Speaker, let me just ask the Minister, if he will bear with me and clear up some things, because I am not very clear although he has given a comprehensive answer. The position is that he feels the Government gains because they are going to get six flats from North Pavilion which is now derelict. Who does North Pavilion belong to at the moment?

HON A J CANEPA:

At the moment North Pavilion is a Government property which is being used, I think, as a nursery. St Joseph's Club used it, probably the nursery has moved in to what used to be St Joseph's Club.

HON J BOSSANO:

How long has it been Government property?

HON A J CANEPA:

When I came into office twelve years ago it was a small Government hostel.

HON J BOSSANO:

So, in fact, the situation is that if the Government was able to provide six very good quarters in an almost identical building for £90,000, which is £15,000 a unit, there was nothing to have stopped the Government doing the same thing with this particular quarter so it is not that they are gaining something out of the blue, it is something that they have had there all the time which they could have developed at any time by devoting the money to it.

HON A J CANEPA:

Yes, of course, it has been an asset but we have never had the funds to develop it. If the Government were to go ahead and put it out to tender, invite tenders for its development into six flats, I am willing to bet anything with the Hon Member that it would not be done for £160,000. I delete the one and put a two in front and that might be nearer the price.

HON J BOSSANO:

If the building is going to be done by a building firm for £160,000 it certainly gives the Government an opportunity to establish what profit margins of the construction industry are, I would have thought, Mr Speaker, but the point is that, in fact, what the Government is saying is that it is going to get £160,000 to spend on property which already belongs to them and which they would not have spent otherwise because they have not got the money. As regards the £105,000, are they not putting £105,000 towards the £160,000?

HON A J CANEPA:

Yes, we are.

HON J BOSSANO:

So the Government is gaining £55,000?

HON A J CANEPA:

The Government is gaining £55,000 worth of work, a completed building within three years and the acceleration of a project which is of importance to the economy.

HON J BOSSANO:

But, in fact, Mr Speaker, when the Minister answered a question here in 1982, telling the House of the award of the tender, isn't it the case that the successful tenderer in 1982 was supposed to be getting on with the job of reprovisioning the MOD, that is, at his expense?

HON A J CANEPA:

The successful tenderer has made a number of offers to the MOD involving flats which he owns and the MOD have found them sub-standard and the years have gone by and we have not been able to get on with it and the MOD not only has been turning down the offers which the developer has been making, but more recently because they were required to provide forty-six flats for A & P Appledore, decided that those seven married quarters which were an intrinsic part of this development, should be included in the quarters that they were going to hand over.

MR SPEAKER:

Yes, we must not go any further into this matter.

HON J BOSSANO:

I think it is important. I am seeking information, Mr Speaker. The information that I am seeking now on the basis of the latest facts I have had is that if we have got a situation where the seven quarters in the Casemates now belong to the Shiprepair Company, the MOD is no longer in a position to put any obstacles in the way.

HON A J CANEPA:

The MOD is proposing to include those in the forty-six that it is going to offer to Gibraltar Shiprepair Limited and the Government has the duty to point out to the MOD and say: "Look, if you do that the development will not get off the ground and we have wasted three years of planning". We have to come up with a solution and this is the solution that we have come up with.

HON J BOSSANO:

But, Mr Speaker, what I cannot understand is what prevents the Government, who is the owner of Shiprepair Limited, putting each manager in some other flat and demolishing the seven quarters that have been made available because presumably at the end of the three years it was not the intention of the MOD that the seven quarters at Casemates would revert to them?

HON A J CANEPA:

In what other flats?

HON J BOSSANO:

Mr Speaker, if the MOD have included the seven quarters at Casemates in the forty-six that have been made available for the Gibraltar Shiprepair Limited, it was never their intention that at the end of the three year lease the seven quarters at Casemates would revert to the MOD, surely, that was never their intention. That is, at the end of the three years what the Minister is saying is those flats will then go over to the Government of Gibraltar but it would be then and only then that the work would start on the site.

HON A J CANEPA:

Of course.

HON J BOSSANO:

But would the Minister not accept therefore that since the flats straightaway being part of the forty-six under the control of the Gibraltar Shiprepair Limited for occupation by its managers who are the employees of the Company whose owner the Government is, that he is now in a position to control the seven flats?

HON A J CANEPA:

What makes the Hon Member think that the MOD is going to hand over these quarters to the Gibraltar Government for the Gibraltar Government to do with them as it pleases? They would only hand them over if either they are going to be used by GSL for the personnel of A & P or if as has now been agreed they are going to be used in the manner which is set out in the arrangements that I have explained.

HON J BOSSANO:

So, in fact, what the Government is saying is that the arrangements between GSL and the MOD is something they have no control over?

HON A J CANEPA:

We have control in the sense that we have been able to get the MOD to shift its ground and we have been able to make them see the importance of going ahead with this development and coming to a workable arrangement.

HON J BOSSANO:

Does the Minister not accept, Mr Speaker, that if he had put down the difficulties to date as emanating from the problem of satisfying the MOD as to the adequacy of the alternative accommodation, that that could be a continuing problem, that is, if there is still a commitment to provide three higher quality dwellings for MOD over and above the seven that have to be provided for the Shiprepair Company, that failure to satisfy the MOD on that could still hold up development on the project?

HON A J CANEPA:

I do not think there is any problem on that because those three will be to those specifications. It is going to be included in the build which the Ministry of Defence is going to carry out involving I don't know how many quarters.

HON J BOSSANO:

Who is going to be responsible for building it?

HON A J CANEPA:

The Ministry of Defence will build them and the developer will pay for three.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

Can Government state whether Her Majesty's Government agreed to the so-called "support and sustain policy" beyond 1986 notwithstanding the fact that Spain may have lifted the restrictions on accession into the EEC?

ANSWERTHE HON THE CHIEF MINISTER

Her Majesty's Government have not as yet been approached with a request for further aid beyond the 1986 Development Programme. It has, however, been made known to them informally at every level that in our view, the need for aid continues and will continue for some time after the removal of the restrictions and that an approach will be made accordingly in due course.

SUPPLEMENTARY TO QUESTION NO. 79 OF 1984

HON M A FEETHAM:

Mr Speaker, in the light of the statement by Baroness Young on her recent visit, is the Chief Minister disturbed by the fact that she has stated that aid would be considered in the light of the existing situation at the time?

HON CHIEF MINISTER:

No, I think that goes both ways. It will be considered upwards or downwards according to what the situation is and we did not have a shopping list for her because that was not the purpose of the visit but we did point out and I did point out to the Secretary of State that we would be coming back for aid and that there should be no misunderstanding about this, and I made this quite clear to Baroness Young, no misunderstanding about this, that we do not consider that the opening of the frontier and the successful commercial operation of the Dockyard is sufficient, certainly in the next few years, to maintain the economy and that we will be coming back to them for help.

HON M A FEETHAM:

Mr Speaker, is the Chief Minister saying that in his opinion it is not time yet to go to the British Government on the next ODA programme. Shouldn't we be getting on with it now?

HON CHIEF MINISTER:

We are getting on with it now but the programme finishes in 1986 and there is still as you saw this morning, an element of surplus on that on which we have to make some project and we may make a case that we have to start negotiating the programme earlier than the end of the previous one.

HON J BOSSANO:

Mr Speaker, would the Chief Minister not agree that the statement by Baroness Young that any assistance after 1986 would have to be looked at in the circumstances of the time logically implies that it will not be looked at before?

HON CHIEF MINISTER:

She is perfectly entitled to say that even on the basis of sustain and support the programme does not finish until 1986. But we are entitled equally to demand if it is found necessary that this has got to be advanced but what is not in our view tactically convenient is to take advantage of the visit of the Minister here to put in a shopping list because, first of all, she does not bring any money, secondly, it will have to go through all the bureaucracy of the ODA and that is the way we are preparing the submission.

HON J BOSSANO:

Can the Hon and Learned Chief Minister then say that they will be making a formal submission to the UK Government for a new development programme to take over from the existing one and that that submission will be made in the current financial year?

HON CHIEF MINISTER:

It is very difficult to say the current financial year, all I can tell you is that the Forward Planning Committee which looks at this in advance, is already looking at it and identifying the areas where it is required. I think when the reference is made to the circumstances as prevailing in 1986, it is not for me to interpret it could be interpreted as I said, downwards or upwards. If, in fact, everything goes well and one of the areas which I think was brought very clearly to her from everybody was the uncertainty about our economy and one of the areas where I made it quite clear was not going to be so beneficial as some people may think, is the initial opening of the frontier.

HON J E PILCHER:

Mr Speaker, am I right in thinking then, from a tourist angle, we all heard in the last House of Assembly that we were being told that there was some money needed to boost the tourism angle for the Gibraltar Government

HON CHIEF MINISTER:

May I just say that I will be mentioning that in my statement on tourism.

HON J BOSSANO:

Could I just ask one more question? Is the Government then saying that they do not anticipate having to ask for money for the current development programme of which we have heard only £ $\frac{1}{2}$ m remains unallocated?

HON CHIEF MINISTER:

We are putting in a bid, if you wait until later you will see.

THE HON J BOSSANO

Will Government state whether they are aware of the proposals put forward by the Spanish Government and presently under consideration by the British Government?

ANSWERTHE HON THE CHIEF MINISTER

Sir, with your permission, I will answer questions Nos. 80, 81, 82 and 83 together.

As the Hon Member and Gibraltar are aware, there has existed for over 20 years, an arrangement whereby I, as Chief Minister, am consulted, on a confidential basis, on matters relating to Spain and Gibraltar.

Former Leaders of the Opposition have also been consulted on such matters, on the same basis. Gibraltar has lost nothing as a result - quite the contrary.

The reason why the present Leader of the Opposition is not similarly consulted is that he has made it plain that he is not prepared to be consulted if he is required to observe confidentiality.

That is the Hon Member's choice, to which he is, of course, perfectly entitled.

My own view is, first, that the public discussion of these sensitive matters is more likely to be of assistance to the other side than it is to us. I believe that it would be naive to think otherwise. If I may draw a possibly appropriate analogy, no sensible Trade Union or employer would publicly reveal their tactical positions during the existence of a dispute.

Secondly, my own view is that, by agreeing to consultation on a confidential basis, which is essential to the diplomatic process, one is able, as an elected leader, to influence events by expressing, as forcibly as may be necessary, the views, wishes and interests of the people of Gibraltar. If one were to remain aloof and outside the process, as the Hon Member has chosen to be, those views, wishes and interests would not be expressed by anyone, at the right time and in the right way.

If I may say so, it is not possible, realistically, to adopt an ambivalent attitude whereby, on the one hand, the Hon Member refuses - as, I repeat, he is perfectly entitled to do - to accept information which he is not free to make public, and, at the same time, expect to obtain such information by questioning me publicly about such matters, when I, in the interests of Gibraltar and, as I say, with a view to being in a position to influence events, have accepted the need for confidentiality.

Of one thing the Hon Member and the House may be certain - and I think the experience of successive election results over the last 20 years is ample proof of this to the rest of Gibraltar, - and that is, that I am not going to acquiesce, even if any such proposition were ever to be put to me in confidential consultation, in anything which would be contrary or damaging to the wishes and interests of the people of Gibraltar.

SUPPLEMENTARY TO QUESTIONS NOS. 80, 81, 82, 83 OF 1984

HON J BOSSANO:

Does the Honourable the Chief Minister have any intention of answering the question apart from this tiny political broadcast?

HON CHIEF MINISTER:

No.

HON J BOSSANO:

I see, so the position then is that the Government will not say whether they are aware of the proposals put forward by the Spanish Government to the British Government, is that correct?

HON CHIEF MINISTER:

I am not going beyond my statement.

HON J BOSSANO:

Mr Speaker, the Honourable and Learned Member will not tell the people of Gibraltar, never mind what the consultations have been, but whether he was consulted or not before September. He refuses to tell the people that.

HON CHIEF MINISTER:

I do not refuse to tell the people that, I said that I am confidentially consulted on all matters affecting Gibraltar.

HON J BOSSANO:

Then, Mr Speaker, is the answer to my question, which is a perfectly reasonable question, I respect the Honourable and Learned Member's position the same as he says he respects mine and I am not asking him to tell me what the consultation has consisted of. I am asking him whether he was consulted by the British Government about the holding of technical talks before this was agreed with Spain. He says he is consulted on everything; am I then correct in taking that to be that the answer to question No.81 is yes.

HON CHIEF MINISTER:

The Honourable Member can make his own assumptions.

HON J BOSSANO:

Does the Chief Minister not agree with me that the laws of Gibraltar are the sole prerogative of the elected Members of this House of Assembly and should not be discussed by officials of a foreign Government with a colonial power, or does he support the line that has been taken.

HON CHIEF MINISTER:

I have nothing to add to my answer.

HON J BOSSANO:

Does the Honourable and Learned the Chief Minister not agree with me that he has got a responsibility and an obligation to the House of Assembly to tell us before any amendments have been brought to this House, if those amendments are the result of talks that have taken place with Spain.

HON CHIEF MINISTER:

When the time comes and in those circumstances, yes.

HON J BOSSANO:

I am glad I have got a yes for something, Mr Speaker.

26.6.84

NO. 81 OF 1984

ORAL

THE HON J BOSSANO

Was the Government of Gibraltar consulted by the British Government about the holding of technical talks before this was agreed with Spain last September?

ANSWER

THE HON THE CHIEF MINISTER

Answered together with question Nos. 80, 82, 83.

26.6.84

NO. 82 OF 1984

ORAL

THE HON J BOSSANO

Has the question of reciprocity and/or equality of rights been discussed with Spanish officials at any technical talks since last September?

ANSWER

THE HON THE CHIEF MINISTER

Answered together with question Nos. 80, 81, 83.

26.6.84

NO. 83 OF 1984

ORAL

THE HON J BOSSANO

Can Government state which of Gibraltar's laws have been discussed with Spanish officials in the recent technical talks?

ANSWER

THE HON THE CHIEF MINISTER

Answered together with question Nos. 80, 81, 82.

THE HON J C PEREZ

Can Government state which areas of the Upper Rock are open to pedestrians but not to vehicular traffic, other than MOD?

ANSWERTHE HON THE CHIEF MINISTER

1. Mr Speaker, on certain conditions pedestrians may enter the whole of the Upper Rock area above the unclimbable fence between the Police Posts at Jews' Gate and Willis's Gate, except -
 - (1) Rock Gun and Middle Hill
 - (2) Farringdon's Battery area and all its approaches
 - (3) Governor's Lookout
 - (4) The Upper Battery area (ie Lord Airey's Battery, O'Hara's Battery and Spur Battery) which includes Mediterranean Road, Martin's Path, Levant Battery and Jews' Cemetery
 - (5) Spyglass Battery, Breakneck Battery and "Highest Point"
 - (6) Any other area or place to which entry is prohibited by notice boards subject to Defence requirements.

2. The following roads are open to vehicular traffic -
 - (1) Queen's Road from Jews' Cemetery to Princess Caroline's Battery
 - (2) Old Queen's Road
 - (3) Cave Branch Road from Queen's Road to its junction with Spur Battery Road
 - (4) Spur Battery Road from Cave Branch Road to the lower entrance to Upper St Michael's Cave
 - (5) Upper Galleries Communication Road

SUPPLEMENTARY TO QUESTION NO. 84 OF 1984

HON J C PEREZ:

Can the Hon Member give a reason why some of these areas which he has stated are open to pedestrian and not to vehicular traffic and could he state whether the Ministry of Defence have satisfied him that the difference between a car going up there and a person walking is against Defence requirements or because of Defence sensitivities?

HON CHIEF MINISTER:

I have not sought that distinction but I think it is quite obvious that there are certain areas, first of all, where the roads are not in sufficiently good condition to allow everybody to go and there are, I imagine, and I say I imagine because I have not been told, areas which for operational purposes would be hindered if traffic went through. Looking back on the areas of the Upper Rock, all of which were really prohibited some years ago, I think we have as much area and pedestrians have got as much access to the Upper Rock as we really want. There is more in it than we really need. If the Hon Member wants to come and see me with a plan, I can get somebody to explain it to him. I am no expert on the areas.

HON J C PEREZ:

In view of the fact that visitors to the Ministry of Defence are taken by Ministry of Defence drivers through those areas in their vehicles, is it possible for the Gibraltar Government to get such arrangements for taxis taking tourists around the Rock?

HON CHIEF MINISTER:

I will pass on, if that is a very important aspect of the taxi trade, I will pass it on for permission and if so why not? I really do not know enough to be able to say but I imagine that the main reason is, that some areas must be free for operational purposes at any particular time.

NO. 85 OF 1984

ORAL

THE HON J C PEREZ

Is the Chief Minister now in a position to state whether it is his intention to make public the Coopers and Lybrand Report on Water and Electricity?

ANSWERTHE HON THE CHIEF MINISTER

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 85 OF 1984

HON J C PEREZ:

Will the Hon and Learned Member state whether he is or not?

HON CHIEF MINISTER:

Unfortunately we have very few copies but two of them will be made available to the Opposition in the first place. I hope they can take it in turn for weekend reading..

HON J C PEREZ:

Would the Hon and Learned Member consider making the Report public as well or will it only be given to the Opposition?

HON CHIEF MINISTER:

I did not say that it would be made available on a confidential basis, what I said was that there would not be enough copies to go round but, certainly, the first choice would be to the Opposition.

GIBRALTAR

HOUSE OF ASSEMBLY



QUESTIONS AND ANSWERS

Meeting of
30 October 1984
86 to 183

NO. 86 OF 1984

ORAL

THE HON J BOSSANO

Can Government explain how the net annual value of dwelling houses for rating purposes is actually being calculated?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT
AND TRADE

Sir, the net annual value of dwelling houses for rating purposes is calculated in accordance with Section 310 of the Public Health Ordinance, namely by comparison with the rents at which dwelling houses owned by the Government are let to members of the general public.

The Government is conscious of the spiralling effect on the ratable value as the result of increases in the rents of Government dwellings over the last few years. It has therefore been decided in order to cushion the effect to defer these increases over a period. Thus the domestic rating increase of April this year was based on the rental increase of July 1982, that of April 1985 will be based on those of July 1983, and this year's rental increase in July will not be reflected until April 1987.

SUPPLEMENTARY TO QUESTION NO. 86 OF 1984

HON J BOSSANO:

Mr Speaker, can the Minister say whether, in fact, the actual rent being paid is used as the basis for calculation?

HON A J CANEPA:

Yes, that is the position.

HON J BOSSANO:

Is it not the case that under Section 310(3) of the Public Health Ordinance it says that the rent which shall be used shall be the rent at which the hereditament would be let if the tenant undertook to pay rate taxes and bear the cost of repairs and insurance and shouldn't therefore, in order to comply with the Ordinance, a notional rent be used as the basis after deducting the cost of repairs?

HON A J CANEPA:

That is why it is based on 5/6ths or 10/12ths of the rent, the notional deduction being the 16th set aside for repairs.

HON J BOSSANO:

But is it not a fact, Mr Speaker, that it is possible to establish from the amount of money that is paid out of the Housing Fund for repairs, that the relationship between the rent, for example, if the Hon Member will confirm my figures - if one takes the 1983/84 figure, the amount of money paid in rent for Government housing was £2.1m and the amount of money paid in repairs of those houses was £1.4m and therefore it can be legitimately argued that had the tenant paid for the repairs the rent would have been £0.7m which is considerably less than the figure the Hon Member has quoted.

HON A J CANEPA:

I think whilst the Hon Member may legitimately argue along the lines that he is actually doing, ultimately it is a matter for interpretation by the Valuation Officer, the position in which he is being that of a quasi judicial officer.

HON J BOSSANO:

So the Government is saying, therefore, that if the tenant in Government houses paid for all their repairs their rents would be 5/6ths of what they actually are?

HON A J CANEPA:

What I am really saying is that the Valuation Officer exercises a judgement on the matter. Ultimately, the issue would have to be contested in the Courts.

MR SPEAKER:

I think, in fairness, the answer has been that the element of repair has been equated to 2/12ths of the rent. In other words, it is ten months of rent which is calculated and not the full twelve months.

HON J BOSSANO:

Can the Minister say how the poundage that is used for rating purposes relates to that figure, is the poundage then based on a percentage of the percentage that he has given?

HON A J CANEPA:

No, it isn't, in fact, the poundage has not been touched one way or the other for more years than I myself care to remember.

HON J BOSSANO:

But the 5/6th figure that the Hon Member has given me is not the poundage, the poundage is on top of the 5/6ths?

HON A J CANEPA:

Yes.

HON J BOSSANO:

Can the Minister say how then one proceeds to challenge the adequacy of this estimation based on this Section? I am not asking the Hon Member about an individual contesting the value put on his house, I am asking about how one can contest whether the formula that is being used conforms with the requirements of the Ordinance.

HON A J CANEPA:

That I do not know, I know what steps an individual can take in order to contest the rateable value of his property if he feels aggrieved. If he is successful, if that is a test case and he is successful then that is generally applied but how the whole basis, the formula, can be generally challenged I wouldn't be sure and I think if the Hon Member cares to pursue the matter outside the House, if he cares to write to me, I will pass it on to the Valuation Officer and perhaps we can get to the bottom of it.

MR SPEAKER:

Next question.

NO. 87 OF 1984

ORAL

THE HON M A FEETHAM

Sir, when was the Unstuffing Shed at the Commercial Mole completed?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

Sir, works were completed and the Building was handed at the end of last March.

SUPPLEMENTARY TO QUESTION NO. 87 OF 1984

HON M A FEETHAM:

Sir, can the Minister say what is holding up the operation of the Unstuffing Shed?

HON MAJOR F J DELLIPIANI:

No, Sir. The first notice that I had that the Unstuffing Shed was not being made use of was when I received the question from the Hon Member but I think that because there were a lot of people involved in the Unstuffing Shed and I mean the operators who were going to use it, the Captain of the Port and the Collector of Revenue, to name just a few, I think there are problems involving welfare facilities etc, which apparently were not anticipated in the brief and I am as concerned as I am sure the Hon Member opposite is as to what has really happened and I think that this requires an investigation by the Efficiency Committee to pinpoint what has happened and why the brief did not include any welfare facilities.

MR SPEAKER:

Next question.

NO. 88 OF 1984

ORAL

THE HON M A FEETHAM

Sir, has the tender in respect of the work on Government offices for which funds were provided in this year's estimates under the Improvement and Development fund - Head 104 Sub Head 5 - now been awarded?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Sir, the tender for the conversion and rehabilitation of the Loreto Convent as Government Offices has already been awarded.

SUPPLEMENTARY TO QUESTION NO. 88 OF 1984

Sir, could the Minister please say when the tenders came out and how many tenders were received and what was the closing date?

HON MAJOR F J DELLIPIANI:

I haven't got that with me, Sir. If it is important for the Hon Member I shall give him details of the tender procedure as such. I can say that it is hoped that the contractors will commence on the 19th November and it should be completed in nine months. What has happened before I haven't got with me but I can get the details.

HON J BOSSANO:

Mr Speaker, is it correct that in the last couple of months the Government was reviewing whether the project should go ahead at all or not?

HON MAJOR F J DELLIPIANI:

This is always dependent on what the tender price is. Every tender price is reviewed and this one in particular over the last couple of months.

HON J BOSSANO:

But is it a fact that after the project went to tender the Government was having second thoughts about proceeding with it?

HON MAJOR F J DELLIPIANI:

No, what we were studying was the tender price.

HON J BOSSANO:

So the Government was not considering using the funds that had been allocated for this purpose for anything else?

HON MAJOR F J DELLIPIANI:

Certainly not.

MR SPEAKER:

Next question.

NO. 89 OF 1984

ORAL

THE HON M A FEETHAM

Has Government now approached Her Majesty's Government for further aid beyond the 1981/86 Development Programme?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT
AND TRADE

Mr Speaker, an assessment is now being made by the Departments of the projects which might be included in the next Development Programme. When this is finalised, a decision will be taken on which projects will be submitted to Her Majesty's Government for funding.

SUPPLEMENTARY TO QUESTION NO. 89 OF 1984

HON M A FEETHAM:

Could the Minister say when he envisages an approach will be made and if an approach is going to be made?

HON A J CANEPA:

An approach is going to be made and we hope to be able to do so in the first half of 1985. Our aim is to do so before the summer of 1985.

HON M A FEETHAM:

So in fact you are envisaging commencing negotiating before the end of the present Development Programme?

HON A J CANEPA:

Very much so. The present Development Programme runs out in April, 1986, and our forward planning arrangements are to have a submission ready well before that.

HON M A FEETHAM:

As a matter of information can the Minister say how far the Forward Planning Committee has established what areas will require to be looked at in relation to the negotiation of development aid?

HON A J CANEPA:

The Forward Planning Committee hasn't done so yet but, naturally, we are very conscious of the criteria which has been laid down

by ODA and therefore one can say that infrastructural projects, notably the Port, are bound to figure quite prominently in the next Development Programme.

MR SPEAKER:

Next question.

NO. 90 OF 1984

ORAL

THE HON M A FEETHAM

Has the Financial and Development Secretary now taken steps to invoke the provisions of Sec 48 (D) 4 of the Imports and Exports Ordinance, to ensure effective control of duty free imports as recommended in the 1982/83 Auditor's Report?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Collector of Customs has since improved arrangements for the physical inspection of plant and machinery imported by contractors following the comments in the Principal Auditor's Report. I shall keep these arrangements under review, but I am not convinced as yet that it is either generally necessary or desirable to require contractors to make a deposit as provided for under the Ordinance.

SUPPLEMENTARY TO QUESTION NO. 90 OF 1984

HON M A FEETHAM:

Can the Hon Financial and Development Secretary state whether there has been an investigation where specific cases have come across whereby contractors who have been exempted from paying duty on machinery imported for Government and MOD contracts have, in fact, hired that machinery outside the Government or MOD contracts for private work?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not aware of any such arrangements, Mr Speaker.

MR SPEAKER:

Next question.

NO. 91 OF 1984

ORAL

THE HON M A FEETHAM

Sir, can Government state how much income it expects to receive from investing the positive balance of the Improvement and Development Fund during the current financial year?

ANSWERTHE HON FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, all cash surplus to the Government's day-to-day requirements is managed as a single entity or balance. The interest earned is credited to the Consolidated Fund.

SUPPLEMENTARY TO QUESTION NO. 91 OF 1984

HON M A FEETHAM:

Can the Hon Financial and Development Secretary say why they are including it under interest in the Consolidated Fund and why they are not showing it as income for the Improvement and Development Fund under Summary of Receipts of the I & D Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The arrangements which we have generally followed with regard to these two Funds, Mr Speaker is that the cash balance available at any time is invested and the interest is credited to the Consolidated Fund. If I interpret the Hon Member's supplementary correctly, I think he is asking me if that is unfair to the I & D Fund in that it is not credited with any notional interest. I think my answer to that would be no, it is not unfair, because the Consolidated Fund doesn't charge the Improvement and Development Fund interest on contributions, for example, £1.5m in 1983/84 which was made from the Consolidated Fund to the Improvement and Development Fund nor on advances from the Consolidated Fund to the Improvement and Development Fund as, for example, during 1982/83 and the converse also applies.

HON M A FEETHAM:

Sir, it is not a matter of unfairness, it is a matter of illegality. Can Government confirm that they are contravening Section 24 of the Financial Procedure Ordinance which says in relation to monies paid into the Fund under Section 24(F), 'all monies received by way of interest or dividends on any investment or loans of money belonging to the Fund shall be invested in the Fund'?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, is the correct answer to that question because the way this particular subsection has been interpreted has been in respect of investments which are funded, that is to say, if one were to invest in gilts as, for example, in some of the other special Funds, the Social Insurance Fund, for example, that is regarded an investment and the interest on that investment would be credited but cash advances have not been treated in that way, this is traditionally and for the reasons I have stated.

HON M A FEETHAM:

What I want to seek from the Financial and Development Secretary is that it is not what has been traditional, is it a matter of interpretation, that you are interpreting this to be so?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, I think I could say that it is a matter of interpretation not simply by myself but also by my distinguished predecessors and distinguished previous Finance Officers and Principal Auditors.

HON J BOSSANO:

Mr Speaker, has the Financial and Development Secretary sought legal advice on whether the Clause gives him any flexibility of interpretation because is it not the case that the fund's money available to it which produces an income irrespective of how it is invested, surely the Hon Member will recognise that if he has got the discretionary power to invest that money he can invest it in very short dated gilts and then presumably he is saying the income would be credited to the Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I have not sought legal advice for the reason which I gave. This was inherent in my earlier answer in that I do not think that my interpretation of the Ordinance or that of my predecessors is in any way at fault and I am sure it has been to the advantage of the Government's Funds to manage cash in this way.

HON J BOSSANO:

Mr Speaker, in view of the fact that obviously this side of the House disagrees with the Hon Member's interpretation, will he then take the steps to seek legal advice on whether his interpretation is correct?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I will bear the Hon Leader of the Opposition's suggestion in mind, Mr Speaker.

HON J BOSSANO:

No, Mr Speaker, I am afraid that is not good enough. If you will give me some guidance, if this side of the House believes that the Government is contravening one of its own laws, is it sufficient that the Financial Secretary should bear that in mind or should he not, in fact, give an undertaking that he will seek to find out whether he is acting outside the law or not, if not do we take him to Court for it?

MR SPEAKER:

No, with respect, I think the Hon Financial and Development Secretary has given an answer to the question. If the Opposition is dissatisfied and the Opposition wants to take it up legally for a declaration as to the legality of the action is another matter but insofar as the House is concerned an answer has been given.

HON J BOSSANO:

So the Financial Secretary is not giving an undertaking to take legal advice, he will only bear it in mind. Is that the position?

MR SPEAKER:

He is satisfied that matters are being done correctly and therefore he feels that there is no need for him to take legal advice. I think that is the interpretation I have given to his answer. Next question.

30.10.84

NO. 92 OF 1984

ORAL

THE HON J C PEREZ

Mr Speaker, what insurance cover is provided for the Vehicle Testing Centre?

ANSWER

THE HON FINANCIAL AND DEVELOPMENT SECRETARY

Answered together with Question No.93 of 1984.

NO. 93 OF 1984

ORAL

THE HON J C PEREZ

What insurance cover is provided for the buildings, plant and equipment of (a) the Electricity Undertaking (b) the Potable Water Service (c) the Telephone Service?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, direct insurance cover with commercial insurers was obtained in 1983 for assets which are considered vital for the running of the Government's essential services, namely the Waterport Power Station, the North Face Distiller, the Refuse Destructor and the Telephone Exchange. It is proposed to insure the new distillers when they are handed over to the Public Works Department.

The insurance cover was obtained for 3 years after selective tendering and provides for the full replacement value of the assets, including machinery and equipment, for the following risks: fire, lightning, explosion, aircraft, earthquake, rock-fall, subsidence, landslip, riot, strikes, civil commotion and malicious acts. The policy provides for an excess of £25,000 on each and every claim but subject to a maximum liability on the part of Government of £75,000 in any one year.

In addition to insuring these assets with a commercial insurer, the Government continues to self insure and has its own Insurance Fund valued at £800,000 on 31 March, 1984.

SUPPLEMENTARY TO QUESTIONS NOS. 92 & 93 OF 1984

HON J C PEREZ:

Mr Speaker, the Hon Member has not answered whether the Vehicle Testing Centre is covered by an insurance or not.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I have, Mr Speaker, by virtue of its omission.

MR SPEAKER:

In other words, let us be clear and let us not speak at cross purposes. The answer is that the Vehicle Testing Centre is included in the insurance that you have given.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It is included in self insurance, Mr Speaker, but it is not regarded as, I think if I may quote the phrase again, 'an asset which is considered vital for the running of the Government's essential services'.

HON J C PEREZ:

So that means that the Vehicle Testing Centre is covered by the Government's Insurance Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker.

HON J C PEREZ:

Is the Hon Member aware that if the Vehicle Testing Centre were to by accident be damaged beyond repair, that the cost of that would have to be met by the Insurance Fund and that the cost of the Vehicle Testing Centre was £300,000 which would cut the Insurance Fund by half and does he think that the Insurance Fund sufficiently caters for what is insured by Government and not through private insurers?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As to the first part of the Hon Member's question, Mr Speaker, yes, I accept the implication which he put forward. As far as the second half of the Hon Member's question which is really whether in that event we are really not providing enough money, these are matters of course for consideration by experts and we take actuarial advice and we regard the figure of £800,000 being the provision in the Fund as adequate for the risks involved.

HON J C PEREZ:

Mr Speaker, no contribution was made this year to the Insurance Fund. Can the Hon Member state whether a contribution from the Consolidated Fund is to be made in next year's Estimates to the Insurance Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I cannot anticipate what decision the Government will take in next year's Estimates, Mr Speaker.

HON J BOSSANO:

Mr Speaker, does it imply, in fact, because we have not made a contribution this year that the actuarial advice has been that the Fund was over-invested at the beginning of the financial

year, that is, that it had more than sufficient assets to cover the risks of covering 5,000 housing units which the Government owns?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, from memory we were not so advised.

HON J BOSSANO:

So, in fact, how is it that the Hon Member gives us an answer that the risk that is being taken for the Vehicle Testing Centre is, in fact, as a result of actuarial advice and yet he does not seek advice before he decides not to make a contribution this year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The decision not to make a contribution this year, Mr Speaker, was in view of a number of circumstances, the Government's financial position, likely claims on the Fund in the light of recent experience.

HON J BOSSANO:

Mr Speaker, isn't the present funding of the Government Insurance Fund the result of a study carried out some three years ago which required or advised that the amount of annual contributions should be substantially increased from £31,000, I think it was, to £100,000? Is the Hon Member aware of that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not, in fact, aware of that, Mr Speaker, but I express my thanks to the Hon Leader of the Opposition for pointing it out to me.

HON J BOSSANO:

Mr Speaker, is it therefore a change of policy since two years ago the Government adopted a policy of trebling the contribution because after bringing in experts, at the usual cost, they were advised to increase the contribution? How can the Government now tell us that they can simply wipe out one years contribution because of financial constraints if they brought in experts who told them that they were contributing too little?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I think the experts advised us amongst other things on the amount of insurance ~~or rather~~ the assets which should be insured as vital to the running of the Government's essential services so I do not think we can be said to have ignored their report.

HON J BOSSANO:

Could I ask the Hon Member, the actual premium payments in respect of this item's external insurance, are they charged to the individual special funds?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker.

HON J BOSSANO:

So the amount of money that appears in the account is for covering the main assets. Is there an amount of money for covering things like vehicles or is that included?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That would be included in the self insurance, Mr Speaker, there is one figure which perhaps I should have provided to the Hon Member and that is the figure for insurance of the vital assets which was £31,000 in 1983.

MR SPEAKER:

Next question.

NO. 94 OF 1984

ORAL

THE HON J C PEREZ

Mr Speaker, is it intended to amortize the cost of the Vehicle Testing Centre?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir. The Government's fixed assets are not shown in the Statement of Assets and Liabilities.

SUPPLEMENTARY TO QUESTION NO. 94 OF 1984

HON J C PEREZ:

Does the Hon Member not think that it is proper accounting policy to amortize the Vehicle Testing Centre in that in future we will be able to cost the replacement from the funds of the Government?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I wouldn't assent entirely to that, Mr Speaker. It has been Government policy to amortize the fixed assets of the Funded Services but not assets such as the Vehicle Testing Centre although I acknowledge the point underlying the Hon Member's question which was that this will be fee earning but I think there is a distinction between an asset which is fee earning and one which is a Funded Service like the Telephone Service, the Potable Water, etc, which can be regarded as nationalised industries.

HON J C PEREZ:

Since the Hon Member has said it is going to be fee earning and the Hon Mr Featherstone said in the previous House that perhaps at first there was going to be a loss but it might be making a profit later, will the Hon Member not consider setting up a Special Fund for the Vehicle Testing Centre?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

think
No, Mr Speaker, I do not think that would be really necessary or justified in the circumstances and it would not be in accordance with the Government policy which I have just stated.

MR SPEAKER:

Next question.

NO. 95 OF 1984

ORAL

THE HON J C PEREZ

Can Government state when and why the vote "Public Works Non-Recurrent" was discontinued?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the last year in which the Public Works Non-recurrent vote was included in the Estimates was in 1977-78. It was decided that the projects included therein could also be appropriately charged to other Heads of Expenditure in both the recurrent and capital budgets.

I should add that as announced by the Chief Minister during this year's Budget debate, it is proposed to have only one Head for Public Works Departmental expenditure from 1985/86 onwards thus discontinuing the practice of charging that Departments' services votes to a separate Head - Public Works Annually Recurrent.

SUPPLEMENTARY TO QUESTION NO. 95 OF 1984

HON J C PEREZ:

Did Government seek the consent of the Secretary of State for Foreign and Commonwealth Affairs to be able to get rid of that vote?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As we haven't got rid of that vote, Mr Speaker, we haven't sought the consent of the Secretary of State for Foreign and Commonwealth Affairs but I am not, in fact, convinced from my studies of the Regulations that this is necessary for us to do.

HON J C PEREZ:

Is the Hon Member aware that Clause 200 of Colonial Regulations state: "There shall be two Heads for Public Works in addition to that for establishment of the Public Works Department. All annually recurrent services shall be placed under the first of these Heads and other works under the second. There will be thus three Heads of Expenditure administered by the Public Works Department, viz, Public Works Department, Public Works Annually Recurrent and Public Works Non-Recurrent", and is he aware that the only way he can change this is by asking permission from the Secretary of State for Foreign and Commonwealth Affairs?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the House will be surprised, very surprised, to learn

that I was aware of Colonial Regulation 200 which prescribes that there are to be three Heads of Expenditure administered by the Public Works Department viz Public Works Department, Public Works Annually Recurrent and Public Works Non-Recurrent. However, the provisions of Section 65 of the Constitution and Sections 39 to 43 of the Public Finance (Control and Audit) Ordinance permit me, as indeed it did one of my predecessors, to alter the format of the Estimates on the lines which I have indicated.

MR SPEAKER:

Next question.

NO. 96 OF 1984

ORAL

THE HON J C PEREZ

What steps has Government taken in relation to the Auditor's comments in the accounts of 1982/83, to the effect that payments made to Hawker Siddeley for the running of Waterport Power Station should have been taxable?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the liability to Income Tax has now been established and the matter has been settled.

SUPPLEMENTARY TO QUESTION NO. 96 OF 1984

HON J C PEREZ:

Does that mean that the tax has been charged to the Electricity Undertaking Fund, that that sum of money has been charged to the Electricity Undertaking Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think the answer to that is yes, Mr Speaker, as this was in fact proposed by the Principal Auditor but I would have to check. I am almost certain but I will check on that for the benefit of the Hon Member.

MR SPEAKER:

Next question.

NO. 97 OF 1984

ORAL

THE HON J C PEREZ

Has Government now completed the study of the finances of the Telephone Service Fund?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

No Sir. The Government has not yet completed the study of the finances of the Telephone Service Fund.

SUPPLEMENTARY TO QUESTION NO. 97 OF 1984

HON J C PEREZ:

What steps has the Hon Member taken since the last meeting of the House when he said he was at the point of completing the study and reporting to Council of Ministers so that they should make a policy decision, what steps has he taken since then?

HON J B PEREZ:

Mr Speaker, I have personally already completed the study and I have already referred the matter to Council of Ministers. The matter is in the process of being considered shortly.

HON J C PEREZ:

Will the Hon Member keep this side informed on what policy he has taken and could he commit himself to supply a copy of the study to the Opposition?

HON J B PEREZ:

Mr Speaker, in due course when the Government takes a decision on the finances of the Telephone Fund it will necessarily have to come to the House if there are to be any changes being made to the question of charges for calls.

HON J C PEREZ:

But would that mean that the Hon Member would give us a copy of the study that the Government has undertaken?

HON J B PEREZ:

I think the Hon Member has misunderstood when he speaks of the Study. The Study is one carried out by the Telephone Department

itself and by me and that report which carries my name will be submitted to Council of Ministers with my recommendations for the Government to take a policy decision.

MR SPEAKER:

What you are being asked is whether you are prepared to release this particular report.

HON J B PEREZ:

No, I cannot obviously release my own report at this stage.

HON J BOSSANO:

Mr Speaker, didn't the Hon Member say in June that the reason why he hadn't completed the study was because the study was done by his predecessor?

HON J B PEREZ:

No, Mr Speaker, what I said in the last House was that I had not yet had sufficient time to myself to consider the report which had been prepared which was, of course, in draft stage. I have gone through the report that has been prepared, added and deleted a number of matters and, again I repeat, the matter will now be considered by Council of Ministers.

HON J BOSSANO:

In fact, the study was initiated by his predecessor, was it not?

HON J B PEREZ:

Absolutely, Mr Speaker.

MR SPEAKER:

Next question.

THE HON J C PEREZ

Does Government consider that it is good accounting policy to continue charging the Water Service Fund with the cost of the viaduct distiller up to the year 1991/92, notwithstanding the fact that it has already been decommissioned and taken out of service?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, whether to continue to amortize or to write off in the year in which the asset is retired is a matter of judgement in the circumstances of each case.

The policy adopted in respect of capital expenditure on the Potable Water Service Fund is that it should be amortised over a period of 10 years from the year in which the expenditure is incurred.

The total cost of the distiller was £754,862.15. The major part of this expenditure (£720,121.37) was in fact fully charged to the Fund by 1983/84. The remaining expenditure (£34,740.78) relates to a claim by the contractor, Aiton & Co Ltd, for Labour Cost Adjustment under the terms of the original contract. This claim, was not settled until 1981/82 and 1982/83, and is being amortised over the period to 1991/92.

THE HON J L BALDACHINO

Mr Speaker, can Government state if they have made any approach as yet to the Commercial Banks as stated by the Financial and Development Secretary in his Budget Speech when speaking on Home Ownership occupation?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir, and discussions are continuing.

SUPPLEMENTARY TO QUESTION NO. 99 OF 1984

HON J L BALDACHINO:

Mr Speaker, can the Hon Financial and Development Secretary give us a breakdown of what they are discussing?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I didn't quite hear that.

MR SPEAKER:

Could you possibly give us an indication as to what has been discussed to date?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I would describe them as certain technical matters, Mr Speaker, for example, how the banks would isolate the funds which might be used exclusively for home ownership from those funds which form part of their general deposit base, that is one area, and there are difficulties here and I think there is another aspect to this which is really that the banks themselves perhaps primarily in the first place although Government also has a responsibility, and that is the extent to which they can agree amongst themselves on a scheme or indeed whether they want a scheme because I think it is important that all the domestic banks should be able to take advantage of this facility, we don't want invidious distinctions between them.

HON J L BALDACHINO:

Mr Speaker, will the Hon the Financial and Development Secretary make proposals to the banks to give mortgages in line to those in UK?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, I didn't quite catch that.

HON J L BALDACHINO:

When talking with the banks, Mr Speaker, will the Hon Financial and Development Secretary make proposals to the banks to give mortgages in line to those in UK?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think this is something I must leave to the commercial judgement of the banks, Mr Speaker, in the last resort. I think they are well aware of the importance which the Government attaches to home ownership and are doing all they can consistent with their own judgement of the commercial risks and, indeed, the relationship between this sort of lending to their other lending.

HON J L BALDACHINO:

Doesn't the Hon Member think that this is of fundamental importance before the Hon and Learned Chief Minister makes his awaited announcement in the development of the Old Gasworks Site in this financial year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think that is a slightly hypothetical question, Mr Speaker, but I would like to make one further point which I hope will be helpful to the Hon Member. I don't think that the fact that discussions which I am having with the banks have not yet reached finality has, at any rate at this stage, led to any shortage of finance available for lending by the institutions, generally.

HON M A FEETHAM:

Can the Financial and Development Secretary please clarify what difference in risk is there between a bank in Gibraltar giving a mortgage to young people who wish to purchase their flats and the risk that a bank in UK takes in relation to granting the same conditions on periods of 25 years, for example, what is the difference in risk?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't think that is really a question which I can answer or, indeed, would be proper for me to attempt to answer, Mr Speaker.

HON M A FEETHAM:

Has he tried to find out, Mr Speaker?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think my answer to that question is implicit in my answer to the earlier question, Mr Speaker.

HON J L BALDACHINO:

Mr Speaker, seeing that the Hon Member has made an approach to the bank then, surely, he can either confirm or deny that a well known bank in Gibraltar is thinking of reducing its loans to people requiring such loans for purchasing a house for home ownership occupation and if that is so, will the Government put into effect the thinking of the Hon Major Dellipiani as expressed by him at Budget time?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not quite sure what my Hon Friend is driving at.

MR SPEAKER:

I tend to agree with the Hon the Financial and Development Secretary. There is no way in which the Hon Member can answer that question other than by going into matters of policy and not information.

HON J L BALDACHINO:

Mr Speaker, at least if he cannot answer.....

MR SPEAKER:

No, it is not a question of not being able to answer, it is a question of the function of question time which is for the purpose of seeking information. What is the information you are seeking?

HON J L BALDACHINO:

If he can clarify to the House if it is true or not, Mr Speaker, if there is a well known bank in Gibraltar that is cutting its loans to people for home ownership?

MR SPEAKER:

Are you aware of the fact that a particular bank in Gibraltar is intending to cut its facilities for home ownership loans?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker.

HON J BOSSANO:

Would the Hon Financial and Development Secretary not agree that, in fact, the Government as a client and possibly the biggest single client to the local banking system, is in a position to exert some sort of pressure to get the banks to give facilities of this nature? Wouldn't he think that the Government because of its predominance financially can in fact use its influence and weight to get the banks to provide facilities of this nature?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I hope that the discussions to which I referred earlier in this exchange with Hon Members opposite will give the Hon Members opposite some assurance that the Government is indeed using its influence, I prefer to use the word influence rather than pressure.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

Mr Speaker, can Government confirm that all expenditure under Head 101 of the I & D Fund is being charged to the Housing Fund on the basis of the policy introduced in 1981 of amortization over 60 years?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir, I so confirm.

SUPPLEMENTARY TO QUESTION NO. 100 OF 1984

HON J L BALDACHINO:

Mr Speaker, am I correct in stating then that the 60 years is arrived at and based on what is the expected life for a new building?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The 60 year period is based on the expected life, Mr Speaker.

HON J L BALDACHINO:

Of a new building?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Of a new building, yes.

HON J L BALDACHINO:

Can the Hon Member say if the demolition of Engineer House has a 60-year life?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Robust though the walls of Engineer House are, Mr Speaker, because I understand they date from the eighteenth century, I don't think that the demolition will last for 60 years.

HON J L BALDACHINO:

Mr Speaker, can the Hon Member say why he has charged the demolition of Engineer House to the Housing Fund and what has that got to do with the Housing Fund?

MR SPEAKER:

With respect, that does not arise from the question which is being asked. The question being asked is whether amortization is calculated over a period of 60 years and the answer has been yes and I am afraid we are not going to widen the scope of the question.

HON J BOSSANO:

Mr Speaker, isn't this one of the expenditures under Head 101 and if the answer is that all of it is being amortized over 60 years then it follows logically that one can ask how one particular item, such as the demolition of a wall, can be amortized over 60 years.

MR SPEAKER:

Does the expenditure for the demolition of Engineer House come under this particular Head?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It is certainly charged to that particular Head, Mr Speaker, yes. I don't think that it would be amortized over 60 years.

HON J BOSSANO:

Then, Mr Speaker, how is the formula worked out? Is it not the case that the Improvement and Development Fund expenditure in, say, 1983/84, is then charged to 1984/85 by applying a multiplier of 36 over 1,000 which effectively is amortization at 3% over 60 years without discrimination as to the actual contents, is this not how it is being done? If it isn't, how is it being done?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, could I with the forbearance of the House and indeed Hon Members opposite, alter the answer I gave to the previous question that, of course, because the demolition of Engineer House is preliminary work to a new construction, it would be part of the expenditure on that construction which is amortized over 60 years. I apologise.

HON J L BALDACHINO:

Mr Speaker, what happens then if the Government decides to use the site of Engineer House.....

MR SPEAKER:

No, with respect, that is hypothetical.

HON J BOSSANO:

Could I ask the Financial and Development Secretary as a follow-up to what he has just said, does that mean that the actual start of the amortization is deferred until after the building is constructed, that is, after the site is put into use or does it mean that it is already taking place in anticipation of the fact that eventually there will be a building on that site?

MR SPEAKER:

Are you asking whether amortization is taking place as from the date of expenditure and not as from the date of the completion of the project, is that right?

HON J BOSSANO:

To some extent yes. In reference to what the Hon Member has said that the cost of the demolition at this stage is part of the eventual cost of the building, I am asking is it being charged now or will it await the building before it is charged?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The expenditure will be amortized as from now, Mr Speaker, that is when the expenditure is incurred.

HON J BOSSANO:

And wouldn't the Hon Member think that it is a very peculiar accounting practice to amortize the knocking down of an old building over 60 years when in fact we may never see an eventual housing estate on the Engineer's site and the cost has already been charged to the Housing Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, there are certainly, I think, Mr Speaker, oddities in accounting conventions which to the lay mind amongst whom I include myself, I should add, do seem rather strange.

HON J BOSSANO:

Assuming, Mr Speaker, that I have got a lay mind and the Hon Financial and Development Secretary hasn't or that he has got a lay mind and I haven't, vice versa, would the Hon Member not agree that if the policy that was introduced in 1960 was related to the life of a building, then it ought to be applied on a discriminatory basis depending on the nature of the expenditure from Head 101 and not simply to all expenses?

MR SPEAKER:

With respect, I accept what the Hon Leader of the Opposition is saying but not at question time. Whether the policy which is being applied is correct is another matter but this is what they are doing, they say that the demolition which is taking place now is part and parcel of the development which is going to take place and therefore it would be amortized together with the expenditure of the building which is going up. I don't think we can go beyond that. Whether the policy is correct or not is another matter. Next question.

NO. 101 OF 1984

ORAL

THE HON J L BALDACHINO

Can Government state why amortization of Government housing is at 3% and for 60 years?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the period of 60 years for amortization is generally regarded as a reasonable one for the purpose of calculating capital charges on buildings. The low interest rate of 3% on the other hand takes account of the discounted value of the building at the end of that period. If the secular rate of interest were to change significantly the rate of 3% would itself have to be reviewed.

SUPPLEMENTARY TO QUESTION NO. 101 OF 1984

HON J L BALDACHINO:

Mr Speaker, I understand the 60 years amortization to be based on a new building but what I do not understand, Mr Speaker, and wouldn't it be better, for accounting purposes, for buildings that are remodernised, to be amortized on the expected life of that building?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think that was the sense in my answer, Mr Speaker.

MR SPEAKER:

What is being suggested is that the realistic life of a building could well be over 60 years and shouldn't that be the basis on which it should be done.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Here, although again I am speaking as a layman, this is one piece of accounting practice convention which is almost universally held, I think, as far as buildings are concerned. Sometimes operational buildings are amortized over a shorter period because of the change in technology but buildings which are used for residential or office purposes 60 years is the normal life, of course it could have a useful life at the end of 60 years.

HON J L BALDACHINO:

Mr Speaker, the difference of the 3% is different to the other

Funded Services which is based on the joint Consolidated Fund interest and then it is charged to the different Funds.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, the 3% is as the Hon Member has said, different from the interest rate which applies to the other Funded Services for the reason I gave in my reply to the Hon Member, namely, that one does expect with buildings that there will be a value to the asset at the end of the 60 years, a discounted value which at 3% gives one the present value.

HON J BOSSANO:

Mr Speaker, the Hon Member said that if in fact there were changes in the interest rates the figure of 3% would need to be reviewed. Is it not a fact that since it was introduced in 1981 there have been extremely violent fluctuations in interest rates or is the Hon Member saying that they have to be even more violent than that before a review takes place?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Violent is one of those terms, Mr Speaker, on which there can be different interpretations and I would not regard the fluctuations to which the Hon Leader of the Opposition referred as being of a degree which would cause us to alter the 3%.

HON J BOSSANO:

So the Hon Member is saying that the changes in interest rates that have taken place between 1981 and 1984 are insufficient to require a review of this figure? Can he say what sort of magnitude of change he expects before that applies?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It is hypothetical, Mr Speaker, but certainly if one did have changes in the interest rates of a magnitude we would respond to it.

HON J BOSSANO:

Is he talking about the sort of situation that we had in 1930 in the Weimar Republic in Germany? Is it a fact then, Mr Speaker, that there is really no reason to expect that the Government will be reviewing the 3% in the foreseeable future, that is the answer.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I would assent to that, yes, Mr Speaker.

MR SPEAKER:

Next question.

NO. 102 OF 1984

ORAL

THE HON J BOSSANO

Can Government state what were the cash reserves in the Consolidated Fund Balance at the beginning of the current financial year and what these are estimated to be by the end of the year?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Consolidated Fund Balance on 31st March 1984 was £7.7m and the forecast for 31st March 1985 is £3.7m.

SUPPLEMENTARY TO QUESTION NO. 102 OF 1984

HON J BOSSANO:

Mr Speaker, my question is how much of this is cash?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I rather anticipated that that might be the Hon Leader of the Opposition's supplementary question, Mr Speaker, but I thought in fairness to him and the House that I ought to give the general position in the Consolidated Fund first of all. How much of that is cash, I can say with a certain amount of precision because I am talking of the past, that at 31st March, 1984, approximately over £2m would have been cash and this figure was not greatly different from the figure for the previous year, I believe.

HON J BOSSANO:

Mr Speaker, my original question is, how much it was at the beginning of this year and the answer is £2m, and how much does he estimate it will be at the end of the year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I cannot give an estimate for the end of the year, Mr Speaker, because the cash balances do tend to fluctuate in line with other fluctuations in the reserve in the various Funds which are managed by the Government on a day-to-day basis. I cannot give an estimate to the end of the year. I could give an amount for a current date if the Hon Member so wishes me to do.

HON J BOSSANO:

Could the Hon Member give the amount for a current date and could he confirm that in fact the trend is pointing down rather than up?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The current figure of cash, Mr Speaker, is approximately £3.5m and that, I think, is slightly more than the figure in the Fund at the 31st March, 1984.

HON J BOSSANO:

Mr Speaker, is this in fact because of recent success in collection of arrears and does the Hon Member not agree that it is not possible to have total reserves of £3.7m and cash of £3.9m?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As to the reason, Mr Speaker, it is very difficult to say precisely but I think one contributory factor to the increased amount of cash available to the Government would be the fact that we have had available £3m from Hambros which was a loan the first tranche of which was taken down before the end of the last financial year which has not yet been spent in the sense that projects in the Improvement and Development Fund to which this was earmarked have not yet come to maturity. We have also sold Government debentures so the Government's overall liquidity position at the moment is quite a healthy one and I would think it is perhaps overstated because some of this will be withdrawn as projects in the I & D Fund come to maturity.

HON J BOSSANO:

But, surely, Mr Speaker, the two items the Financial and Development Secretary has mentioned do not form part of the Consolidated Fund Balance, they form part of the balance in the Improvement and Development Fund which I have not asked him about. I am assuming that there was money there at the beginning of the year from the figure given on page 5 of this year's Estimates which was £2m which should have been there in cash at the beginning of the year, I am not taking that into account. I am asking the Hon Member to give me the amount of cash out of the £7.1m or I am assuming that it is now £7.7m because the figure has increased and not because he is including the Improvement and Development Fund. Is he in fact including the Improvement and Development Fund in the original £2m he has given me?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think it is difficult to answer the question, Mr Speaker, in precisely the form in which the Hon Member has put it. He has asked for cash in the Consolidated Fund and my answer, really, was a way of explaining that cash is not in the Consolidated Fund, cash is, so to speak, available to the Government and if

I may hark back to an earlier question, this is how the Government manages its balances, this is how the Government manages its money, it has available a certain amount of money some of it may be earmarked for the I & D Fund, some of it is proper to the Consolidated Fund but we are talking about cash

MR SPEAKER:

The amounts you have given includes the Improvement and Development Fund.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It would.

HON J BOSSANO:

Mr Speaker, then I am afraid the Hon Member has not answered the question on the Order Paper which specifically limited itself to the Consolidated Fund Balance and not the Improvement and Development Fund. I am not including that in my question nor am I interested in that figure. Can the Hon Member now tell me what I originally asked him, what were the cash reserves in the Consolidated Fund Balance at the beginning of the year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, because as I explained in answer to an earlier question that cash straddled the two Funds.

HON J BOSSANO:

But, Mr Speaker, is the Hon Member not aware that until the Funded Services were established in 1977, the Consolidated Fund Balance or the General Revenue Reserve, as it was called then, was in fact exclusive of unpaid bills and therefore consequently practically all cash and that it is only possible, would he not agree, to do an assessment of the relative strength of the Government reserves historically by comparing like with like and that therefore it is legitimate for him to produce a set of figures which are comparable with previous years?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I see no obligation on myself to produce a set of figures which are comparable with 1976 or 1977.

HON J BOSSANO:

So the Hon Member thinks that it is perfectly alright for the Government that is here today and was there in 1972 to be telling the House that a reserve is required of three months and today the Hon Member sees no obligation to tell us whether we have got a reserve on the same basis of three months or one day, he doesn't think he has got an obligation to do that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I tried to answer the Hon Leader of the Opposition's question, Mr Speaker, bearing in mind the difficulty I had with answering it literally and I do not think I have misled the House at all.

HON J BOSSANO:

So the Hon Member is not able to tell the House of the £7m in reserve how much of that was unpaid bills, that he cannot say?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

From memory I think I can say, we are talking about the 31st March, 1984, the figure increased by approximately £800,000 over the previous year. If I were to now go through the accounts I could probably find it, Mr Speaker, but perhaps that figure would suffice to the Hon Member at this point in time.

HON J BOSSANO:

Would the Hon Member not agree that on the basis of that trend there will be virtually no cash in the £3.7m he expects at the end of the year, that it will be virtually all unpaid bills? Does he not agree with that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, we have been talking about cash. I have been awaiting for the Hon Member to raise the question of investments and there is of course a further, from memory, £1½m making a total of about £5m in all if one includes investments, this is what I would regard as the Government's liquid reserves, using investments which are put in gilt edged as being more or less liquid for this purpose.

HON J BOSSANO:

Mr Speaker, would the Hon Member not agree with me that the investments to which he has just referred, unless I have misunderstood him, are the investments arising out of the unspent balance in the Improvement and Development Fund which is money that is committed for specific projects?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, these are investments placed by the Crown Agents and they are so shown in the accounts of the Government.

MR SPEAKER:

Next question.

NO. 103 OF 1984

ORAL

THE HON J E PILCHER

Has the management contract between the Gibraltar Shiprepair Limited and A & P Appledore International now been agreed?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir. As the Honourable Member will recall from my answer to Question No.33 of 1984, the Management Agreement will not be signed until my replacement as Chairman of Gibraltar Shiprepair Limited takes up office.

SUPPLEMENTARY TO QUESTION NO. 103 OF 1984

HON J E PILCHER:

Mr Speaker, when will that happen? We are now in October, 1984, I take it that the Gibraltar Shiprepair Limited is starting on the 1st January, 1985, when will the management contract be signed?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, a Chairman designate has been chosen and a press release on this will be made shortly but for the benefit of the House they might wish to know that the new Chairman will be Mr Peter G Simonis who is at present Chairman of Haden plc, a well known British engineering and contracting group with worldwide interests and he will take up office at the end of the year when the Naval Dockyard is formally handed over to the Ministry of Defence.

HON J E PILCHER:

I take it, Mr Speaker, that the management contract will not be signed until the 1st January, 1985?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Simonis will be coming out to Gibraltar for a meeting of Gibraltar Shiprepair Limited's Board in December and I would hope that the management agreement will be an item on the agenda for that meeting with the hope that it may be signed before the end of the year..

HON J E PILCHER:

Mr Speaker, then at the moment Gibraltar Shiprepair Limited is still being paid out of the consultancy agreement by ODA and who is paying for the other UK managers being contracted at the moment by them?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think this anticipates the reply to a later question

HON J E PILCHER:

Mr Speaker, is Appledore now receiving the £300,000 of management fees?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The answer to that is no, they are not receiving a management fee yet.

HON J E PILCHER:

Given that the management agreement has not been signed, Mr Speaker, how is it that GSL is now managing the slop barge? Under what terms and conditions are they managing something if no management contract has been signed?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I mentioned when this was discussed earlier in the House, Mr Speaker, the company and the managers are acting in accordance with the management agreement although it has not yet been formally signed and we have as yet observed or there have been no issues which have caused us acute difficulty because of the fact that the agreement has not yet been formally signed.

HON J E PILCHER:

Mr Speaker, again I refer to Question No.33 of 1984 where I did not get an answer, where I specifically said that part of the management agreement would have the appointment of a controller. If I may just read for a second the words of the Acting Financial and Development Secretary way back in October, 1983, Mr Montado, who said: "The controller will serve almost as a daily watchdog on the activities of the new company and its managers". I take it that because there is no management agreement there is no watchdog at the moment?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It is a matter of great regret to myself, Mr Speaker, as

Chairman, and also to my fellow Board members that we have not yet been able to recruit a controller. I can assure the House that we have not been inactive in this respect and I myself have made a number of trips over to the UK to interview prospective applicants together with the Managing Director, Mr Abbott, but we were rather unfortunate, we thought we had a very good candidate recently ex-Vickers Shipbuilding and unfortunately at the last minute he declined the offer so we had to start again but I am expecting to do some more interviewing very shortly for this post.

MR SPEAKER:

Next question.

NO. 104 OF 1984

ORAL

THE HON J E PILCHER

Can Government state how much revenue is estimated to be produced in the current financial year from rates payable by Gibraltar Shiprepair Ltd?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Sir, I would refer the Honourable Member to answers given in supplementaries to question No. 413 of 1983. It was explained then that Gibraltar Shiprepair Ltd would be eligible to apply for rating relief under the provisions of the Development Aid Ordinance. The Company has already applied for a Development Aid Licence. Once this is granted, the Company will qualify for normal rating relief and no rates will therefore be payable in the current financial year.

SUPPLEMENTARY TO QUESTION NO. 104 OF 1984

HON J E PILCHER:

Mr Speaker, can the Hon Financial and Development secretary then confirm that the Gibraltar Government is in fact giving a hidden subsidy of £450,000 to GSL because when the proposals for commercialisation were accepted by the Government these included this sum, nearly £½m a year in payment of rates, and that came out of the £28m which the company can now use for other things but which the Gibraltar Government cannot because they are giving them this hidden subsidy of £450,000?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I personally would not have used the rather emotive words which the Hon Member has used 'a hidden subsidy' because it suggests something sinister. Whatever may have been the forecast made in the past and many of these have changed in other respects, there is no doubt that GSL is eligible to apply for rating relief under the provisions of the Development Aid Ordinance and it will qualify for rating relief and that is the law.

HON J E PILCHER:

Mr Speaker, can the Hon Member not confirm that when the agreement was accepted by the Gibraltar Government out of the £28m the Gibraltar Government would get £2m out of rates in four years?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I doubt that very much, Mr Speaker. If it was in the original understanding or agreement as the Hon Member has said, well, I would have expected ODA to jump on it fairly quickly because it is a well known feature of overseas aid provided by Her Majesty's Government that the UK Parliament will not allow aid to be used in aid of general Government expenditure, that is to say, in support of local taxes, they insist that it goes to the recipient project unencumbered of taxes or imposts.

HON J BOSSANO:

Is the Financial and Development Secretary not aware that when the proposals were accepted and the Project Study was approved by the British Government it was approved inclusive of an amount payable by the company of £450,000 as rates and that no previous mention has been made in the House until now that this was in any way unacceptable to ODA or the British Government notwithstanding the fact that it has been debated before?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, as far as GSL and its entitlement for rate relief is concerned, Mr Speaker, there have been previous questions in the House so the House is not unaware of this. As regards the other point, namely, the normal conditions applying to overseas aid, well, I was familiar with these and I can only register surprise that someone with the encyclopaedic knowledge of the Hon Leader of the Opposition was not also aware of it.

HON J BOSSANO:

I am not saying I wasn't aware of it, Mr Speaker, what I am saying is is the Hon Member aware that there has never been any suggestion previous to now that ODA would object to this notwithstanding the fact that these proposals have been known and made public and debated for two and a half years? Nobody has ever suggested that ODA has said to the Government or to Appledore that if their £28m included £2m for rates, which it did, then they would only get £26m which is the implication of what the Hon Member is saying.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, Mr Speaker, I cannot really add anything to what I have said.

HON J BOSSANO:

Could the Hon Member then state whether he agrees that since the estimates of profitability of the company included the

payment of rates of this amount, that it would be reasonable in looking at the successful implementation of the project, to expect that the profits should be £456,000 higher than previously estimated a year as a consequence of not having to pay rates?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I don't think I will fall into the trap of following that hypothetical path to which the Leader of the Opposition so seductively invites me. I think there are many factors which will effect the profitability of the company but of course although I have said that it is eligible for rating relief this is only in the early years which coincides with the years for which finance is available, thereafter the company will of course (a) earn profits and (b) be liable to rates.

MR SPEAKER:

I think we are extending the orbit of the question.

HON J BOSSANO:

Since the Hon Member has said that they are going to be exempted and that this will only be for a number of years, can he say for how many years they are not going to have to pay rates?

MR SPEAKER:

That is according to the Development Aid Ordinance.

HON J BOSSANO:

Is there any discretion?

MR SPEAKER:

No, it is a question of scaling.

HON CHIEF MINISTER:

No payment the first year, 20% the second year of the total rateable value, 40%, 60%, 80% and on the fifth the full amount.

MR SPEAKER:

Next question.

NO. 105 OF 1984

ORAL

THE HON J E PILCHER

Can Government state what disbursements have been made from the Gibraltar Shiprepair Limited Fund stating the dates, amounts, purpose and to whom such disbursements have been made?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the total amount authorised for payment to date is approximately £3.1m, of which £2m represents payment for contracts placed with off-shore companies and the remainder locally incurred costs. The Company's accounts will in due course provide details of capital and current expenditure in accordance with normal accounting practice and be subject to audit.

SUPPLEMENTARY TO QUESTION NO. 105 OF 1984

HON J BOSSANO:

Has any of this money from the Fund been paid direct by the Government or through GSL?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The money has been paid or, I should say, it has been accounted for by the Government, Mr Speaker.

HON J BOSSANO:

Mr Speaker, in view of the fact that in the last House of Assembly when I drew attention to Clause 6(4) of the Gibraltar Shiprepair Limited Ordinance, 1983, the Financial and Development Secretary said he would have to take advice on whether in fact this was being done in accordance with the requirements of the Ordinance, can he now say whether he has taken advice?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker, I took advice from Learned Counsel at the time and arrangements have been made for the company to issue shares up to a value of approximately £20m and the Government will receive as consideration for disbursement from the Fund shares to that value, a value not exceeding on present estimates of expenditure, £20m.

HON J BOSSANO:

But this in fact has not yet happened, is that the case?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

This has not yet happened in the sense that the physical transaction has not been made, Mr Speaker, but this is certainly the intention on the receipt of advice to which I referred.

HON J BOSSANO:

Mr Speaker, can the Financial and Development Secretary explain how it is that when it was brought to his attention in June that the way the money was being spent from this Fund was contrary to the provisions of the law governing the Fund, in October the position is still not rectified whatever his intentions? Is it not the case that notwithstanding the fact that money can only be used to subscribe for shares, this has not yet happened?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I do not think I can accept that the Hon Leader of the Opposition draws to my attention things which are contrary to the law. I think whether something is contrary to the law is, in the first instance, to be established by legal advice and I refer to the legal advice which we have obtained.

HON J BOSSANO:

Well, then, Mr Speaker, could the legal adviser of the Hon Member whom I presume is the person sitting next to him, no? I think perhaps the Hon Member may be mistaken in thinking, if you will allow me to make a clarification.

MR SPEAKER:

I would like to clear one particular point before you carry on. When we talk about the legal advice which the Hon Financial and Development Secretary is seeking, is he seeking this legal advice as Financial and Development Secretary or as Chairman of the Gibraltar Shiprepair Limited because if he is seeking it as Chairman of Gibraltar Shiprepair Limited he is not answerable to this House and therefore you may have other questions to ask.

HON J BOSSANO:

I am asking him as Financial and Development Secretary, Mr Speaker, and not as Chairman of the company and therefore I am assuming that the Financial and Development Secretary is advised by Her Majesty's Attorney-General because, in fact, the law provides that he is the controlling officer of the Gibraltar Shiprepair Fund and it is about the Gibraltar Shiprepair Fund that the question is and not about Gibraltar Shiprepair Limited as a company. As far as the Fund is concerned, will the Hon Member explain to the House how it is that the law moved by him in this House of Assembly says: "There shall be charged upon the Fund such monies not exceeding £28m as the Financial and Development Secretary may authorise for the subscription by the Government of Gibraltar of shares", and if, in fact, he has been using money for anything other than shares, with what authority, that is the question?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As I said in my earlier reply, Mr Speaker, I took advice in a dual capacity, first of all, as Chairman of the company from the company's solicitors and, secondly, from my Hon and Learned Friend the Attorney-General in my capacity as Financial and Development Secretary and the answer I have given was in the light of the advice I received.

HON J BOSSANO:

Could the Hon and Learned Attorney-General, Mr Speaker, give the House the benefit of his advice and explain how it is that the law appears to be quite categorical in limiting the powers of the Financial Secretary who may authorise the use of these funds for the subscription of shares or for the payment of expenditure on assets? How it is that the Financial Secretary has been able to pay the workforce directly without buying shares in the company, can he explain that to the House because I cannot understand it and since he is the expert, I think it is only right that he should tell the rest of us, Mr Speaker.

HON ATTORNEY-GENERAL:

The money out of the Fund, Mr Speaker, must be used only for those purposes specified in the Ordinance, namely, the purchase of shares or the acquisition of assets belonging to the Government, whatever the other thing is in the Ordinance. Those are the only payments out of that Fund that are authorised for those two things.

HON J BOSSANO:

Then, Mr Speaker, can the Financial and Development Secretary say what money has been used for what purpose and to whom the money has been paid if in fact it can only be done as the Hon and Learned Attorney-General has confirmed as the Ordinance states? Can he say whether he has only done it for buying shares which obviously is not the case since the shares have not gone up?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

My understanding of the point which the Hon Leader of the Opposition is making is that it is a technicality and that provided that shares are purchased to this amount we would be within the law.

HON J BOSSANO:

Mr Speaker, what the Hon Member is saying and will be confirm it, is that he is not within the law now, he was not within the law in June, it was brought to his attention and he intends to bring himself within the law retrospectively, is that the situation? He is saying that provided the money that has been spent already is on paper assumed to have been spent retrospectively on purchasing shares which could not have been spent on

that purpose because the shares do not exist, then that will correct the illegality with the benefit of retrospection, is that the position?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon Leader of the Opposition may have expressed it admirably, Mr Speaker.

HON J BOSSANO:

And that is, in fact, Mr Speaker, what the Financial and Development Secretary is telling the House is a correct way to proceed, to break the law for nine months and then retrospectively correct the illegality? Is that a facility available exclusively to the Hon Financial and Development Secretary or do the rest of us lesser mortals have an opportunity of breaking laws in the same way and having them corrected subsequently?

MR SPEAKER:

Next question.

NO. 106 OF 1984

ORAL

THE HON J E PILCHER

Can Government now state what will be the annual salary of Mr Brian Abbott as General Manager of the Gibraltar Shiprepair Limited?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as I explained to the Honourable Member in answer to Question No.37 of 1984, Mr Abbott's remuneration is at present met from funds provided by ODA for A & P Appledore under the Consultancy Agreement. This arrangement will continue until the end of this year. Thereafter his remuneration will be for the Board of Gibraltar Shiprepair Limited to decide.

SUPPLEMENTARY TO QUESTION NO. 106 OF 1984

HON J BOSSANO:

When in fact the salary comes out of Gibraltar Shiprepair Limited will it be then made public, Mr Speaker?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker.

MR SPEAKER:

Next question.

NO. 107 OF 1984

ORAL

THE HON J E PILCHER

Can Government state whether expatriate Managers of Gibraltar Shiprepair Ltd will be paid an additional allowance over their basic salary and whether they are liable to Gibraltar income tax?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, additional allowances are being paid to expatriate managers of Gibraltar Shiprepair Limited. Expatriate managers of Gibraltar Shiprepair Limited are liable to Gibraltar income tax.

SUPPLEMENTARY TO QUESTION NO. 107 OF 1984

HON J E PILCHER:

On both their wages and the allowances, Mr Speaker, or just on their wages or salaries?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, obviously, what constitutes taxable income is a matter for the Commissioner of Income Tax, Mr Speaker.

HON J BOSSANO:

Mr Speaker, can the Financial and Development Secretary say whether the managers are currently being paid by GSL or currently being paid by ODA under the terms of the consultancy? Are there some people being paid by one source and others by another?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There are, I think from memory, two or three individuals still being paid from the consultancy agreement with ODA but all the other managers are being paid by GSL.

HON J E PILCHER:

Mr Speaker, can the Hon Member not confirm that in the original proposals there was a differential in pay between local managers and managers contracted in the UK, something in the region of about 50% in pay differential?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I can confirm that, Mr Speaker, whether it was precisely of the order the Hon Member has mentioned I am not sure but it could very well have been.

HON J E PILCHER:

Can the Hon Member not confirm also that when questioned by this side of the House this minor thing was corrected and the basic wages were made the same for local and UK managers?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If we are talking about basic wages irrespective of allowance, yes, I think I can confirm that but the allowances, of course, are for the expatriate managers.

HON J E PILCHER:

Can then the Hon Member not accept that in fact the allowance is the differential in pay which was there at the beginning and which is now being paid to the UK managers as an allowance but at the end of the day the UK managers will be getting 50% more than the local managers?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I wouldn't say that they will be getting 50% more than the local managers because I think that is a fairly arbitrary figure and in any case it does not take account of the tax figure but if the Hon Member wishes me to assent to the proposition that expatriate managers' total remuneration will be greater than those recruited locally, yes.

HON J E PILCHER:

And is this not, Mr Speaker, contrary to the spirit of parity and the parity fight which the whole of Gibraltar fought for and is the Government happy about this fact and the fact that their allowance might not even be taxable?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The last comment made by the Hon Member is one which I do not think he is entitled to assume from anything I have said but the Government sees the company's responsibility as being to ensure that the company pays no more than is necessary to recruit and retain people with the right qualifications and experience for a particular job and I think the Government and the company are at one in hoping to see the number of expatriate managers reduced substantially in a very reasonably short period from the figure at which it now stands.

HON J BOSSANO:

Mr Speaker, could I just ask the Financial and Development Secretary as a supplementary to the answer that he gave me that two or three of the managers are still being financed by ODA? To confirm whether those that are financed by ODA are not paying Gibraltar income tax?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If they are being financed by the ODA under the consultancy agreement I don't think that they will be paying Gibraltar income tax. I mean if they are paying UK income tax they will not be paying Gibraltar income tax as well but this does not mean that the Commissioner of Income Tax might not raise an assessment and I think he would want to consider each case on its merits.

HON J BOSSANO:

And then, Mr Speaker, if the Commissioner of Income Tax can raise an assessment on the salary of an individual financed by ODA, can the Financial Secretary explain to me why it is that this is permissible and a few minutes ago he was saying that the money from ODA couldn't be used to pay rates because ODA is very adamant that none of the money that they provide can be used to meet local rates or taxes?

MR SPEAKER:

With respect, what the Hon Financial and Development Secretary has said is that if the employees which are called managers who are being paid by ODA are subject to United Kingdom income tax then, of course, they wouldn't be subject to income tax locally but it would be for that reason and no other reason.

HON J BOSSANO:

I accept that, this is precisely why I am asking because if in fact they do not pay UK income tax or they are liable to local income tax, can the Financial Secretary explain how it is that a few minutes ago he has said that ODA will not permit any of the finance that they provide to go towards the payment of local rates or taxes - he has just said that - and in fact it is possible to tax somebody paid by ODA, can he explain that? Wouldn't the ODA insist that the payment that they are making under the consultancy agreement cannot go towards the payment of a local tax?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

When I used that phrase earlier I think I used the words rates and imposts. I didn't mean income tax, Mr Speaker, in the terms which the Hon Member has mentioned.

HON J BOSSANO:

So, in fact, the Hon Financial and Development Secretary is saying that there is no reason as far as the ODA is concerned of any objection on their part why people who are financed out of ODA funds should not pay local income tax, is that the position?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think it is fairly obvious, Mr Speaker, that a substantial proportion of the £28m which is being provided by Her Majesty's Government and which will go during the early years of the company to finance operations, will be paid out in wages and salaries and those who are, in fact, earning those wages and salaries will pay Gibraltar income tax. I don't think ODA would be surprised to learn that.

HON J BOSSANO:

Mr Speaker, I am not disputing that and one could equally argue that the man who delivers a piece of equipment between Waterport and the Dobkyard earns the wages as a result of delivering that piece of equipment which pays income tax, that is not the question I have asked the Hon Member. I am asking the Hon Member to confirm, as a consequence of the statement he has just made, that if ODA is paying directly the salary of somebody, the fact that the salary comes from ODA does not mean that there is an ODA objection to that salary being assessable to Gibraltar income tax.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, I think I would accept that, Mr Speaker.

HON J BOSSANO:

If the Hon Member doesn't know perhaps he ought to ask.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have said yes.

MR SPEAKER:

He has accepted the statement and that is the end of the matter. Next question.

NO. 108 OF 1984

ORAL

THE HON J E PILCHER

Can Government now state on what terms has the Ministry of Defence made available up to 46 properties for the use of expatriate Managers of the Gibraltar Shiprepair Limited?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the 46 properties which the Ministry of Defence are making available will be on the basis of a fully repairing lease to Gibraltar Shiprepair Limited over a three-year period. The rental payable by GSL to MOD will vary from property to property but in general will be at less than current commercial rates.

SUPPLEMENTARY TO QUESTION NO. 108 OF 1984

HON J E PILCHER:

Mr Speaker, can the Hon Member give us what is the total amount being paid for all the 46 properties?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

They haven't yet all been let, Mr Speaker, I think approximately some 30 properties have been let. In due course, if the Hon Member wishes me to provide him with further information I think we will be prepared to do that on a global basis but not with respect to details of individual properties which is contrary to the normal arrangements.

HON J E PILCHER:

I do not want, Mr Speaker, details of individual properties, what I want is the overall rent payable for the 46 properties.

MR SPEAKER:

You will be given that when it is available.

HON J E PILCHER:

Mr Speaker, can I ask whether the rents are being paid by the individuals or by the company? Are the individuals paying rent themselves or is the company paying the rent of their house?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

They will be rent free to employees of GSL.

HON J E PILCHER:

And is this, Mr Speaker, not in fact another allowance over and above the basic wage plus the allowance which they are already getting?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As I said, Mr Speaker, I am sure we have a very efficient Commissioner of Income Tax and he is capable of taking these things into consideration.

HON J E PILCHER:

This has nothing to do with the Commissioner of Income Tax, Mr Speaker, to the point that the initial agreement on the £28m does not provide for the GSL to pay rents on the property, that is not part of the estimated expenditure of the £28m.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There have been many changes in the composition of the £28m, Mr Speaker, since the sum was first thought of and I imagine that once we get into an operational rather than a theoretical phase there will be further changes.

HON J BOSSANO:

Mr Speaker, doesn't the Government think that it owes an explanation to people if there have been these very significant changes since, in fact, for all that Gibraltar knows and for all that we know on this side of the House, the projected results of the company are the results on which they obtained and were successful in their tender? Wouldn't the Financial and Development Secretary agree that if you have got a situation where a number of bidders put in projections of results then you cannot simply change dramatically or significantly what the successful bidder is expected to do without, in fact, creating a situation where other people....

MR SPEAKER:

In fairness, are we not jumping the gun? Should you not wait until the figures are given so that you know exactly what the import is?

HON J BOSSANO:

Mr Speaker, can the Financial Secretary not confirm that there are two significant changes in the expenditure of the company one of which is that they are now paying rents for furnished accommodation for 40-odd managers which was not in the original estimates,

and that that is a new cost, and the other one is that they are now not paying rates which was in the original cost which is a loss of revenue to the Government of Gibraltar?

MR SPEAKER:

In fairness I think we are getting out of hand slightly. You are seeking the information which will give you the right and the entitlement at a later stage to take action on but because the information that you are getting is contrary to what has been agreed before, you must not try and debate the matter at question time, that is what I am saying. You have the information and what you do with it is another matter.

HON J BOSSANO:

Can I ask the Financial and Development Secretary whether the reference to the Commissioner of Income Tax is taken to mean or can be taken to mean that in fact the provision of rent free accommodation will be a benefit in kind which will be taxable, is that what he was referring to?

MR SPEAKER:

Yes.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Thank you, Mr Speaker.

MR SPEAKER:

Next question.

NO. 109 OF 1984

ORAL

THE HON J E PILCHER

Can Government confirm that contractors engaged on the Dockyard refurbishment have been paid by Gibraltar Shiprepair Ltd from its own funds?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, contractors engaged on Dockyard refurbishment will be paid by Gibraltar Shiprepair Limited from funds provided by ODA under the terms of the £28m agreement until such time as the Company generates its own trading income.

SUPPLEMENTARY TO QUESTION NO. 109 OF 1984

HON J BOSSANO:

Mr Speaker, but is it not the case that under Section 6(4) of the Gibraltar Shiprepair Limited Ordinance the Gibraltar Government is supposed to pay for expenditure on assets that belong to the Government and are to be leased to the company and that, in fact, the Ordinance was amended by the Government because of this point made by me in December of last year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have my notes for the supplementary on this particular question, Mr Speaker, in fact, it is not clear what lies behind this question and I thank the Hon Leader of the Opposition for making it slightly more clear to me. I take the point he makes that some of the assets will be owned by the Government and others owned by the company, that is to say, the Government will lease certain assets to the company and I can assure him that this position will be regularised in due course but as far as payments to contractors are concerned, they are being paid out of funds provided under the terms of the £28m agreement.

HON J E PILCHER:

Mr Speaker, is not one of the contractors that have been paid by the GSL the contract for refurbishing No. 1 Dock which will then be an asset for the Gibraltar Government and not to the company?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is correct. The contract for the refurbishment of No. 1 Dock will be or rather No. 1 Dock will remain in ownership of the Government so the money which is spent on this will not form part of the share capital of GSL.

HON J E PILCHER:

But then, Mr Speaker, am I not correct in assuming because after I have read the Hansard for December where this particular point was made by the now Leader of the Opposition, Mr Joe Bossano, where in fact an amendment was brought by the Attorney-General, page 173, where the amendment was made specifically: "or for expenditure on assets belonging to the Government that are or are to be leased by it to the Company". So the amount of money should have been received by the Government and the contractors should have been paid by the Government and not by the Company.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I thank the Hon Member for making further clarification on this. The arrangements which we have and which, of course, involve the ODA for the placing of main contracts is a tripartite one involving GSL, the Gibraltar Government and the ODA so the de facto situation is that the contracts are placed in accordance with agreements reached between ODA, GSL and the Gibraltar Government. I think we are acting within the spirit of the Hon Member's comments.

HON J E PILCHER:

Mr Speaker, there is an agreement where ODA sends the money down to the fund and the fund has a two-tier system which can send the money to GSL direct or to the Gibraltar Government for major expenses and for payment of assets belonging to the Government but this is not being done, Mr Speaker, this is the second part of the Ordinance which is not being adhered to.

MR SPEAKER:

Fair enough, you have established that fact again.

HON J E PILCHER:

Will the Hon Financial and Development Secretary accept that, that this part of the Ordinance is as well not being adhered to?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, inasmuch as I have not accepted that the earlier part of the Ordinance is not being adhered to, I will not accept that this part is not being adhered to except on a technicality but, obviously, the arrangements will be regularised when the Company's accounts are produced for the inspection of the House and subjected to audit.

HON J E PILCHER:

Mr Speaker, on the first part the Attorney-General gave his advice to the House.

MR SPEAKER:

With respect, I think we must not labour this point more than is necessary. I think the circumstances have been established. The application of these circumstances on either side differ, that is all we are talking about now. You are entitled to take a stand on the information you have and to apply it according to your best concepts and the Government is entitled to do that too. What we cannot do is to try and convince each other that the other one is wrong at question time.

HON J E PILCHER:

I accept that, Mr Speaker, but in the first part, the Attorney-General gave us his advice which, as far as I am concerned, was accepting that what this side of the House was saying was true. What I would now like is whether the Attorney-General can advise this House whether in fact the second part of our contention is as well right?

HON ATTORNEY-GENERAL:

As I understand that Section, the money comes from ODA into the Gibraltar Shiprepair and from that Fund it goes in two ways: (1) to GSL for the purchase of shares, and (2) to the Gibraltar Government for the acquisition of assets belonging to the Government which are going to be leased to GSL. That is my understanding. I have not got the Section in front of me but I have read it enough times.

HON J E PILCHER:

Thank you, Mr Speaker.

MR SPEAKER:

Next question.

THE HON J E PILCHER

Can Government state whether the qualifications obtained by an apprenticeship undertaken by persons with Gibraltar Shiprepair Limited are recognised outside the Company?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, all apprentice training schemes undertaken by persons with Gibraltar Shiprepair Ltd are based on recommendations approved for the Shipbuilding and Engineering Trades in the United Kingdom. The programme is in the form of modular training over a period of some three years. On completion, apprentices obtain a certificate and contract of apprenticeship in accordance with the Industrial Training Ordinance 1970 and the Industrial Training Rules 1973 appertaining to Gibraltar. It is more than likely that apprenticeships completed with Gibraltar Shiprepair Ltd will be recognised outside the Company.

SUPPLEMENTARY TO QUESTION NO. 110 OF 1984

HON J E PILCHER:

Mr Speaker, the words 'more than likely' are the same as the word 'inconceivable'. 'More than likely' means what, Mr Speaker? Yes or no?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think we can say that it will probably be recognised outside Gibraltar and particularly in the UK but I honestly cannot say any more than that, I cannot say there is 100% certainty but a certain probability.

HON J E PILCHER:

Mr Speaker, I take it that the Hon Financial and Development Secretary is now answering as Chairman of the GSL?

MR SPEAKER:

No, he is not answering as Chairman, I would not allow him to do so in that capacity.

HON J E PILCHER:

Is it then not a valid point that this should be verified by

Government so that GSL can tell their trainees whether or not the training that they have received with Appledore will in fact be valid for them not only to move within Gibraltar but to go outside Gibraltar?

MR SPEAKER:

What you are asking is whether Government should inform themselves as to whether these apprenticeships will be accepted and if Government is prepared to do that they may answer the question.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't think I can give a guarantee but we will do all we can to help. It almost goes without saying that the Gibraltar Government and the MOD will accept them, there is no argument about that. The Government will do what it can but I think this obviously will depend on the scheme and the reputation which the GSL employees scheme acquires.

MR SPEAKER:

Let us leave it at that then. Next question.

NO. 111 OF 1984

ORAL

THE HON J E PILCHER

Does Government support the view of the General Manager of its wholly owned Company GSL, that workers should not enjoy a 39 hour week?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Government takes the view that remuneration of GSL employees is ultimately a matter for the Company.

SUPPLEMENTARY TO QUESTION NO. 111 OF 1984

HON J BOSSANO:

Is the Government, in fact, not committed to certain standards. For example, how is it that the Government can legislate so that shop assistants are required to be remunerated for a 39-hour week and in a company that they own 100% they do not take the same view?

HON A J CANEPA:

The legal position, surely, is that the Regulations and Conditions of Employment Board meets and recommends to Government what the working week should be in respect of shop assistants. The Government can take a view, it can reject or accept that advice and the Government in that instance accepted that advice. I don't think that there is a parallel between GSL and the statutory position with respect to shop assistants.

HON J E PILCHER:

It is not a legal position that we are asking about, Mr Speaker, but the question, if I may read it again, asks: Does Government support the view of the General Manager of GSL?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I can add to what I said earlier, Mr Speaker, that the Government is aware that the claim for a 39-hour week is one of a number of claims made by the TGWU and that if conceded in totality these could jeopardise the successful commercial operation of the company.

HON J E PILCHER:

But, Mr Speaker, does Government not in fact encourage as a matter of policy that people should work a 39-hour week?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, we are talking here about a commercial company which must compete in world markets and I hope that my comments will be read in that context. The success of this company and therefore the contribution it can make to Gibraltar will depend on that.

HON J L BALDACHINO:

Mr Speaker, may I ask the Hon Financial and Development Secretary a question? Is he saying that the Government's view is that if the 39-hour week is granted to the employees in the Gibraltar Shiprepair company then the company will not work?

MR SPEAKER:

No, I cannot allow that question.

HON J BOSSANO:

Mr Speaker, isn't it Government policy announced in this House of Assembly in answer to Question No.11 as regards the unemployment situation that they would be seeking within the Government service to reduce the conditioned hours of people because, in fact, the less their conditioned hours given the same amount of work the more people that can be employed? Isn't it Government policy?

HON A J CANEPA:

That doesn't mean that people employed by Government now on a 39-hour week should have their working weeks reduced to 35, say, or 30 in order to create jobs. The point that the Hon Member is raising applies to people conditioned to over 39 hours. The Government may employ, for instance, on the Tourist Office sites, we may employ people during the summer who work 60 or 70 hours a week. I think it is desirable in the interest of spreading job opportunities that rather than have one individual working a 70-hour week you might have two, one doing 39 and perhaps the other one doing 35 or 36. It is in that context that the point that the Hon Member is making has been approached, not as a principle of general application.

MR SPEAKER:

We are debating. We are not in any manner or form obtaining any information or using question time for the purpose it is

designed. If the Opposition feels that the question of the 39-hour week should be the subject matter of a debate they can put in a motion and say what they like on the principles which are being discussed. We are asking here a simple question: Does Government support the view of the General Manager of its wholly owned company GSL, that workers should not enjoy a 39-hour week? The answer has been precise and simple, perhaps not to the liking of the Opposition: "The Government takes the view remuneration of GSL employees is ultimately a matter for the Company". What implications that brings insofar as their employees is concerned is another matter.

HON J BOSSANO:

But, Mr Speaker, whether it may be a matter for the company and that is something that the company will have to face its workforce on, we are trying to establish Government policy and I think it is legitimate as a supplementary to what the Hon Member has just said because he seems to say that the policy he has just enunciated on the.....

MR SPEAKER:

I would not have allowed the number of supplementaries that I have allowed if I hadn't thought it to be legitimate but what I am saying is we are getting to the stage when we are not achieving any object and there is repetition, then we are debating and I must stop it.

HON J BOSSANO:

Mr Speaker, if you will allow me to ask the Hon Mr Canepa a question in respect of the intervention that he has just made now, the example that he has just given the House. Would the Hon Member not agree that it would be consistent with the policy he has just explained that it is possible to either employ 39 people for 40 hours or 40 people for 39 hours? Would that not be a clear example of the application of the Government's policy as explained by him just now?

HON A J CANEPA:

As an arithmetical exercise, yes, but whether in practical terms that can actually be implemented is another matter.

HON J BOSSANO:

Then, Mr Speaker, the Government would support that policy if it was practical to do it because in fact, is the Government aware that when we are talking about.....

MR SPEAKER:

Order, that is hypothetical. Whether it is going to be practical or not is another matter, let us leave it at that.

HON J BOSSANO:

Is the Government aware then, Mr Speaker, that the reference to a 39-hour week in Question No.111 is precisely a reference to the number of hours that people will work without necessarily involving any extra payment? Is the Government aware that there is no extra payment involved?

MR SPEAKER:

Yes, they must be so aware. Next question.

NO. 112 OF 1984

ORAL

THE HON J E PILCHER

Does the Chief Minister still maintain that all that is being asked of workers in the Government-owned Commercial Dockyard is a fair day's work and that in exchange employees will be paid parity or even more?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, that is not what I said. The actual words I used, in a Ministerial statement on 1 December 1983, were as follows:

"The same Trade Union leader is also reported as saying that all the efforts that went into achieving parity will have been wasted. This is not the case. The Ministry of Defence have already agreed that parity should continue, under the usual annual arrangements for review, in respect of all other employees of the Ministry of Defence in Gibraltar. In so far as Dockyard employees are concerned, the question of parity will depend on the efforts which all concerned are prepared to make in order to ensure the success of a commercial Dockyard. Parity will apply on 1 January 1985. The pay that workers in the commercial Dockyard will get thereafter will depend on their efforts, and the efforts of all concerned, in making a commercial Dockyard a success. It is possible, given the will, to make a commercial Dockyard such a success that pay might even exceed parity levels. Is not this an opportunity to be pursued rather than thrown away?

A commercial Dockyard would become part of the private sector. In the private sector, workers rely for their level of earnings - and indeed for their jobs - on the success or otherwise of the firm with which they are employed. They are not protected - and they cannot be protected - artificially by a formula. Their earnings depend on the commercial success of the business which employs them.

Much has been said about work practices. In my view what this really boils down to is that, if those employed in a commercial Dockyard give a fair day's work, with enthusiasm and determination, the commercial Dockyard will succeed. All that is being asked is an honest day's work, no more."

SUPPLEMENTARY TO QUESTION NO. 112 OF 1984

HON J E PILCHER:

Mr Speaker, does the Chief Minister consider that a fair day's wage is having to work without a tea break? Having to work Saturdays without getting paid overtime? Having to do a shift work without getting paid a premium? It follows, Mr Speaker, that if this is a fair day's work, an honest day's work for the Chief Minister, he would expect all his employees in the public sector to do exactly the same.

HON CHIEF MINISTER:

As I understand it, Mr Speaker, the basic rates, generally, are more or less the same as those paid by official employers or even higher. The rest are matters of ancillary conditions of service.

HON J BOSSANO:

Mr Speaker, would the Hon Member not agree that, in fact, he has stated categorically that people will be paid parity on the 1st January, 1985, and that it follows from that that if people are expected to work longer hours for the same money or unsocial hours for the same money, that is not parity because it is not comparing like with like?

HON CHIEF MINISTER:

I said that in December, 1983. That is what I said, that in 1985, yes, and it may well be that that is the case. In fact, I understand and I don't want to intervene, that there will be a revision of the present salaries in April, if it is not made in January it may be in April, that is not the point. The point is that I did not say what the question suggests I said.

HON J E PILCHER:

Mr Speaker, can the Hon and Learned Chief Minister then accept that the system introduced by Appledore is one where the basic rate of the lowest grade of worker in Appledore is below the equivalent in the MOD and, in fact, in the private sector Shiprepair Limited?

HON CHIEF MINISTER:

I had a long discussion about this yesterday, I am not an expert in industrial matters, and I am assured by those who are expert in this matter that the basic rates, generally, are more or less the same, that is, there are some people who are getting more and some people who are getting less by the official employers or even higher. I am not passing any judgement, I am being asked whether I said something and I am just clearing up what I said and making whatever explanation is required.

HON J E PILCHER:

Mr Speaker, the Hon and Learned Chief Minister might not be making a judgement but I am. He is talking of an average wage but for the person who is getting.....

MR SPEAKER:

I am going to start being very firm. What are you asking?

HON J E PILCHER:

I am asking, Mr Speaker, is in fact the wage that a labourer will get with GSL not below the wage that a labourer gets with the UK Departments?

HON CHIEF MINISTER:

My advice, Mr Speaker, is that the basic rates, generally, are more or less the same.

HON J E PILCHER:

Mr Speaker, I know that you want me to ask questions but I have got the Hansard of the 13th March, 1984, where the Chief Minister said when the Hon Leader of the Opposition asked him whether if parity was not paid on the 1st January, 1985, he would then be a liar. He said, no, that he would have mis-stated the truth and he went on to say that he would expect his statement to be honoured by the company. What I am saying is that his statement has not been honoured by the company.

MR SPEAKER:

With respect, the Hon Member is debating now. If the statement has been honoured or not is a matter of opinion. You must ask for information and nothing else. If you feel you should debate then you can bring it up on the adjournment or as a substantial motion.

HON J E PILCHER:

Is the Chief Minister aware that his word given to this House on the 13th March, 1984, has not been honoured?

HON CHIEF MINISTER:

No, because we haven't reached the 1st January, 1985.

HON J. C. PEREZ:

Does the Hon Member consider that it would be unfair that workers in the commercial dockyard should be earning less than

the rest of Gibraltar notwithstanding that they are doing a fair day's work and does the Hon Member consider that the situation today is not hypothetical as he said a few months ago in answer to the same question to me?

HON CHIEF MINISTER:

First of all, I pass no judgement at all on what is happening now, it would be improper for me to do so. I would say, generally, that what I would ensure is that there is work reasonably remunerated if people are able to get that kind of employment reasonably remunerated and that we should not, I think, tie ourselves completely to parity or nothing else. I think that would be ruinous in many ways particularly in the private sector. What happened when the shiprepair yard of Bland was closed? There was never a word from the unions about that.

HON J BOSSANO:

Mr Speaker, is the Hon Member in his capacity as Chief Minister not concerned that a 100% Government-owned company should be precisely under-cutting by paying lower rates of pay than the company that he has just mentioned, so that it can be put completely out of business?

HON CHIEF MINISTER:

This is not under-cutting, that word is absolutely ridiculous. A private company is trying to compete to enter into business for the benefit of Gibraltar and it offers the conditions of employment that it thinks it can make the enterprise a success and that is all that there is to it. I don't think that the Government has got a duty to police employers to see that they pay parity.

HON J C PEREZ:

Is the Hon and Learned Member then suggesting that the rest of the private sector should follow suit and can he explain to the workers in the private sector how is it that he can defend that their conditions of service and that their pay should be lower because every firm in the private sector has become more competitive.

MR SPEAKER:

With respect, I will now be completely and utterly ruthless. If the Hon Members of the Opposition are going to abuse the liberal manner in which I apply the rules then I must apply then strictly. I will not have any more question other than questions seeking information and nothing else.

HON J C PEREZ:

Mr Speaker, it was directly related to the last answer of the Hon and Learned Member.

MR SPEAKER:

And the answer is related to the fact that I was very liberal and I allowed questions to be asked which should not have been asked, so I have got to draw the line somewhere. Next question.

NO. 113 OF 1984

ORAL

THE HON J E PILCHER

Can Government confirm that contracts in connection with the refurbishment of the Dockyard for commercial operation are funded from public funds and therefore subject to the "Fair Wages Clause"?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, I can only confirm that the dockyard refurbishment contracts are being financed from ODA funds. The application of a "Fair Wages Clause" is a matter to be decided by the company.

SUPPLEMENTARY TO QUESTION NO. 113 OF 1984

HON J BOSSANO:

Mr Speaker, hasn't the Hon Financial and Development Secretary said that he is going to eventually regularise the position so that he complies with Section 6(4) of the Gibraltar Shiprepair Limited Ordinance which makes the Government of Gibraltar responsible for the expenditure on the refurbishment of the assets and doesn't that mean that it is a public sector contract exactly the same as the desalination plant or anything else financed by the ODA which is subject to the Fair Wages Clause?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker.

HON J BOSSANO:

Mr Speaker, can the Government say whether they are, in fact, committed to the concept of the Fair Wages Clause, or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon Leader of the Opposition's question asks me whether the Government are committed to the Fair Wages Clause. I think the truth of the matter is that as far as Government contracts are concerned, yes, the Fair Wages Clause operates but we are not here talking about Government contracts vice the construction put upon the situation by the Hon Member. I would like to make it quite clear that the Fair Wages Clause as it applies to the Government contracts should not apply to GSL contracts nor do Government tender procedures apply literally to GSL although, in fact, it observes, broadly speaking, similar arrangements for tenders. Likewise accounting instructions and other aspects

of Government do not apply to GSL otherwise it would be a Government Department and not a private company run on commercial lines.

HON J E PILCHER:

Mr Speaker, can the Hon Member not confirm that if the payment paid on the refurbishment of the Dockyard, on the assets which are wholly owned by the Gibraltar Government and therefore should be paid by the Gibraltar Government as the Attorney-General has said, these would be part of the Fair Wages Clause?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I think I made it clear that I do not accept the link which the Hon Member and his Colleague, the Leader of the Opposition, invited me to accept.

HON J BOSSANO:

Could I ask the Financial and Development Secretary, Mr Speaker, whether the assets after they have been refurbished will be owned by the Government or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The assets will be owned by the Government, Mr Speaker, and leased to GSL.

HON J BOSSANO:

And any work done on those assets will not be to the account of the Government notwithstanding that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

They will be in aid of the establishment of Gibraltar Shiprepair Limited as a commercial company?

HON J BOSSANO:

Mr Speaker, can I ask the Financial and Development Secretary whether the requirement that contractors should be on the approved list of Government contractors, is that a requirement that is consistent with the application of the Fair Wages Clause or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I would like to be helpful to the Hon Member, Mr Speaker, I am not sure that the comments which I am about to make will be

helpful but the Gibraltar Shiprepair Limited operates a system of pre-qualification which is similar to that operated by the Government for Government contracts, it is a similar procedure.

HON J BOSSANO:

Is the Hon Member aware that a contractor that tenders for Government work can be removed from the list of approved contractors if it is demonstrated that he is in breach of the Fair Wages Clause, is he aware of that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am aware of that, Mr Speaker.

HON J BOSSANO:

Then, Mr Speaker, can the Hon Member explain how it is that GSL contracts are subject to the requirements that contractors should be on the approved list when in fact they can be removed from that approved list if they are not in compliance with the Fair Wages Clause although he says that the Fair Wages Clause does not apply in their case?

MR SPEAKER:

We are going round in circles. Next question.

NO. 114 OF 1984

ORAL

THE HON J E PILCHER

How many RFA vessels are programmed to be repaired by the Gibraltar Shiprepair Limited in 1985?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as I explained to the Honourable Member in answer to Question No. 36 of 1984, discussions are taking place with the Ministry of Defence on this matter and it is still not possible to say precisely how many RFA's will be repaired by GSL in 1985.

SUPPLEMENTARY TO QUESTION NO. 114 OF 1984

HON J E PILCHER:

Mr Speaker, is it not true, in fact, that in May, 1983, there was already provision for the inclusion of a programme of RFA's, which I have here in front of me, for 1984, 1985 and 1986 and has this now changed?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, as I think I said in the answer that I gave during an earlier exchange, I was made aware of the information which the Hon Member has now repeated. I can only add that what is unchanged is the value of RFA work which GSL expects to get from MOD. The translation of this into numbers of ships is something on which it is not possible to be precise. RFA's vary in size, capacity and quantum of work.

HON J E PILCHER:

Mr Speaker, wasn't this an agreement to have four Royal Fleet Auxiliaries in 1985, are they coming or are they not coming?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not sure whether I am entitled to ask a supplementary question, Mr Speaker, but I would like to ask the Hon Member whether he is more concerned about the number of ships than the value of the work to be done?

MR SPEAKER:

In other words you have asked a specific question and the answer is they don't know how many are coming in 1985. Next question.

30.10.84

NO. 115 OF 1984

ORAL

THE HON M A FEETHAM

Can Government confirm that Spanish and Portuguese residents of Gibraltar will acquire full EEC rights on the day of accession to the Common Market and that the proposed 7 years transitional period would not apply in each case?

ANSWER

THE HON THE ATTORNEY GENERAL

Answered together with Question Nos. 116 and 136 of 1984.

NO. 116 OF 1984

ORAL

THE HON M A FEETHAM

Can Government confirm that the families of Spanish and Portuguese Nationals who are resident in Gibraltar on the day of accession of these two countries will be eligible to take up residence and acquire full EEC rights without being subject to any transitional provisions?

ANSWER

THE HON THE ATTORNEY GENERAL

Answered together with Question Nos. 115 and 136 of 1984.

NO. 117 OF 1984

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, can Government explain why it does not consider student nurses as supernumerary to the Establishment whilst in other grades in the Public Service this is the case?

ANSWERTHE HON THE ATTORNEY GENERAL

The question as to whether student nurses should be supernumerary to the establishment of the Medical and Health Services Department has been under consideration for some time. The possibility of offering training in basic nursing techniques to students, who would then remain in the sidelines waiting to be called as and when vacancies occur, will be referred to the Government's Job Creation Committee.

SUPPLEMENTARY TO QUESTION NO. 117 OF 1984

HON MISS M I MONTEGRIFFO:

Will the Hon and Learned Attorney-General please keep me informed?

HON ATTORNEY GENERAL:

I will keep you informed, most certainly.

MR SPEAKER:

Next question.

30.10.84

NO. 118 OF 1984

ORAL

THE HON J BOSSANO

Can Government confirm that Colonial Regulations continue to apply to public servants and if so would it further state whether these can be selectively ignored by Government as an employer?

ANSWER

THE HON THE ATTORNEY GENERAL

Answered together with Question No. 119 of 1984.

THE HON J BOSSANO

Can Government confirm that industrial workers in the employment of the Gibraltar Government are public officers?

ANSWERTHE HON THE ATTORNEY GENERAL

Sir, to begin it would be useful to define the terms "public servant" and "public officer".

A public officer or a public servant is a person in the service of or holding office under the Crown in right of the Government of Gibraltar whether such service or office be permanent or temporary, paid or unpaid.

It is clear from the provisions of the House of Assembly (Public Offices) Ordinance 1976 that any office of emolument under the Government the terms and conditions of which are decided after negotiation in the Official Employers Joint Industrial Council is a public office and that industrial employees of the Government holding such offices are public officers.

Part 1 of Colonial Regulations applies to public officers serving in Gibraltar so far as is consistent with the Constitution and the laws of Gibraltar.

The law of Gibraltar recognises agreements entered into by the Government with its employees.

Mr Speaker, as I understand the situation, General Orders contain the terms and conditions of the employment of Government's non-industrial employees.

The terms and conditions of employment of Government's industrial employees are those agreed to in the Official Employers Joint Industrial Council.

The terms and conditions of employment of Government's contract officers are those contained in the individual contracts entered into by Government.

Consequently Part 1 of Colonial Regulations apply to all public officers/public servants as defined subject in the appropriate case to General Orders, JIC Agreements and Contract Officers contracts.

The terms and conditions of any agreement entered into by Government cannot be unilaterally ignored or broken by Government as an employer. I am prepared to look into any such case which the Honourable Leader of the Opposition may care to refer to me.

SUPPLEMENTARY TO QUESTION NOS. 118 AND 119 OF 1984

HON J BOSSANO:

Mr Speaker, would I be right in saying from the answer the Hon and Learned Attorney-General has given that in fact Colonial Regulations can therefore be amended locally by agreement between the Government and the employees of the Government?

HON ATTORNEY-GENERAL:

Colonial Regulations, Mr Speaker, are specific in this. These Regulations are directions to Governors for general guidance given by the Crown through the Secretary of State for Foreign and Commonwealth Affairs. This part of the Regulations apply so far as consistent with the Constitution or any other law of the territory to public officers serving in the territories. Therefore, Colonial Regulations must be read subject to the laws of Gibraltar, that is to say, agreements entered into between Government and their employees are part of the law of Gibraltar because they are enforced by the Courts of Gibraltar.

HON J BOSSANO:

So, in fact, it means, am I right in saying, Mr Speaker, that there is nothing sacrosanct about any of the provisions of the Colonial Regulations because they can be made not applicable to Gibraltar if the Government agrees with its employees or the Associations representing those employees in an agreement which embodies a provision that is contrary to Colonial Regulations, that is the case?

HON ATTORNEY-GENERAL:

Yes, because that contract is recognised by the laws of Gibraltar and enforced by the laws of Gibraltar.

HON J BOSSANO:

Can the Hon Member say what is the status in that context of General Orders which he mentioned. Do General Orders represent an agreement between the employees and the Government as an employer or do they have the force of the law, is it something that is laid down by statute or is it something that is simply decided by the Government?

HON ATTORNEY-GENERAL:

They are part of the terms and conditions of employment for particular employees. The employees to whom General Orders refer are specifically told when they join Government: "your appointment is subject to the provisions of General Orders".

HON J BOSSANO:

I accept that, Mr Speaker. When a non-industrial civil servant is employed he is given a letter of appointment which is, I assume, what the Hon and Learned Member is referring to, which says that he is subject to Colonial Regulations and General Orders. What I am asking the Hon Member is, is in fact General Orders an agreement as he has defined it or a statutory instrument, as he has defined it, which can modify or qualify Colonial Regulations or, on the contrary, if there is a conflict between the two, do Colonial Regulations prevail?

MR SPEAKER:

You are asking for legal advice, I think.

HON J BOSSANO:

Can he answer that, Mr Speaker?

MR SPEAKER:

If he wishes to he is quite free to do so.

HON CHIEF MINISTER:

We hate the words "Colonial Regulations" and they can note things which I think are long past but it is quite clear that Colonial Regulations were sent in the old days of the Empire to every territory to apply and they are there until something else has substituted it. We haven't made the progress we would have liked to do away with all of them in a study that was being made in respect of General Orders that would be locally made for local circumstances.

HON J BOSSANO:

But I am afraid, Mr Speaker, I am not satisfied because in fact I am genuinely seeking information, Mr Speaker.

MR SPEAKER:

But you are not satisfied with the situation, not with the information.

HON J BOSSANO:

No, I think it is with the information that I am not satisfied. I am still not clear and I am grateful to the Hon and Learned Member for his very comprehensive answer but I am still not clear from what he has said whether it is the case that General Orders take precedence over Colonial Regulations or Colonial Regulations take precedence over General Orders if there are conflicting provisions. Which of the two prevails?

HON ATTORNEY-GENERAL:

A contract entered into with an employee on the basis of General Orders is a contract which is recognised by the law of Gibraltar and the content of that contract concerning the terms and conditions of General Orders then supersedes the provisions of Colonial Regulations.

HON J BOSSANO:

Can the Hon and Learned Member not confirm that the contract to which he refers is a contract which makes reference to both, that is, the contract says that the appointment is subject to General Orders and Colonial Regulations? I am saying, if an officer of the Government appointed on those terms finds that General Orders say one thing and Colonial Regulations say something different, which of the two is paramount since his appointment is subjected to the two?

HON ATTORNEY-GENERAL:

General Orders.

MR SPEAKER:

Next question.

NO. 120 OF 1984

ORAL

THE HON J BOSSANO

Can Government confirm that public officers who are promoted have to be paid the salary of the new scale from the date the vacancy occurs?

ANSWERTHE HON THE ATTORNEY GENERAL

Mr Speaker, I regret that I shall need further time in order to answer this question.

I have spoken to the Honourable Leader of the Opposition and I undertake to give an ORAL ANSWER to the QUESTION either at the next House of Assembly or a WRITTEN ANSWER between this House and the next House whichever is the earlier.

SUPPLEMENTARY TO QUESTION NO. 120 OF 1984

HON J BOSSANO:

Mr Speaker, I would be grateful if the information could be made available when the Hon Member is able to obtain it.

HON ATTORNEY-GENERAL:

Thank you, I am obliged.

NO. 121 OF 1984

ORAL

THE HON R MOR

Mr Speaker, can Government state whether the proposal to limit pension increases for retired civil servants to half the rate of inflation, announced at Budget time, was agreed with the Secretary of State?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the decision to amend the pensions legislation to provide that pensions payable to public officers, their widows and to members of the House of Assembly be increased by only one-half of the increase in the cost of living was referred to the Foreign and Commonwealth Office. There was no objection to the proposed measure but as the Hon Member is aware the Government did not proceed with this measure.

SUPPLEMENTARY TO QUESTION NO. 121 OF 1984

HON R MOR:

Mr Speaker, was the Secretary of State consulted as to the withdrawal of the measure?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Foreign and Commonwealth Office was certainly informed of the intention to withdraw.

HON A J CANEPA:

We are sufficiently autonomous to be able to decide as we did here on that occasion in Committee Stage that we should withdraw the measure and then the Foreign and Commonwealth Office were told about the Government's decision.

HON R MOR:

But, Mr Speaker, hasn't the Hon Member said at one time in the House that the question of pensions of Government employees is not a matter for which Ministers of the Gibraltar Government are responsible?

HON A J CANEPA:

Yes, but nevertheless we have got to vote and when it comes to taking a view the Government has got to make up its mind here in

the House and it does so very often but we are not directly responsible, ultimately, it is not a defined domestic matter.

MR SPEAKER:

Next question.

NO. 122 OF 1984

ORAL

THE HON R MOR

Mr Speaker, can Government state why there is still no provision being made to introduce pensions for part-time Government employees?

ANSWERTHE HON THE ATTORNEY GENERAL

Mr Speaker, I am conscious of the personal undertaking which I gave to the Honourable Member when answering Question No. 4 of 1984.

Agreement was reached with the Staff Side on the 5th September last and I received my instructions on the 7th September last.

I have already prepared draft amendments to Regulations 2, 7A and 15 (4) of the Pensions Regulations and now it is just a question of having the time to sit down and carefully consider both the Ordinance and the Regulations to see what other amendments (if any) have to be made. I will do this Mr Speaker as quickly as I possibly can but at the moment life is not easy in my Chambers. I will do it when I can, Mr Speaker.

NO. 123 OF 1984

ORAL

THE HON R MOR

Mr Speaker, is Government satisfied that pupils with special educational needs are receiving enough individual attention?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 123 OF 1984

HON R MOR:

Mr Speaker, what is the consultative machinery which determines this?

HON G MASCARENHAS:

Mr Speaker, the resources made available by the Government for pupils with special educational needs and the quality and commitment of the staff dealing with these children are such that Government is satisfied with the individual attention given. Government's continuing concern for these pupils is reflected by the creation of a post of educational psychologist in 1983 with the crucial role to play with assessing and diagnosing pupils with special needs and advising on individual problems of learning. This post is currently filled by a contract officer whilst the local teacher completes a specialist two-year training course in July, 1985. A First School special unit at Notre Dame has been created to cater for children for whom St Martin's is inappropriate but who cannot cope with the normal classroom situation. A similar unit is being set up at Bishop Fitzgerald for Middle School children and this will become operational in January, 1985. The two-year specialist training course being undertaken by the Education Welfare Officer is due to finish in July, 1985. The top priority given is training for special and remedial education in the teacher training and the in-service training programme. The maintenance of an appropriate level of specialist staff at St Martin's School for contract appointment from UK. The deliberately generous staffing complement and resources made available to St Martin's Special School for a school population of 19 children is - 5 teachers, 6 part-time classroom aids, 1 welfare assistant and vehicle escort, 1 enrolled nurse, 1 school attendant and cleaners, their own mini bus and three meal service. As a matter of information for the Hon Member of the Opposition, only two weeks ago Government agreed to sponsor a child with severe needs to attend at a special institution in the United Kingdom at an annual cost of £15,000.

I think this can amply demonstrate the Government's concern in this field.

HON R MOR:

Yes, Mr Speaker, but I think the Hon Member is referring specifically to handicapped children and my questions are not necessarily on that line. We believe on this side that there are children with special educational needs and not entirely because they are handicapped but because they are backward or whatever. Could the Hon Minister tell us what is the ratio of teacher/pupil in that respect?

HON G MASCARENHAS:

No, Mr Speaker, I cannot say what the teacher/pupil ratio is but I have already mentioned in my supplementary information the creation of a special unit at Notre Dame which caters for these children and also where we were lacking which was in the Middle School area, we are earmarking that for the 1st January 1985, in Bishop Fitzgerald's School.

HON R MOR:

Mr Speaker, does the Government agree that they have the same duty to offer education to handicapped and other children in need of special education, that they have this same duty as they have to other 16 to 18 year old children?

HON G MASCARENHAS:

Is the Hon Member referring to younger children?

HON R MOR:

No, to the older children.

HON G MASCARENHAS:

Mr Speaker, yes, we cater for them in the St Bernadette's Adult Education Therapy Centre. Their ages range from 18 to 36 years and these are different, of course, to St Martin's. The Government has already agreed in principle to the transfer of the Centre to the Department of Labour and Social Security. A Committee of Senior Officials from my Department, from the Labour and Social Security Department and from the Medical Department will be meeting in the near future to discuss exactly when that transfer should take place and under what circumstances.

MR SPEAKER:

Next question.

THE HON R MOR

Mr Speaker, is Government satisfied that the curriculum in secondary schools is in tune with the present needs of Gibraltar?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORTS AND POSTAL SERVICES

Mr Speaker, education is a continuous process constantly adapting itself to changing needs as reflected in demands made by the community and as perceived by teachers and educationalists. Schools do not stand still.

A school has the dual function of passing on to its pupils that part of the existing culture considered worthwhile and to equip its children with the necessary skills, attitudes, and knowledge which will enable them to be a positive part of society. A school has functions, therefore, beyond the purely vocational.

In terms of the aforementioned, Government is satisfied with the current curriculum in both secondary schools. It is also conscious and supportive of the continuous and considerable efforts of the teaching profession in evaluating, assessing and up-dating those aspects of the curriculum that need change.

SUPPLEMENTARY TO QUESTION NO. 124 OF 1984

HON R MOR:

Mr Speaker, does the Government not agree that what is taught and how it is taught is dictated by GCE's and CSE examinations and not by the needs of Gibraltar?

HON G MASCARENHAS:

Mr Speaker, I believe that question No. 125 will touch on that as well. I have got some supplementary information which perhaps I could explain to the Hon Member and that is that the introduction of computers into secondary schools is indicative of the sensibility to the needs and demands of the community. The function and the role the General Education Adviser, a post established in September, 1983, is inter alia that of assessing the relevance of curricula. The Teachers' Centre, as well, has a major area in his brief. The function of actively supporting the review of curricula and providing resources of structure innovations. Apart from that we have fifteen curriculum groups

who meet frequently at the Teachers' Centre to assess the effectiveness of what is taught in schools within their curriculum areas. These are voluntary groups made up of teacher specialists in the different subjects taught. The in-service training programme for teachers also has an aim, the review and up-dating of curricula skills in the different specialist areas. Expertise is obtained locally and from the UK and teachers also attend short courses in the United Kingdom.

HON R MOR:

Mr Speaker, since it is Government's policy to base the future economy of Gibraltar on tourism, commercial shiprepairing and offshore banking, does the Hon Member not feel that there is a need to adapt some of the teachings at school to this?

HON G MASCARENHAS:

I have already mentioned, Mr Speaker, that schools are beyond the purely vocational. You cannot have carpentry and plumbing being taught in school, they have a much wider sphere and I think your next question I will be able to answer partly.

MR SPEAKER:

Next question.

NO. 125 OF 1984

ORAL

THE HON R MOR

Mr Speaker, does Government agree that with respect to 16-18 year olds, there are too few appropriate education courses for those wishing to stay in full-time study and that existing courses tend to be tied to GCE academic courses which are unsuitable for many young people?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, as I said before this question has already in part been answered in the reply to No.124. The curriculum on offer to the 16-18 age group has always been an area of particular on-going concern to Government, the Department and the teaching profession. The increase in the staying-on rates of young adults experienced over recent years has sharpened this awareness, hence Government's declared intention to set up a College of Further Education, for 16-18 year olds.

Whilst Government does not agree that too few appropriate courses are offered by the schools, the new College together with other initiatives taken in respect of Youth Training are geared to widening the options available to the 16 to 18 age group.

SUPPLEMENTARY TO QUESTION NO. 125 OF 1984

HON R MOR:

Mr Speaker, the only new element introduced in the College of Further Education - and I am referring to a statement given some time ago in this House - was Business Studies, the remainder of the courses are already available. Does the Hon Member feel that this is enough?

HON G MASCARENHAS:

Mr Speaker, I honestly do. I think we are very sadly lacking in the business commercial studies area, yes.

MR SPEAKER:

Next question.

NO. 126 OF 1984

ORAL

THE HON R MOR

Mr Speaker, are fire alarms installed in all schools?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, all schools are provided with the means of raising a fire alarm to the satisfaction of the City Fire Brigade who carry out regular inspections and report any deficiencies to the Department.

SUPPLEMENTARY TO QUESTION NO. 126 OF 1984

HON R MOR:

Mr Speaker, what sort of fire alarms are these?

HON G MASCARENHAS:

Mr Speaker, I have a list here of all the fire alarms in the schools, with the indulgence of the House I am prepared to read it.

MR SPEAKER:

You are not going to read it, no.

HON G MASCARENHAS:

Perhaps, Mr Speaker, I can make this available to the Hon Member.

HON J L BALDACHINO:

Mr Speaker, what kind of alarms are they, are they electrical or manual ones?

HON G MASCARENHAS:

Mr Speaker, some are electrically and manually operated, some are hand bells, we even have a rotation hand bell, whatever that may be.

HON R MOR:

Mr Speaker, is there a fire alarm at St Mary's Middle School in Johnstone's Passage?

HON G MASCARENHAS:

The system being employed at St Mary's is a hand bell.

HON R MOR:

Does the Hon Member consider that that is enough.

MR SPEAKER:

No, it is not for the Hon Member to consider whether that is adequate or not, it is for the Fire Brigade who inspect the place. I don't think he can be made responsible for the system of alarms, provided he is satisfied that the system works according to the requirements of the Fire Brigade and I don't think we can go beyond that.

HON J L BALDACHINO:

Could the sound of such a bell be mistaken for something else because a similar sound is being used for the change of periods, for example?

HON G MASCARENHAS:

Mr Speaker, I am not an expert on fire alarms, I am sure the Fire Brigade is and the information that I have is that that is to the satisfaction of the City Fire Brigade who are the experts, I am not.

HON J L BALDACHINO:

Mr Speaker, I am not disputing that the alarm is to the satisfaction of the Fire Brigade but what the Fire Brigade might not know is that a similar sound is used for a change of period which the Fire Brigade does not know. Could that be so?

HON A J CANEPA:

Mr Speaker, from my days as a school teacher in the Grammar School we were obviously sufficiently careful there to use two different types of bell. One was used to indicate a change of period and there was another one quite distinct to it which has a much deeper sound, which was used to sound the fire alarm.

MR SPEAKER:

Anyway, we will leave it at that. Next question.

NO. 127 OF 1984

ORAL

THE HON R MOR

Mr Speaker, are Government schools ever inspected by a Safety Officer?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, schools are regularly inspected by the City Fire Brigade and Environmental Health Officers. Head Teachers are responsible for general safety and frequently requisition minor works to improve this aspect. The Department is currently preparing a second course for teachers on safety in school laboratories.

It has only been recently that Government has obtained the services of a Safety Officer. Prior to that appointment the Department of Labour and Social Security used to employ a Factory Inspector. My Department has been taking steps for a programme of inspections of certain specialist areas on which the expert advice of the Safety Officer would be welcomed.

NO. 128 OF 1984

ORAL

THE HON R MOR

Mr Speaker, is the Gibraltar & Dockyard Technical College charging Gibraltar Shiprepair Limited for the training of apprentices who will be taking up employment with the Company?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, the Gibraltar and Dockyard Technical College is administered by the Ministry of Defence (Navy). No fees are currently being charged in respect of full-time or part-time students attending the College.

NO. 129 OF 1984

ORAL

THE HON R MOR

Mr Speaker, how many teachers are specifically earmarked to take up duty in the College of Further Education and what are their specialisations?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, the professional staff complement of the proposed college of Further Education has been one of the subjects of evaluation and recommendation by a sub-committee of Council of Ministers.

As the Hon Member is aware it is proposed to structure the new College into three departments covering Technology, General and Adult, and Business/Commercial courses. The Department will be seeking experience/qualifications in the areas appropriate to each department. Experienced and suitably qualified staff exists within the Education service to meet these needs.

SUPPLEMENTARY TO QUESTION NO. 129 OF 1984

HON R MOR:

Mr Speaker, could I have an idea as to the number?

HON G MASCARENHAS:

Mr Speaker, I am afraid I cannot provide this information at this present moment because the sub-committee of Council of Ministers has just finalised its report and that will be going to Council of Ministers in the near future.

HON R MOR:

Would the Hon Member make it available to me?

HON G MASCARENHAS:

I shall consider that with my colleagues at Council of Ministers, yes.

HON J C PEREZ:

Mr Speaker, the Hon Member in one of the previous questions of Mr Mor said that the question of training for jobs was to be

tackled by the College of Further Education and then we have got a situation where only Business and Commercial Studies is a new subject in the College of Further Education. Is that the only field in which we are looking towards training for the jobs that are going to come up in relation to what the Government foresees are going to be the future pillars of the economy?

HON G MASCARENHAS:

Mr Speaker, the whole philosophy behind the College of Further Education is to have it there and if there is demand for specialist needs, for example, chefs, somebody available in Gibraltar with the expertise can give the course and therefore there is no limit to what we can do in the College of Further Education, it is unlimited.

HON J C PEREZ:

Does the Government not have priorities already on what is going to be needed apart from Business and Commercial Studies because of the new trends that are there already and what provisions are you making whether you are going to employ specialists in different fields other than the one that you have mentioned or if we are going to, for example, train cooks we are going to employ someone specialising in cookery for a short period of time and that's it?

HON G MASCARENHAS:

Mr Speaker, the concept of the College of Further Education, I repeat, is to make available the courses for which there are demands. It does not mean that specialists will be employed full-time to be able to carry out that, the course will take three weeks. As regards to the specialists in the technological side, those are there in post already.

MR SPEAKER:

Next question.

THE HON R MOR

Mr Speaker, can Government now say when the Gibraltar and Dockyard Technical College will be handed over to the Government of Gibraltar?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, negotiations between Government and the Ministry of Defence on the question of the transfer of the land and buildings of the Gibraltar and Dockyard Technical College are nearing finality.

A sub-committee of Council of Ministers has at the same time been assessing all areas concerned with this transfer and the setting up of a College of Further Education. Their recommendations will shortly be placed before Council of Ministers.

NO. 131 OF 1984

ORAL

THE HON J C PEREZ

Mr Speaker, can Government state what the British Teleconsult contract consisted of?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, the contract with British Teleconsult consists of an agreement whereby British Teleconsult makes itself available to the Gibraltar Government Telephone Department should advice on any matter to do with Telecommunications be required.

SUPPLEMENTARY TO QUESTION NO. 131 OF 1984

HON J C PEREZ:

Is that on a continuing basis or has that contract finalised, or was it for a limited period of time or is it a running thing?

HON J B PEREZ:

It is a sort of standing agreement, we do not have to pay any money or any retainer or any fees except that if and when we need advice we call upon them to do so.

MR SPEAKER:

Next question.

NO. 132 OF 1984

ORAL

THE HON J C PEREZ

Mr Speaker, will Government explain why they expect to use £110,000 less of fuel in each of the two power stations than was provided for in this year's Estimates?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, during the course of the first six months of the financial year, the Hon the Financial and Development Secretary authorised the re-allocation of £220,000 from sub-heads 4 and 8, being the fuel votes for King's Bastion and Waterport Power Stations, to sub-head 85 for the Running of Waterport Power Station by Hawker Siddeley.

This was done for two reasons:-

- (a) Funds were required in Sub-Head 85 to meet the cost of Hawker Siddeley up to the end of contract. These funds had not been provided as it was hoped that the station might be taken over at an earlier date; and
- (b) It was considered that it was administratively simpler to meet these accounts by re-allocation as an interim measure, and to come to the House for Supplementary provision once final accounts were available and the exact additional sum was known. The £220,000 would then be re-allocated back into sub-heads 4 and 8.

Mr Speaker, regrettably we are under no false illusion that we might be able to save such a tidy sum from the amount originally voted to meet the cost of fuels for the two stations.

As a matter of fact, the opposite will turn out to be the case.

SUPPLEMENTARY TO QUESTION NO. 132 OF 1984

HON J C PEREZ:

Does Government not think that the explanation provided in the statement of re-allocations is a bit misleading in that sufficient explanation is not given and is the Hon Member aware that further to his answer the Opposition will be voting against supplementary estimates for this particular vote when it comes not because we are against fuel for the Generating Station but because of our general standing policy of voting against the continuing presence of Hawker Siddeley since we thought that they should have gone from Gibraltar a long time ago?

HON J BOSSANO:

Could I ask the Government in respect of this, what is the position as regards the comments made by the Principal Auditor that payments of this nature should have been subject to income tax in the hands of the recipients and that, in fact, the City Electrical Engineer.....

MR SPEAKER:

What is the connection between what?

HON J BOSSANO:

The connection is that the money that is being used from the fuel vote is being used to pay Hawker Siddeley.

MR SPEAKER:

Whether that attracts income tax or not has nothing to do with it.

HON J BOSSANO:

It does, Mr Speaker, if you will allow me to explain. The amount that was paid originally in the initial payments to Hawker Siddeley the Principal Auditor pointed out was an amount net of tax and in fact the amount should have been gross. I am asking whether the £110,000.....

MR SPEAKER:

Whether it should have been gross and whether the amount has been taken from one vote or another I don't think is relevant. Do you follow what I am trying to say?

HON J BOSSANO:

It is relevant, Mr Speaker, because if in fact the answer to the question put by my Hon Colleague is regarding the amount voted by the House for fuel having been used for another purpose and we are now told that it is still required for fuel, I am asking as a supplementary to the information that has been provided, has the payment to Hawker Siddeley of this amount, the £220,000, has that payment been made net of tax or gross given the comments made by the Principal Auditor the last time a payment of this nature was made?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I said, Mr Speaker, that the question of the tax payable by the

employees of Hawker Siddeley who are in Gibraltar in connection with the running of the Waterport Power Station was also being pursued by the Commissioner of Income Tax.

HON J BOSSANO:

Am I to understand from that answer that, in fact, what the Hon Member is saying is that this particular issue which was raised by the Principal Auditor in his comments to the 1982/83 Report is still under consideration, it has not been finalised?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have said it has been pursued but, of course, the Hon Member would not expect me to say what tax they have paid for reasons of the secrecy of the Ordinance.

HON J BOSSANO:

No, Mr Speaker, I am not asking the Hon Member to give me a breakdown of the tax paid by the individuals employed by Hawker Siddeley. The comments made by the Auditor was that the last time we paid money to Hawker Siddeley that money was paid net of tax and should have been gross and the gross amount should have been the charge appearing against that particular vote and sub-head. I am asking whether that has been done in respect of the £220,000 or not or whether the payment in this case is on the same basis as it was done previously which attracted that comment from the Principal Auditor?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not quite sure I understand the Hon Member's question in all its intricacies, Mr Speaker, I thought that in saying that the Commissioner of Income Tax has pursued the question of tax liability I was giving an honest answer to the question.

MR SPEAKER:

I think the question you are being asked is whether tax was deducted at source, it cannot be anything else, on the payment by Government from this vote to Hawker Siddeley of the amount paid. That is the way I understand the question.

HON J BOSSANO:

Mr Speaker, the Principal Auditor commented in the 1982/83 Report that the payments that were made to Hawker Siddeley were exempt from tax because that was the nature of the contract and he went on to say that in his view the City Electrical Engineer did not have the statutory authority to make agreements net of tax, that

the agreement should have been gross, the gross amount charged to this particular Head and then, if necessary, the Government credited with the tax under the relevant revenue Head. I am asking whether this fresh payment has been made since it is subsequent to those comments, taking into account those comments or whether we are still doing it on the basis that was criticised by the Auditor?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

My understanding is, Mr Speaker, that the Government has paid itself the difference between the net and the gross in tax as there is no other way because of the terms of the contract in which this particular arrangement could have been made.

MR SPEAKER:

Next question.

NO. 133 OF 1984

ORAL

THE HON R MOR

Mr Speaker, can Government confirm that they will be introducing legislation before the end of the year to provide for increases in old age pensions on 1 January 1985?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, as will be seen from the circulated Agenda I have already given notice that I will be introducing motions at a later stage in the proceedings dealing with the review of the Social Security Scheme for 1985. The rates of Old Age Pensions will be dealt with in the context of those motions.

NO. 134 OF 1984

ORAL

THE HON R MOR

Mr Speaker, does Government accept that in investing the money in the Social Insurance Fund they are required to act as trustees to obtain the highest possible return?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as is the policy for all Government managed funds the Crown Agents are instructed to obtain the best possible return commensurate with the needs of a particular Fund regarding the required spread of the investments into short, medium and long-dated stocks. This policy is also applicable to the Social Insurance Fund.

SUPPLEMENTARY TO QUESTION NO. 134 OF 1984

HON R MOR:

Mr Speaker, does that mean that the interest of 12½% paid by the Government on the loans they have obtained to issue Gibraltar Government debentures, the loan they have obtained from the Fund, is the interest a reasonable amount?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think the Hon Member will be referring to the 12½% Government debentures which the Social Insurance Fund subscribed in 1980, if my understanding is correct, then that was the rate which was then available in the London market for 15-year loans.

HON R MOR:

Is Government aware that if you isolate the interest earned on the Government loans and you isolate the loan itself from the whole Fund, that the remainder of the Fund earned an interest of over 20% at least during the financial year 1982/83 and that this has also been the case in previous years?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I must confess that I haven't done the arithmetic as the Hon Member invites me to but I will certainly check on his arithmetic after the House and I will get in touch with him if I think there is anything extraordinary in the way in which the Funds have been managed.

HON J BOSSANO:

Would the Hon Member agree that if it can be demonstrated that prior to the money being invested in the Government debenture in 1980 and since the Social Insurance Fund has been obtaining a much more favourable return on its other investments, that it can be argued that the Fund has been badly invested by lending the Government money? That is, it would have been done better for its beneficiaries by investing in the gilt edged market over that period if it can be demonstrated that the return was higher prior and post the time of that debenture being taken out?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I don't think I would venture to assent to that hypothetical question, Mr Speaker, without having studied the matter in rather closer detail but I will certainly look into the matter in the light of the Hon Member's comments.

MR SPEAKER:

Next question.

THE HON R MOR

Mr Speaker, following the introduction of the Social Insurance Contributions credit system for unemployed persons over 60, will Government state:

- (a) What is the administrative cost of operating the system
- (b) How many successful applicants have there been to date, and
- (c) What is the total number of applicants to date

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, the introduction of the credit system for unemployed persons over 60 has not added to the administrative costs of the Labour and Social Security Department. There have only been 8 applications to date and of these 3 have been successful.

SUPPLEMENTARY TO QUESTION NO. 135 OF 1984

HON J BOSSANO:

Mr Speaker, does the Government not agree that in the light of experience their reservations about the potential cost of the scheme do not appear to have materialised and would they not agree that there is now sufficient evidence to suggest to them that they should review the question of means testing this benefit.

HON DR R G VALARINO:

Mr Speaker, Sir, in view of the limited response received the matter is being kept actually under review.

HON J BOSSANO:

Does that mean yes, Mr Speaker, to my question or not? Does the fact that the matter is being kept under review mean that they are now convinced that Government can afford to make available the opportunity of free credits to unemployed over 60's, is the answer yes to that or not?

HON DR R G VALARINO:

Mr Speaker, Sir, the answer is neither yes or no. The matter is being kept under review.

HON J BOSSANO:

What is it that is being kept under review? Is the Minister telling the House, Mr Speaker, that there have been eight people who have applied, five of them have been rejected and that he needs to keep under review, what, to see whether Government can afford to allow the five people concerned to obtain free credits, that is what is being reviewed, is it?

HON DR R G VALARINO:

Mr Speaker, Sir, what is kept under review, in fact, if the Hon Leader of the Opposition remembers rightly, are the various points they were brought up at the last meeting of the House by himself and the Hon Member sitting on my right, Sir.

MR SPEAKER:

Next question.

THE HON R MOR

Can Government confirm that once Spain joins the EEC, frontier workers residing in Spain and working in Gibraltar will become entitled to Family Allowance?

ANSWERTHE HON THE ATTORNEY GENERAL

Mr Speaker, the negotiations on Spanish and Portuguese accession to the EEC have not been concluded.

The terms of accession derogations and transitional periods have not yet been decided.

Consequently, it is not possible to give the confirmations requested.

SUPPLEMENTARY TO QUESTION NOS. 115, 116
AND 136 OF 1984

HON M A FEETHAM:

Mr Speaker, is Government aware that, in fact, the answer to these questions are already embodied in Articles 48, 49, 50 and 51 of the EEC Treaty?

HON ATTORNEY-GENERAL:

The whole subject is under negotiation. The derogations, the transitional provisions are all under negotiation. Indeed, one of the local newspapers yesterday has suggested some information that one of the proposals made to Spain by the EEC is that Spanish residents in an EEC country will have equality upon Spanish entry although other Spaniards will be subject to a seven year transitional period. As I understand it from what my instructions are, the whole question of Spanish and Portuguese entry and the accession to the EEC is under discussion and the derogations which are being sought and the transitional provisions which are being sought are all in the melting pot. Those are my instructions and therefore I cannot confirm what the position is as of today.

HON M A FEETHAM:

Mr Speaker, can the Hon and Learned Attorney-General state as regards his visit with regard to Spanish entry, were these matters discussed and what advice has he given in relation to Spanish entry?

HON ATTORNEY-GENERAL:

No, I am not prepared to answer that question, Mr Speaker.

HON M A FEETHAM:

Mr Speaker, do not Articles 48 and 49 of the EEC Treaty stipulate "that all wage earners and salary earners in the Community may apply for job vacancies whatever their nationality, reside in another state for that purpose settle there in order to take up employment and being joined there by their families, they are eligible for the same rights as nationals as regards working conditions and terms of employment"?

MR SPEAKER:

You have been given a clear answer. Whatever the Treaty of Rome says for particular circumstances, I think the answer that you have been given is a clear one. Whatever the Treaty of Rome may state the matter is still under negotiation.

HON CHIEF MINISTER:

Despite all the things that the Hon Member has read, Greece's entry into the Common Market was subject to a seven year transitional period for workers, they haven't got the right that is mentioned there for seven years.

MR SPEAKER:

What I am trying to tell you because we are going on and on endlessly is that whatever the Treaty of Rome may say on any particular set of circumstances, the Hon and Learned Attorney-General has said the matter on which you have questioned him is now under negotiation and he is not prepared to disclose any further matter, I don't think we can go further than that. I know what you are trying to say, the Treaty of Rome is clear on these matters. Perhaps the Treaty of Rome is clear, but the matter is still sub judice, it is being negotiated as far as it applies to Gibraltar and Spain and he is not prepared to go any further.

HON M A FEETHAM:

But, Mr Speaker, in relation to the question can the Hon and Learned Attorney-General please state what he defines as a resident?

HON ATTORNEY-GENERAL:

No, not in this forum, not at this stage. If you are talking about a person resident fully in Gibraltar as the Hon Member is, that, of

course, is a resident but what is a resident if a person has a flat in La Linea.....

MR SPEAKER:

Let us not open the parameters of the question.

HON M A FEETHAM:

Mr Speaker, is Government aware that as far as residence is concerned it is clearly defined in legislation in the different Ordinance and, in fact, what we do mean is that ordinarily resident is defined as, 'an individual who irrespective of his domicile, resides in Gibraltar except for temporary absences which are reasonable and not inconsistent with the claim of the individual and includes an individual who is a British Subject or a Citizen of the Republic of Ireland who is employed or self-employed in Gibraltar and who resides in.....

MR SPEAKER:

With respect, what are you asking?

HON M A FEETHAM:

I am asking, Mr Speaker, for the Hon and Learned Attorney-General to define to me clearly.....

MR SPEAKER:

He has said he is not prepared to do so in this forum. It is as simple as that. He has given you a straight answer.

HON M A FEETHAM:

Mr Speaker, can he please define the difference between one who is 'ordinarily resident' and one who is not?

HON ATTORNEY-GENERAL:

For what purpose, Mr Speaker?

HON M A FEETHAM:

For the purpose of obtaining equality of rights.

HON ATTORNEY-GENERAL:

No, Mr Speaker.

HON J C PEREZ:

Mr Speaker, can the Hon Member state whether the question of the definition of residence is subject to negotiation at present in the EEC in relation to Spain's accession?

HON ATTORNEY-GENERAL:

I am not prepared to answer that.

HON J BOSSANO:

Could I ask the Government or the Hon and Learned Attorney-General, if, in fact, the situation is as stated one that is today under negotiation, can he say first of all whether the result of that negotiation will apply to Gibraltar?

HON ATTORNEY-GENERAL:

I cannot say that. The matter is being negotiated. We will learn of the outcome of those negotiations, we will know then what the position is.

HON J BOSSANO:

If he cannot say that it will apply to Gibraltar can he then say the converse of that, that it is possible for Gibraltar to be exempted from anything that is negotiated currently because it must be one or the other, Mr Speaker. Either we can be exempted or it will apply to us, which of the two is it?

HON ATTORNEY-GENERAL:

Isn't this surely, Mr Speaker, a question of the discussions and the negotiations as to what applies to Gibraltar or will not apply to Gibraltar, what applies to Spain and what is not applied to Spain and Portugal similarly.

MR SPEAKER:

We are leaving it there because, with respect, again you are being told "the matter is under negotiation and I will not give you any information". Basically that is what has been said. Whether the Hon and Learned Attorney-General is right in his attitude, whether he is going to be criticised for his attitude is another matter but this is question time and we are not getting any further.

HON J BOSSANO:

I am, in fact, trying to elicit information. The Hon and Learned Attorney-General has said that he is not able to give the information

required of him because the matter has still not been decided under the negotiations that are taking place between the EEC and the applicant countries, Spain and Portugal, which is what the questions are about. My question to that is can he confirm that whatever is agreed in those negotiations between the applicants and the Commission will apply to Gibraltar, yes or no?

HON ATTORNEY-GENERAL:

It is a hypothetical question, anyway, but surely the subject matter of the discussions are related to Spanish and Portuguese entry into the EEC. Part of those discussions, no doubt, will concern Gibraltar.

HON J BOSSANO:

I am not asking that, Mr Speaker. I am not concerned about any special deals that may be involved. I am asking, if you will allow me to give an example by way of illustration, if the Commission agrees with Spain and Portugal that Spanish and Portuguese citizens acquire the right to family allowance in respect of their families, will the Hon and Learned Member confirm that that would apply to Gibraltar in the same degree as it would apply to the rest of the Common Market, that is, that there isn't a question of Gibraltar being exempted, that whatever is being negotiated, is across the board. Can he confirm that that is the case?

HON ATTORNEY-GENERAL:

No, Mr Speaker, I cannot.

HON J BOSSANO:

You cannot? Well, then can he confirm that the opposite is true, that it is possible for Gibraltar to be exempted?

HON ATTORNEY-GENERAL:

No.

HON J BOSSANO:

Well, it must be one or the other, Mr Speaker, which of the two is it?

HON CHIEF MINISTER:

We are not the Common Market.

HON J BOSSANO:

But, Mr Speaker, do we have a say? Can we influence those negotiations as a member of the Common Market?

HON CHIEF MINISTER:

We are trying.

HON J BOSSANO:

To what extent?

MR SPEAKER:

Next question.

THE HON R MOR

Mr Speaker, can Government state whether Spanish nationals working in Gibraltar will qualify for supplementary benefits on equal terms with Gibraltarians when relations with Spain are normalised?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

No, Sir. The Supplementary Benefits Scheme, which is not statutory, is only applicable to the following categories:-

- (a) Gibraltarians as defined in the Gibraltarian Status Ordinance resident either in Gibraltar or the Campo Area;
- (b) Non-Gibraltarian British Subjects who have resided in Gibraltar continuously for not less than three years prior to the date of application;
- (c) The dependent child or children of parents eligible under (a) or (b) above.

SUPPLEMENTARY TO QUESTION NO. 137 OF 1984

HON J BOSSANO:

Mr Speaker, can I ask the Government whether they have sought advice as to whether the Scheme as described by the Minister complies with the requirement of Gibraltar's terms of membership of the EEC?

HON DR R G VALARINO:

Mr Speaker, Sir, as far as I know the terms at present comply with the requirements of EEC Regulations.

HON J BOSSANO:

And specifically, Mr Speaker, the fact that Gibraltarians are eligible even if they reside in the neighbouring territory and commute to Gibraltar and no one else is, that is not considered to be discriminatory under EEC law?

HON DR R G VALARINO:

No, Sir, this is present law.

HON J BOSSANO:

I am aware that it is the present law in Gibraltar, Mr Speaker, I am asking whether the Government is in a position to say that the law that we have in Gibraltar complies with Gibraltar's requirements under the EEC law, that is the question I want answered?

HON DR R G VALARINO:

No, Sir, as far as I am informed we are not in breach of any EEC Regulation at the moment

MR SPEAKER:

Next question.

NO. 138 OF 1984

ORAL

THE HON R MOR

Mr Speaker, can Government confirm that once Spain joins the EEC, Spanish nationals who are entitled to an Old Age Pension because of their pre-1969 contributions record, will have to be paid at the current rates and not a frozen pension as at present?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, under the current provisions of EEC legislation, Spanish nationals entitled to Gibraltar Old Age Pensions because of their pre-1969 contribution record, would become entitled to be paid at the current rates.

SUPPLEMENTARY TO QUESTION NO. 138 OF 1984

HON R MOR:

Mr Speaker, is the Government in possession of sufficient funds to meet this additional demand on pensions?

HON DR R G VALARINO:

Mr Speaker, Sir, we do not know the funds available because one of the factors is that Government has not information of how many of these pensioners are still alive.

HON R MOR:

Mr Speaker, how does the Government propose to produce funds to meet this overload on the pension bill in the future?

HON DR R G VALARINO:

Mr Speaker, this is the subject of discussion between the UK and Gibraltar Government.

MR SPEAKER:

Next question.

NO. 159 OF 1984

ORAL

THE HON J BOSSANO

Can Government state whether the unloading of ships in the dockyard area is "dock work" as defined in the Regulation of Dock Work Ordinance?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

No, Sir.

SUPPLEMENTARY TO QUESTION NO. 159 OF 1984

HON J BOSSANO:

Does Government propose to do anything to alter this situation between now and the 1st January, 1985?

HON DR R G VALARINO:

No, Sir.

HON J BOSSANO:

Can the Minister state whether the implications of the fact that it is not 'dock work' as defined in the Ordinance, whether the implications are that ships can be unloaded in the dock area without using registered dock workers?

HON DR R G VALARINO:

Mr Speaker, as far as I can see from the Ordinance, dock work only covers loading and unloading ships within the Port area.

HON J BOSSANO:

I am well aware of that, Mr Speaker. My question to the Hon Member is that since the Ordinance says that only registered dock workers can engage in dock work, does it mean that a ship can be unloaded in the Dockyard without using registered dock workers?

HON DR R G VALARINO:

Yes, Sir.

HON J BOSSANO:

And what is the Government's policy in this respect?

MR SPEAKER:

Is there a reply coming or not?

HON DR R G VALARINO:

Mr Speaker, Sir, I don't think that the problem will arise but in view of the Hon Member's statement I will certainly look into it.

HON J BOSSANO:

I am not making statements, I am asking questions, Mr Speaker. My question is does the Government have a policy either to permit or to prevent ships being loaded or unloaded in the Dockyard by people who are not registered as dock workers which the Hon Member has said is perfectly legal within the terms of the existing law?

HON DR R G VALARINO:

Mr Speaker, with due respect, this has not arisen as yet, I believe.

HON J BOSSANO:

Mr Speaker, there are ships arriving in the Dockyard and there have been ships arriving in the Dockyard in the last three or four weeks with materials and equipment for the commercial operator. Can the Government say what is their policy in respect of who is entitled to unload such ships?

HON DR R G VALARINO:

Mr Speaker, Sir, this will have to be considered with the question of the Regulations of Dock Workers Ordinance, 1978, but, certainly, as far as I can see dock work certainly refers to that part of work carried out at the North Mole and does not include anything else anywhere else within the Port.

HON J BOSSANO:

I am aware of that, Mr Speaker. What I am saying is that if the Hon Member has confirmed that there is nothing to stop ships being unloaded today by persons who are not registered dock workers, what is the Government's policy? Is it the Government's policy that that should not be allowed and that therefore they propose to amend the Ordinance or is it the Government's policy that it should be allowed in which case they do not intend to amend the Ordinance?

HON DR R G VALARINO:

Mr Speaker, Sir, I think the Ordinance will have to be amended

so that the position is regularised and dock work and dock workers just refer to the north area of the Port.

HON J BOSSANO:

I agree entirely that in order to regularise it, as the Minister says, the Ordinance requires amendment. My question is, is it the Government's policy to prevent ships being unloaded in the Dockyard area using labour that is not registered dock workers which at present on the existing law is permissible?

HON DR R G VALARINO:

Mr Speaker, Sir, obviously it is permissible because it is for their own use.

MR SPEAKER:

You are being asked what is going to be Government's policy in the future?

HON DR R G VALARINO:

The policy in the future is that dock work as defined in the Ordinance, and the Ordinance may have to be re-defined, will be kept strictly to the North area of the Port and will not include the South area or any Admiralty waters in that area.

MR SPEAKER:

Next question.

NO. 140 OF 1984

ORAL

THE HON M A FEETHAM

Sir, can Government state in what industries the 11 employer based trainee posts have been created and under which of the three conditions specified in the Minister's statement to the House on this subject?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, 14 trainee posts have in fact been created in the following industries:-

Retail Distributive	-	2
Hotel and Catering	-	1
Colour Laboratory Technician	-	1
Insurance	-	1
Printing	-	2
Secretarial	-	2
Wholesale Distributive	-	1
Hairdressing	-	3
Marble Mason	-	1

1 post comes under Condition (ii)

ie to replace a 'non-resident' of Gibraltar.

13 come under condition (iii) - new posts.

SUPPLEMENTARY TO QUESTION NO. 140 OF 1984

HON M A FEETHAM:

Can the Minister clarify whether the other six remaining opportunities are still open to employers to take advantage of because originally it was for twenty, as I understood it?

HON DR R G VALARINO:

The original suggestion had a limited number of twenty but obviously it was considered in the package of the three training schemes, (a), (b) and (c). So far in this one we have received various applications and we have chosen fourteen of them as coming under the scheme so that for this year we shall have fourteen. We shall, as soon as possible, start advertising the same sort of system for next year so that we are ahead of time next year instead of this year when we have had to do it a little bit later.

HON M A FEETHAM:

Then what the Minister is saying is that as far as this scheme is concerned applications have now closed?

HON DR R G VALARINO:

The closing date has passed.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

Can Government state how many men between the ages of 19 and 25 are unemployed and of these how many have passed the official apprentice entry examinations?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, fifty men between the ages of 19 and 25 are registered as unemployed.

The Department has no information at present as to which of these have passed the official apprentice entry examination.

SUPPLEMENTARY TO QUESTION NO. 141 OF 1984

HON M A FEETHAM:

Can the Minister state why he should therefore insist on a condition which doesn't actually exist amongst the people eligible to apply for the scheme?

HON DR R G VALARINO:

Mr Speaker, Sir, if the Hon Member goes back in time, the first time we put out the scheme this was put in. The second time we put out the scheme and if I may read it to you, Sir, part of it: "Government is again offering training facilities for young unemployed people between 18 and 25 years" - in fact, we brought down the age to 18 - "who wish to learn a trade. Emphasis will be placed on the training of painters and masons. Accelerated courses of 44 weeks duration will be held at the Construction Training Centre and on completion trainees will be trade tested on craft operative standards. After 4 years full employment as a craft operative in the trade they then apply for up-grading to craftsman status. Under this scheme an extra allowance of £20 per week will be paid to each trainee over and above any money that they could be receiving from supplementary benefits", this was also new, Sir - "It should be noted that the previous requirements that applicants should have passed the apprentice entry examination no longer applies. Interested persons may collect applications...." Therefore, Sir, in the re-advertisement of the scheme we did away with the apprentices entry examination.

HON M A FEETHAM:

Why was the Minister therefore so surprised when he didn't have any applications if he didn't know how many people could actually apply originally? Can he answer that?

HON DR R G VALARINO:

Originally we had one application which didn't turn out to fit the requirements of the scheme so therefore when we re-advertised the scheme we included three very important points. First of all, we lowered the age to 18; secondly, we took into account that any money received from supplementary benefits could still be received; and, thirdly, that the previous requirement that applicants should have passed the apprentices entry examination no longer applied. I must say that even though these three carrots were put before the people we had no applications.

HON M A FEETHAM:

In fact, the Minister is confirming that no individual approach was made by the Department to the fifty individuals concerned whether they would be interested in applying and it was left to the individual to decide and nobody applied?

HON DR R G VALARINO:

No, Sir.

HON M A FEETHAM:

In view of the importance of unemployment amongst youth, can the Minister state whether the Department approached the individuals concerned with regard to the scheme?.

HON DR R G VALARINO:

No, Sir. Mr Speaker, people were not approached individually but there was ample coverage both in radio and television.

MR SPEAKER:

I am afraid you may not be satisfied but the answer is he did not approach personally, it was advertised.

HON M A FEETHAM:

In fact, what the Minister is saying is that the figures which he quoted or his Department quoted in the press as 115 juveniles unemployed, none of them could have applied?

HON DR R G VALARINO:

That none of them could have applied?

HON M A FEETHAM:

Yes.

HON DR R G VALARINO:

If their ages were from 18 to 25 of course they could have applied, there is no reason why they shouldn't have applied.

HON J BOSSANO:

The point is that when the Minister and the Department reacted with disappointment to the fact that there had been no response to the scheme, the figure quoted to the press was that it was disappointing because there were 115 juveniles. Can the Minister confirm that all these 115 juveniles are by definition under the age of 18 and therefore it isn't disappointing that they didn't apply, it is disappointing that the Minister produces a scheme for juveniles which excludes all juveniles, can he confirm that that is the case?

HON DR R G VALARINO:

No, Sir, he talks about 115 juveniles, I don't know how many juveniles have been employed from then until now but I have said fifty young men between the ages of 19 and 25, so the word 'all' is totally erroneous. It is fifty at least out of 115, so it cannot be all.

HON J BOSSANO:

Mr Speaker, can the Minister confirm that when the date of application was past and his Department made some statements to the press about the disappointing response, the figure quoted by his Department was that there were 115 juveniles out of work, registered unemployed juveniles, and it was disappointing that there had been no applications because of that and can he confirm that, in fact, none of the 115 juveniles could apply for the scheme because the scheme excludes juveniles?

HON DR R G VALARINO:

Mr Speaker, Sir, the Hon Member tends to confuse two schemes. There is this scheme which is 18 to 25 which is the 44-week course but there is also the Construction Training Centre Scheme which deals with juveniles even younger than 18, Sir, so therefore I do not honestly see what the Hon Member.....

MR SPEAKER:

Your press release was related to which, to the juveniles or to the 18 to 25?

HON DR R G VALARINO:

The press release included all three, Sir, and then the second one, this one, was re-done, Sir, and advertised in better terms

to see whether we could get some people between the ages of 18 and 25 applying for the jobs but we had no applications for those jobs, Sir.

MR SPEAKER:

We are not going to get any further.

HON J BOSSANO:

I don't know whether it is that the Minister is suffering a temporary bout of amnesia or that he doesn't want to give the information, Mr Speaker. Can the Minister confirm that a scheme was announced inviting applications for people who were between 19 and 25, that there were no such applications and that in a statement to the press following that particular scheme and its failure to attract applicants, the Department said that it was disappointing that there were 115 juveniles and that there had been no response? Can he confirm that that is fact, Mr Speaker?

HON DR R G VALARINO:

That was fact at the time, Sir, but subsequent events have led on to the

HON J BOSSANO:

If the Hon Member will allow me now to ask him another question.

HON DR R G VALARINO:

I haven't finished. I would like to assure the Hon Member that as a medical man I am not suffering from amnesia, I wonder what he is suffering from?

HON J BOSSANO:

Having established that that is fact, Mr Speaker, will the Hon Member not agree that it isn't disappointing that none of the 115 did not apply, I think it is misleading for the Department to say that the 115 did not apply because it gives the impression that those youths were not interested in taking up the offer made by the Government when, in fact, the 115 in question are all under 18, registered unemployed with the Youth and Careers Office and are precluded from applying for this scheme, this scheme is not for youths, it is for adults?

HON DR R G VALARINO:

Mr Speaker, Sir, if I remember rightly, and there was an article in one of the journals, the 115 that they were talking about

were from 19 downwards and not 18 downwards. This is why we changed the age to 18 and, in fact, they have got the other scheme that they can go for. I do not see honestly what the Hon Member is getting at. What I would like to see certainly is some union help in trying to convince some of these people to be able to take up these sort of jobs which, I am afraid, is sadly lacking in the union because they don't seem to be interested in Gibraltarians getting jobs.

HON J BOSSANO:

Mr Speaker, can I ask.....

MR SPEAKER:

With respect, if you are going to ask for information do so by all means. We cannot go on in the hope that you are going to get the answer or the admission that you expect because it seems you are not and it is no use flogging a dead horse.

HON J BOSSANO:

I think the admission is there by inference, Mr Speaker, but I would like to ask the Hon Member, isn't the figure of 115 the figure produced by his Department for June for people under the age of 18, he says that it is 19, I think, factually, can the Minister state categorically whether it is 18 or 19, the figure produced by his Department for juveniles out of work in June this year, 115?

HON DR R G VALARINO:

Mr Speaker, I will check whether the figure is 18 or 19 and let him know at a later meeting.

HON J BOSSANO:

The Minister doesn't know whether juveniles are under 18 or under 19?

MR SPEAKER:

No, he does not accept that.

HON J BOSSANO:

Can I ask him, in respect of the last point that he has made, can the Minister say the answer that he gave to Question No.11 which was that the schemes for dealing with the problem of youth unemployment, he said in answer to Question No.11:

"This will subsequently be the subject of consultation with the Unions and private employers". In fact, were the schemes that he produced the result of consultations and agreement with the Unions or were they in fact the result of the Government's own ideas on the subject?

HON DR R G VALARINO:

Mr Speaker, Sir, I do not see how this can arise from this question. Anyway, I do believe that the answer to Question No.11 was not given by me but was given by my predecessor.

HON J BOSSANO:

But, Mr Speaker, hasn't the Hon Member made a side remark about the lack of help from the Unions and whether it was his predecessor it is the same Government that said in answer to Question No.11 earlier this year that they were going to have consultations with the Unions and private employers before the schemes were produced. I am asking him, did that consultation take place?

HON DR R G VALARINO:

Mr Speaker, Sir, I think there is a substantive motion on the Agenda and I don't think we ought to go into these details.

MR SPEAKER:

We will call the next question.

NO. 142 OF 1984

ORAL

THE HON M A FEETHAM

Can Government explain what steps are being taken to ensure that illegal employment of frontier workers is prevented?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, the Department's inspectorate carries out regular inspections of work places to ensure compliance with the Labour and Social Security laws, and cases of illegal employment can be detected in the course of such inspections. So far 189 inspections have been carried out this year. In addition 101 investigations have been carried out as a result of information received.

The inspectorate have no power of entry into private dwellings and there is no machinery for preventing illegal employment in that area.

SUPPLEMENTARY TO QUESTION NO. 142 1984

HON M A FEETHAM:

Can the Minister say whether any of the investigations have led to any legal proceedings?

HON DR R G VALARINO:

Mr Speaker, Sir, I imagine he means prosecutions. As far as I know there have been a very small number of cases which have been found. I do not exactly know whether they have led to prosecutions but I will certainly find out and let the Hon Member know.

HON M A FEETHAM:

Isn't there legislation which was introduced by Government whereby they announced last year that they would be fined £500 in cases of illegal employment of labour?

MR SPEAKER:

That is a matter which you can see for yourself. It is a question of enforcement.

HON M A FEETHAM:

Can I ask the Minister then, what happens when a case has been detected, as far as he knows?

HON DR R G VALARINO:

Mr Speaker, I cannot see how this can arise out of this question but, anyway.....

MR SPEAKER:

It does, most certainly.

HON DR R G VALARINO:

Let me say that the usual steps are taken and I am sure that if there is proof the case will go forward but I have said that I will find out what are the exact numbers, whether any prosecution has taken place and I will let the Hon Member know before tomorrow at the very latest.

HON M A FEETHAM:

Isn't it a fact that what is happening is that they are getting a warning and that, by implication, is encouraging people to continue doing what they are doing?

HON DR R G VALARINO:

Mr Speaker, Sir, I reiterate what I said before about letting him know and I also reiterate that we have done 189 inspections and 101 investigations so it is very difficult because we always make sure that we double check all cases of this kind.

HON J BOSSANO:

Mr Speaker, would the Minister not agree that when the matter was last debated in the House of Assembly and the legislation was changed, it was because it was a political commitment to introduce penalties which would serve as an example to discourage this practice? The Minister subscribes to that view which is the view of the Government at the time. Can I have confirmation that that is still the case?

HON DR R G VALARINO:

Yes, I subscribe to that view entirely.

HON J BOSSANO:

And, therefore, would he not agree then that if, as we have been lead to understand and which he is going to investigate, if in fact all that is happening is that people get warned when and if they get caught, that is no kind of disincentive at all to discourage the practice if people know that if they can get away with it, when and if they get caught by which time they may have made a lot of money in the process by not declaring the workers

concerned, to get a warning is not enough. Would he agree with that?

HON DR R G VALARINO:

Mr Speaker, Sir, I think we are pre-judging the issue. I have said that I will produce the figures tomorrow to the Hon Member and indeed I will.

HON J BOSSANO:

Is the Hon Member aware that there have been instances of cases where there have been suspected illegal use of frontier workers and the Department has said that they could not send somebody along for two or three days because they have insufficient resources, and if that is the case would he not agree that it is essential to provide the resources to ensure that the law is enforced?

HON DR R G VALARINO:

I am not aware, Mr Speaker, that this has happened but I fully agree with the Hon Member that if this has, in fact, happened, I totally agree with him.

MR SPEAKER:

Next question.

30.10.84

NO. 143 OF 1984

ORAL

THE HON M A FEETHAM

When does Government envisage that the new Customs/Immigration Offices will be ready for occupation?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

Sir, practical completion took effect on October 26th and the handing over of the building will take place in the next few days.

NO. 144 OF 1984

ORAL

THE HON J C PEREZ

Mr Speaker, can Government state what approximate quantities of gravel will need to be imported (a) for the No.1 Dock refurbishment (b) for the viaduct causeway?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Sir, with regard to No. 1 Dock refurbishment the Government is not involved with works being carried out by Gibrepair.

With regard to the Viaduct Causeway gravel will not be used and aggregate will only be used for the making of concrete. The quantity involved is insignificant.

If the Hon Member is referring to rockfill, the estimated requirements are as follows:

Rockfill - 44,290m³

Rock Armour (larger boulders) - 6,540m³

SUPPLEMENTARY TO QUESTION NO. 144 OF 1984

HON J C PEREZ:

Has the Government not considered it necessary to be able to produce or to tap one of the few natural resources that we have in terms of rock to be able to comply with that contract and is the Hon Member not in a position to do likewise in terms of the No.1 Dock refurbishment which is, after all, a contract for a publicly owned company?

HON MAJOR F J DELLIPIANI:.

Mr Speaker, I gather that that is a two part question. I will deal with the last one first. The Ministry I am responsible for has nothing to do with the refurbishment of No. 1 Dock so I am not in a position to reply to that answer. With regard to other means of using the natural resources that Gibraltar has to offer and obviously, we have a lot of rock, the question of quarrying in Gibraltar has been the subject of a long investigation, I think it took almost a year, some time ago. It was found that the quarrying within our rock face can be quite dangerous because of the nature of the rock formation. The only way we could really produce rock in substantial quantities which would be used for reclamation would be in the same way as the runway was built

and that is by using the fill of the tunnels to create a runway. If there was a project where we would need to dig into the rock for further tunnelling or reservoirs and then it would have two objects: we would be producing something and what comes out from that would be used for the natural reclamation using our own resources but there is no scheme of that magnitude which would require the tunnelling to provide this bulk of fill that is needed for the Viaduct Causeway and, indeed, needed for the East side reclamation.

HON J BOSSANO:

Mr Speaker, is it not a fact that the sand quarrying can as a by-product produce rocks which can then be used as the raw material for producing gravel and has that possibility been looked at by the Government?

HON MAJOR F J DELLIPIANI:

Sir, as I said, the question of gravel which is the smaller aggregate which is bigger than the sand aggregate, the quantities that are required are quite minimal. The bulk of the rock needed is of a larger nature, and I am not a chairman or a director of the Sand Quarry Company though I have a great interest in the matter, the rocks which would be of use to this reclamation are right at the top of the catchments and the only way we could really bring them down in an economical manner is by crushing them to produce aggregate but not to bring them down in their present size from the top of the catchments.

MR SPEAKER:

Next question.

NO. 145 OF 1984

ORAL

THE HON J C PEREZ

What is Government's policy as regards the application by the Gibraltar Quarry Company Ltd for a licence to trade in cement?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, Government has decided that the Quarry Co should not trade in cement. The application for a licence to trade in this commodity has therefore been withdrawn.

SUPPLEMENTARY TO QUESTION NO. 145 OF 1984

HON J C PEREZ:

Can the Hon Member explain why the Government has adopted that policy?

HON M K FEATHERSTONE:

Yes, Sir, it is felt that the Quarry Company was set up to trade in the natural resources available to it by quarrying and not by import and retail trade thereon.

HON J C PEREZ:

Does the Hon Member not consider that if something ancillary to the activities of the Company such as trading in cement will allow the Quarry Company to expand and to sell the sand much better, that the the Government should have gone through with the application?

HON M K FEATHERSTONE:

I don't think that that follows necessarily, Sir.

HON J C PEREZ:

If it is seen that there is a loss of trade by the company because Government is, in fact, limiting the activities of the company by not allowing it to trade in cement, will the Government consider compensating the company for their losses?

HON M K FEATHERSTONE:

I think it is a very hypothetical question what the profits might have been. I think Government is giving its support to the

company quite adequately without it necessarily having to trade in an external product which is not really the basis of a quarry company's normal type of business.

HON J C PEREZ:

I accept that it is not the normal type of business of a quarry company if not it wouldn't have had to apply for a licence, it was expanding its activities. What I am saying is that if because it now cannot expand its activities because the Government has decided that it is against their policy to trade in cement, whether because of that if it can be seen that the company suffers losses because of the policy of the Government in not allowing the Quarry Company to trade in cement, would the Government cover the losses incurred as a result?

HON M K FEATHERSTONE:

Since these losses are hypothetical then hypothetically the Government would give them some assistance.

HON J C PEREZ:

And if the Government is in a position to interfere with the management of a publicly owned company like the Quarry Company, is that also true of the Gibraltar Shiprepair Limited which is a publicly owned company set up in the same way as the Quarry Company?

HON M K FEATHERSTONE:

I wouldn't know anything about the working of Gibraltar Shiprepair Limited and the way in which the Government will "interfere with its running".

HON J E PILCHER:

Mr Speaker, we are not asking the Minister, we are asking the Government. Is anybody in the Government prepared to say whether if they have the right to interfere with this 100% owned company they have the same right to do it with the Gibraltar Shiprepair Limited?

HON CHIEF MINISTER:

So long as it was outside the terms of the purpose for which the Gibraltar Shiprepair Company was made, yes.

HON M A FEETHAM:

Can the Minister inform the House that in reaching the decision not to support the application, whether due consideration was given that by allowing the application to have gone through it

may have helped Government themselves in cutting down costs in the building industry by allowing more competition into the market?

HON M K FEATHERSTONE:

Yes, consideration was given, in fact, the whole idea of the Sand Quarry Company was partly to keep down building costs but it is not felt, as I have said before, that one should go into extraneous matters which have nothing to do with quarrying.

HON J C PEREZ:

Is the Government in a position to state whether the activities of the Quarry Company are to be expanded, for example, in relation to the production of aggregate like the Hon Member referred to in the last question in terms of aggregate from loose rocks in the upper catchments?

HON M K FEATHERSTONE:

That is something under active consideration at the moment.

HON J C PEREZ:

If the Government is considering that at the moment and since we are dealing in hypotheses this afternoon, hypothetically let us say that it approves this, why is it that it is prepared to expand on it on aggregate and not on cement?

HON M K FEATHERSTONE:

Because aggregate is a raw material which is obtained by quarrying, cement is something which is actually imported from another firm and is not in the same line of operation.

HON J C PEREZ:

So what the Hon Member is telling me is that the Government is only prepared to allow the expansion of the Quarry Company in terms of the natural resources that there are to exploit and in nothing else, is that the policy of the Government?

HON M K FEATHERSTONE:

That is the main idea. If possibly one day we start crushing the rock and we obtain also the necessary clay we may go into the production of cement but that is a different matter to the importation of cement.

HON J BOSSANO:

Could I ask the Hon and Learned Chief Minister in the light of what he has said about the Government's right to interfere in commercial decisions applying equally to Gibraltar Shiprepair Limited, what is the Government's policy as regards the application for a trading licence by Bond Instrumentation?

HON CHIEF MINISTER:

I said that so long as it is within the Memorandum and Articles of the Company, that the Government would not interfere if it was outside the Memorandum and Articles of the Company, yes, but this question of Bond Instrumentation has nothing whatever to do with the question.

HON J BOSSANO:

No, Mr Speaker, surely, the Government has not revoked the decision of the Gibraltar Quarry Company because it is against its Memorandum and Articles of Association, the Government have said that it is their policy to interfere with something that goes beyond the purpose for which the company was set up and that the same applies to Gibraltar Shiprepair Limited. I am asking the Chief Minister since he is the one who said so, what is the Government's policy in respect of the application for a licence by Bond Instrumentation which is a subsidiary of Gibraltar Shiprepair Limited who has applied for a licence for electrical contracting, what is the policy?

HON CHIEF MINISTER:

Well, I think that the two things are completely different.

HON J BOSSANO:

Why?

HON CHIEF MINISTER:

Because one is a subsidiary and the other one is a substantive.

HON J BOSSANO:

Mr Speaker, does the Government approve of the policy adopted by GSL to set up a subsidiary that has capital put there by the company the Government owns which is applying, that subsidiary company is applying, for a licence for electrical contracting which is not what GSL was set up for. What is the Government's policy or is it that you are not allowed by the British Government to interfere with GSL?

HON CHIEF MINISTER:

But it is ancillary to the work of the GSL.

HON J BOSSANO:

Mr Speaker, the licence is for electrical contracting in Gibraltar and not necessarily or exclusively on ships to be repaired in the dockyard, that is the application.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, perhaps I might add a word because I am perhaps a little bit more familiar with the intentions of Bond Instrumentation Limited Gibraltar. Just to acquaint the House with the purpose of this, this is work on RFA's which would otherwise be done in the UK and it was felt sensible that this should be done in Gibraltar, it was a way of attracting work to Gibraltar but it is the intention that the work of this company should be in connection with the repair of ships which are coming to the commercial yard and that is what Bond Instrumentation Gibraltar is all about.

HON J BOSSANO:

It may be what it is all about but is it not a fact, Mr Speaker, that there has been a request for the issue of a trading licence as electrical contractor by this company which is a subsidiary of GSL and which consequently is making a request for a licence to enter into a field of business other than the one for which GSL was set up? These are facts, are they not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I cannot really accept that this is business other than the business for which GSL was set up because it is ancillary to ship repair.

HON J BOSSANO:

Is the Hon Financial and Development Secretary then saying and holding himself accountable for what he is saying, that the licence application by Bond Instrumentation is not for a licence to trade as an electrical contractor.

MR SPEAKER:

No, other than for the purposes which he has explained.

HON J BOSSANO:

So the licence application, notwithstanding the fact that it doesn't say so, is intended to be limited to work on ships?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the licence is for electrical contracting work and that will be put forward or the application will be made.....

MR SPEAKER:

No, I think we are now speaking at cross purposes. It is accepted that the application is for electrical contracting, that is accepted. What the Opposition would like to know is whether the licence will be limited to work to be carried out on ship repair, or is it a general licence to be able to carry out electrical contracting.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I can say that the intention is that the work shall be in connection with the repair of ships, I cannot go beyond that.

HON J BOSSANO:

Mr Speaker, but is it not a fact that there has been a request for this licence and that if the licence is granted unless the request is for a licence to do electrical contracting on ships, it is a licence which will enable the holder to engage in electrical contracting in Gibraltar? Is that a fact or is it not a fact?

MR SPEAKER:

With respect to the Hon Leader of the Opposition, I know what you are trying to say and it is a question of applying commonsense. If the licence is not limited to ship repair it is a general licence.

HON CHIEF MINISTER:

One thing that has to be remembered is that they are going before an independent Trade Licensing Committee and they will have to satisfy them and there will be objections from people who object if they are going to work outside and all that criteria will be taken into account.

HON J C PEREZ:

Mr Speaker, coming back to the Quarry Company itself, why is it that in one case we are being told that it goes in front of an independent Trade Licensing Committee and in the other case the licence was withdrawn and let me ask as well, whether in the first instance the Government was aware that an application to trade in cement had been forwarded and, if so, why is it that they took a decision not to go ahead with it at a later date?

HON CHIEF MINISTER:

Because it was not an application of the Government, it was an application of the company and when the Government saw the advertisement it drew attention to the company of it, it is very simple.

HON J C PEREZ:

So the Government, in fact, interfered with the management of the company?

HON CHIEF MINISTER:

It did not interfere, it stopped it.

MR SPEAKER:

Next question.

NO. 146 OF 1984

ORAL

THE HON J C PEREZ

Mr Speaker, can Government state how much of the £700,000 provided in the estimates for maintenance of Government buildings has been spent in the six months to September, and on what projects?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Sir, of the £700,000 provided under Head 20, Item 2, - maintenance of Government Buildings - the sum of £310,387 was spent up to the end of September, 1984. This has been on day-to-day repairs as required on all Government Offices, Schools, Hospitals and other Government Institutions, and, on minor works of conversions, external and internal painting and renewal of electrical installations.

SUPPLEMENTARY TO QUESTION NO. 146 OF 1984

HON J C PEREZ:

Mr Speaker, can the Hon Member commit himself to give me a breakdown of what has been spent on what projects as the Hon Mr Featherstone did at Budget time except that we were talking then of allocations and now we are talking of how much money has actually been spent and could the Hon Member say whether the rest of the £700,000 on the 'Maintenance of Government Buildings has already been allocated to other projects or not?

HON MAJOR F J DELLIPIANI:

Sir, I have, in fact, prepared a list of all the projects that have been mentioned under £310,387 but it is quite an extensive list and I would not like to read it out, I will hand it over to the Hon Member. I think what is important to realise, Mr Speaker, on the second part of the Hon Member's question is that the £700,000 or the balance of it, we are really dealing on a day-to-day basis with some of the repairs that are required as they come about but also there are some allocated to the different departments which they, in fact, tell us how to best use it. But if the Hon Member requires any further information I am quite happy to meet him in my office and discuss the remaining balance.

MR SPEAKER:

Next question.

NO. 147 OF 1984

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government now state if the external cladding of the Tower Blocks is going to be amortized for a period of 60 years?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes Sir. As I have stated in my previous replies the Government's policy since 1981 has been to amortise over 60 years all local expenditure on housing charged to the Improvement and Development Fund.

SUPPLEMENTARY TO QUESTION NO. 147 OF 1984

HON J L BALDACHINO:

Mr Speaker, 60 years from the period of the time of construction of the Blocks or from the start of the cladding?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, in this particular case, Mr Speaker, it will be from the time of the cladding.

HON J L BALDACHINO:

Mr Speaker, which also includes the aluminium windows on the balconies?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Sir, I would imagine that is part of the cladding.

HON J L BALDACHINO:

Would the Hon Member agree with me that for accounting purposes it would be better to amortize such things for the remaining life of the building?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I don't agree with the Hon Member. I think it should be 60 years from the installation of the particular increment of capital expenditure.

HON J L BALDACHINO:

What he is actually saying, Mr Speaker, is that the building

will not exist and the aluminium windows will be there?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As the Hon Member will remember from what I said to him this morning, at the end of 60 years we assume that buildings still have a value and if they have a value that assumes that they still have a life so it is not quite as absurd as his suggestion would imply.

HON J L BALDACHINO:

I agree with the Hon Member, Mr Speaker. If we work out that the building has a 60 year life nothing is stopping the Hon Member saying that it could be extended to 70 years and therefore you could work out the amortization of this thing up to 70 years of the life of the building, it doesn't necessarily mean 60 years, it could mean 50 years because if the building is already 20 years old and you add another 10 to the life of the building and when you amortize things like the external cladding and the aluminium windows you could be amortizing over a 50 year period, not necessarily 60 years.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, the convention adopted, Mr Speaker, is that one takes 60 years and one applies it in a fairly uniform way, that is the policy.

HON J BOSSANO:

Mr Speaker, can the Hon Member explain why this policy was adopted in 1981 and why it was not done in respect of buildings before 1981, if it is such a sacrosanct principle what is the explanation for it?

MR SPEAKER:

There is no way that that can be a supplementary to the original question.

HON J BOSSANO:

Well, then can I ask the Hon Member if the explanation that he has given in an earlier answer to a question in today's Order Paper was that the 60-year figure produced in 1981 was related to new buildings, why is he insisting now on extending it to other things other than new buildings?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I have already given an answer to that, Mr Speaker, that 60 years is the amortization period assumed for capital expenditure in connection with buildings and whether it is the Varyl Begg roofs or the cladding of the Tower Blocks it is 60 years.

MR SPEAKER:

Next question.

NO. 148 OF 1984

ORAL

THE HON J E PILCHER

Can Government confirm that they have received representations regarding the need for better signposting of areas of the Upper Rock and especially the fact that there is no exit via Green Lane, in the context of improving the tourist product?

ANSWERTHE HON THE MINISTER FOR TOURISM

Yes, Sir. The Upper Rock has been surveyed and the areas in which improved signposting is required have been identified. The design of signposting, which should be of an attractive nature, is now being considered. I confirm that particular attention will be paid to the point about Green Lane referred to in the question. I should add that the Department is also dealing with signposting requirements in other parts of Gibraltar, such as the Europa Shrine and the town area.

SUPPLEMENTARY TO QUESTION NO. 148 OF 1984

HON J E PILCHER:

Mr Speaker, does not the Hon Minister accept that the conditions which tourists have to endure when they get to the Devil's Gap area is particularly hazardous, that the footpaths are in very bad condition and having got to that stage it is not only dangerous if it is getting late in the day because they find themselves in an area where they cannot get out of unless they walk back and the footpaths are particularly dangerous and shouldn't the signposting here be given top priority?

HON H Z ZAMMITT:

As I have said, Mr Speaker, in reply to the general question, the whole Upper Rock has been surveyed and the whole question is being looked at with regard to decent signposting.

HON J E PILCHER:

Mr Speaker, can the Hon Minister give me some explanation why Green Lane is closed?

HON H J ZAMMITT:

The information I can give the Hon Member and the House, Mr Speaker, is that Green Lane happens to be a private road owned by the Rock Hotel and is open, I am told, if request is made to the Manager of the Rock Hotel but of course, it is not open to the general public.

HON J E PILCHER:

Have the management or the owners of this property been approached by the Government in order to have this road opened throughout the day and if so what is the reason for no agreement?

HON H J ZAMMITT:

There are a number of reasons. The management and the owners of Rock Hotel have been approached on several occasions but there are a number of problems arising as a result of people not necessarily going on Rock tours behind the Rock Hotel but they are going there for other reasons which, obviously, molests the residents of the Hotel.

HON J E PILCHER:

Mr Speaker, does the Hon Minister realise that the situation as it exists at the moment does not stop that? There is only one gate operational and that is the one at the Casino so anybody wanting to go there to do anything else but have an Upper Rock walk, like the Minister is saying, can do it anyway, so why have the bottom gate closed only?

HON H J ZAMMITT:

The only way he can get in, Mr Speaker, is by going back down Green Lane from the Upper Rock or going through the private grounds of the Rock Hotel whereupon they can be stopped by the Rock Hotel.

MR SPEAKER:

We are not going to get involved as to the reasons why, in other words, it is a question as to why Green Lane is not being used, the answer has been given, it is simple, it is a private road and the owners of the road will not condone the opening of Green Lane, it is as simple as that.

HON J C PEREZ:

May I ask whether Green Lane is actually a private road or is it leased to the owners of the Rock Hotel by the Government of Gibraltar?

HON H J ZAMMITT:

As I understand it, Sir, it forms part of the lease of the Rock Hotel Gardens.

HON J C PEREZ:

Does that lease not come up from time to time for renewal?

HON H J ZAMMITT:

I am sure it comes up for renewal but I tend to think that something like the Rock Hotel lease, I think none of us here will be around to see its expiry.

HON J C PEREZ:

Mr Speaker, if the Rock Hotel has been amortized for 60 years I would certainly see it.

MR SPEAKER:

Next question.

THE HON J E PILCHER

Can Government state how it proposes to finance the additional expenditure on Tourist Promotion announced at the last House of Assembly?

ANSWERTHE HON THE MINISTER FOR TOURISM

Sir, although it was originally intended, as announced by the Chief Minister in his statement to the House on 26 June, to finance the additional expenditure from the Improvement and Development Fund, this expenditure is entirely of a recurrent nature and will be financed from the recurrent budget. A Supplementary Appropriation Bill is now before this House.

SUPPLEMENTARY TO QUESTION NO. 149 OF 1984

HON J E PILCHER:

What the Hon Minister is saying is that the Government now confirms that the way it was initially intended to be done by re-allocating money from the I & D Fund, is contrary to the legislation governing the I & D Fund.

HON H J ZAMMITT:

Well, Mr Speaker, it would be wrong because it is of a recurrent nature. One doesn't think that one will be using this amount of money just for this particular year and nothing else, it is a recurrent requirement and therefore it should not come from the I & D Fund.

HON J E PILCHER:

But can the Minister confirm that it is prohibited by the legislation on the I & D Fund?

HON H J ZAMMITT:

I suppose it is, Mr Speaker; I am afraid I do not know the details. The Financial and Development Secretary knows much more about the details of the finances than I do but I think the intention was originally to get money from somewhere and that is all we are really worried about.

HON J E PILCHER:

Mr Speaker, so in reality the Government is now going to use

part of the money and at the end of the financial year the £300,000 will be less in the actual reserves that the Government has?

MR SPEAKER:

That we can discuss when we do the Supplementary Appropriation, I am sure.

HON J BOSSANO:

We are not questioning the expenditure side, what we are saying is that if originally the Government's plans were based on an incorrect assumption that they would be able to use money in the I & D Fund and now they accept that they cannot do that, where is the money coming from?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The money, Mr Speaker, is of course coming from the recurrent budget and I think there are two points we have here. First, while I wouldn't use the word 'prohibited', the expenditure was perhaps not proper to be met from the I & D Fund, I accept that point, as the Hon Minister has already pointed out. As to how it is being financed, well, in my answer to the Hon Leader of the Opposition's question this morning I intended to say that we discovered that there was an under-spending in the recurrent budget last year so the reserves in the Consolidated Fund were better by the amount of about £0.6m and fortunately £0.6m is the amount, roughly speaking, of the Supplementary Appropriation Bill before the House now so it balances out.

MR SPEAKER:

Next question.

NO. 150 OF 1984

ORAL

THE HON J E PILCHER

Can Government state whether a decision has been taken on the creation of a Monkey Park in Gibraltar and if not what is the reason for the delay?

ANSWERTHE HON THE MINISTER FOR TOURISM

No Sir. The present situation is that proposals for a Monkey Park submitted to the Government in April were referred to the Gibraltar Ornithological and Natural History Society. The Society has submitted its own report to the History and Heritage Committee which is studying both the original proposals and the Society's report and which will be making a recommendation shortly. The Society's report is also being sent to the person who submitted the Monkey Park proposals.

SUPPLEMENTARY TO QUESTION NO. 150 OF 1984

HON J E PILCHER:

Mr Speaker, does the Government realise that any future delay might seriously hamper any possibility of this project getting off the ground and the loss of an investment to Gibraltar of something in the region of £100,000?

HON H J ZAMMITT:

Mr Speaker, I think the Hon Member will agree that particularly when it comes to the conservation of animals there is much more than a rushed job required by the Ornithological Society not just in Gibraltar but elsewhere and therefore one must tread with great caution as to the requirements. If we made a mess of it, Mr Speaker, or we rushed into something without giving it adequate and proper consideration, I think it would be much more damaging than possibly the loss of £100,000.

HON J E PILCHER:

Mr Speaker, does not the Hon Member realise that the Conservation Projects intended to be built around the Monkey Park was, in fact, a comprehensive policy by the Primates Society of Great Britain, an International Society, are we now asking the local branch of the Ornithological Society to make comments on an assessment made by an International Society?

HON H J ZAMMITT:

I think the local Branch is as qualified as any other Branch

anywhere else in the world. We have people in Gibraltar qualified with as high qualifications on zoology as elsewhere and I think that if we were not to take the views of our own society the Opposition would be criticising us for not doing so and when we do we are criticised but I think the Hon Member, no doubt, has been reading various reports in the Chronicle, in particular, of various views expressed about this particular project and, as I say, in Government one has to tread with caution.

HON J E PILCHER:

I wish that the Hon Member would not tell me what I have done and what I haven't done, I haven't read the Chronicle. When I prepare a question I make an entire assessment myself. I met Mr Rosen who is the person who put the assessment forward but just as a matter of information. How long have the Government had this project in hand and is it not true that three different proposals have already been submitted by the persons who are trying to appease the Government every time a situation arises by which some fault is found in the project?

HON H J ZAMMITT:

Mr Speaker, I agree that we have had this project since April, in fact, we have had probably an intimation before that but it is a question that requires very serious consideration. When we talk of a Monkey Park, Mr Speaker, let us say that we are the only place in the world that has wild roaming apes and we have to take a decision as to whether we are going to have a Monkey Park or allow our Rock apes to be what they have been for the last 280 years, free roaming. I am not judging on this one, there are very many views and I think we have to take the views of everybody that has expressed an interest in this matter and I insist, Mr Speaker, I certainly am not prepared to rush into this project without giving everything very careful consideration and take my time if need be.

HON J E PILCHER:

Can I just ask the Minister whether he has some idea of when a decision will be taken so that these people can be told what the decision is either way?

HON H J ZAMMITT:

Mr Speaker, I said in my answer that the History and Heritage Committee have been asked to comment on this and that proposals from the History and Heritage Committee will be put to the Consultative Board, I think, by the end of November.

HON J C PEREZ:

Mr Speaker, can the Hon Member confirm that the fact that our apes might not be considered to be a defined domestic matter is not a major obstacle in the approval or otherwise of the scheme?

HON H J ZAMMITT:

Maybe we can change the Constitution if they were not a defined domestic matter.

MR SPEAKER:

Next question.

NO. 151 OF 1984

ORAL

THE HON J C PEREZ

Can Government state whether they intend to adopt a new policy on motor vehicle licensing following representations from motor-cycle owners?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, Government had a meeting with representatives of the Gibraltar Motor Cycle Club and are now considering their proposals.

SUPPLEMENTARY TO QUESTION 151 OF 1984

HON J C PEREZ:

Mr Speaker, will those proposals be ready in time for implementation in next year's Budget?

HON M K FEATHERSTONE:

Yes, Sir.

MR SPEAKER:

Next question.

NO. 152 OF 1984

ORAL

THE HON J C PEREZ

Is the Government now in a position to state when it is intended that the Vehicle Testing Centre in Eastern Beach will be fully operational?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, a firm date cannot be given at this stage. The Centre is currently being used to test goods vehicles. It should be fully operational as soon as the necessary legislation is promulgated and the staff recruited and trained.

SUPPLEMENTARY TO QUESTION NO. 152 OF 1984

HON J C PEREZ:

Mr Speaker, since the Hon Member replied the same thing as far back, I think it was last June and last March, and since he committed himself to inform me on the scale of fees that according to him had already been worked out, could he commit himself to inform me before the next meeting of the House and could he tell me whether there are new obstacles to the full operation of the Vehicle Testing Centre since there doesn't seem to be a different position to the one in March and in June?

HON M K FEATHERSTONE:

No, Sir, there are no new obstacles, it is basically that the legislation is taking a little longer to draft than had originally been thought. I will, of course, send you the scale of fees.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

Mr Speaker, can Government confirm that Government dwellings left vacant by the successful applicants in the recent tenders for home ownership occupation are earmarked for the decanting of Government pensioners?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Mr Speaker, it is not Government policy to generally earmark for pensioners Government dwellings that become available as a result of tenders awarded.

However, three post-war flats that will become available as a result of the last sale of properties by tender have been earmarked for the decanting of Government Pensioners from Government Quarters to make up for the loss of two such Quarters which were included in that specific batch of properties.

SUPPLEMENTARY TO QUESTION NO. 153 OF 1984

HON J L BALDACHINO:

Mr Speaker, can the Hon Minister say how many rooms there are in these dwellings that he is allocating for the decanting of Government pensioners?

HON M K FEATHERSTONE:

I don't quite follow that question, Sir, if I could have it again.

HON J L BALDACHINO:

He said that three post-war houses have been earmarked for the decanting of pensioners. What I want to know is the number of rooms involved.

HON M K FEATHERSTONE:

I think one is a five roomed flat, one is a four roomed flat and one is a three roomed flat.

HON J L BALDACHINO:

Mr Speaker, I think it was the Hon Mr Canepa in the 1981 Budget, who said this putting out tender was one of the ways

to give people the chance to buy houses which they would normally not get in the Housing waiting list and another thing is that those applicants who were in Government houses could then leave vacant their houses so that the Housing waiting list could be reduced.

HON M K FEATHERSTONE:

Yes, that is quite correct, Sir, and that is the usual policy. But in the last batch of tenders two of the actual houses that were put out to tender were either Government Quarters or intended for Government Quarters and the Government Quarter Housing Committee said: "Since we are giving up two of our own Quarters can we have the houses left vacant by the successful tenderers to compensate", and this has been agreed.

HON J L BALDACHINO:

So there has been a change of Government policy in relation to that?

HON M K FEATHERSTONE:

No, it is not a change of policy, it is a question of accommodating a situation otherwise, possibly, the Government would not have given up those Quarters themselves but would have hung on to them and refurbished them at rather heavy expense to the Government.

HON J L BALDACHINO:

Then what actually happened is that there is a pensioner that requires a five roomed house which is scarce in the Housing waiting list?

HON M K FEATHERSTONE:

Yes, Sir.

MR SPEAKER:

Next question.

NO. 154 OF 1984

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state when will tenants of Town Range be re-accommodated?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, tenants at Town Range will be re-accommodated either into pre-war accommodation of a higher standard on the recommendation of the Housing Advisory Committee, when such accommodation is available, or into post-war accommodation when the pointage value of their applications qualifies them for such allocation.

SUPPLEMENTARY TO QUESTION NO. 154 OF 1984

HON J L BALDACHINO:

Mr Speaker, how many tenants are we talking about?

HON M K FEATHERSTONE:

I think there are about fifteen.

HON J L BALDACHINO:

Mr Speaker, how can they make provision for these fifteen tenants to be allocated in pre-war accommodation when they cannot allocate it now to social cases?

HON M K FEATHERSTONE:

The pre-war accommodation that is usually offered to social cases is of an even lower standard than the Town Range accommodation. The better quality pre-war accommodation when it does become available is offered to the Town Range persons so that they can improve their status and then perhaps one of the social cases that is available can move into Town Range.

HON J L BALDACHINO:

Mr Speaker, this could take a long time.

HON M K FEATHERSTONE:

Yes, it takes a very considerable time, I am afraid, Sir.

HON J L BALDACHINO:

From the answer that the Hon Member has given, I am sure that he is not satisfied with the conditions that people in Town Range are living in.

HON M K FEATHERSTONE:

I am never satisfied when anybody is living under conditions that are not as good as they possibly could be. I agree that Town Range is only a palliative, unfortunately it is a rather long palliative and I would like to see as much new housing as the finances of Government will permit to be built in the quickest time possible so that people can have decent housing but until that is available then we have to put up with such places as Town Range.

HON J L BALDACHINO:

Mr Speaker, I quite understand the position that the Minister finds himself in. Taking into consideration that it will take a fairly long time to re-accommodate these tenants, doesn't the Hon Member agree with me that at least what the Government can do is carry out the necessary repairs which are needed within that building, for example, the railings, toilets and things like that?

HON M K FEATHERSTONE:

Yes, Sir, if there are any instances where there are repairs required I will pass it on immediately to my Colleague at the Public Works Department.

HON J L BALDACHINO:

Then what the Minister is saying is that he will look into it. Mr Speaker, wouldn't the Hon Member agree with me that the external state of the building is an eyesore especially when the Government is giving the impetus that it is trying to give to tourism?

HON M K FEATHERSTONE:

It is not the best of sights, I admit, but I don't see how it can be very easily improved.

HON J L BALDACHINO:

Mr Speaker, the building I am talking about is right in between two MOD buildings which are almost the same age as the building which are in an immaculate condition. Could the Government do something about our building?

HON M K FEATHERSTONE:

Well, if I can prevail on the Hon Minister for Public Works to allocate part of his £700,000 then I will do so.

HON J L BALDACHINO:

Mr Speaker, I think it is more tourism and I think the money that you already allocated tourism should at least go to paint the external walls of those buildings.

HON M K FEATHERSTONE:

That is not quite the case, Sir.

MR SPEAKER:

Next question.

NO. 155 OF 1984

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state if they consider White Rock Camp as temporary accommodation?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the tenants at White Rock Camp were required to sign the same form of Tenancy Agreement as other tenants elsewhere and the term temporary was not incorporated into their agreements. They will be reaccommodated whenever alternative accommodation at Catalan Bay becomes available.

There is, however, an exception to the above in the case of a tenant who is not, indigenous to the Village.

SUPPLEMENTARY TO QUESTION NO. 155 OF 1984

HON J L BALDACHINO:

I understand that the tenancy agreements they signed were not on a temporary basis but surely, the Hon Member will agree with me that White Rock Camp can only be considered to be temporary accommodation.

HON M K FEATHERSTONE:

The buildings of White Rock Camp are not in the best of conditions I agree, Sir.

HON J L BALDACHINO:

They are a temporary measure?

HON M K FEATHERSTONE:

They are something that it is the Government's intention sooner or later to get rid of. If it is possible in the next two years to do the last phase of the housing complex at the seaview site at Catalan Bay then of course the people at White Rock will be re-accommodated.

HON J L BALDACHINO:

And how long will this take?

HON M K FEATHERSTONE:

I don't know how long it will be, I wouldn't like to commit myself at this stage, Sir.

HON J L BALDACHINO:

Will it be more than 20 years?

HON M K FEATHERSTONE:

No, I should hope it will be less than that, Sir.

MR SPEAKER:

Next question.

NO. 156 OF 1984

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state how many applicants are there in the Housing Waiting List?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the number of applicants is at present 1,898.

SUPPLEMENTARY TO QUESTION NO. 156 OF 1984

HON J L BALDACHINO:

That is a slight increase from last year's total, is it?

HON M K FEATHERSTONE:

Yes, Sir, one of the reasons why we think there has been an increase is that if you wish to tender for these Government houses that are now being made available, certain points are allocated to you if you are already an applicant on the housing list and we think that a number of people who previously did not apply on the housing list are now applying so that they get into the housing list and get the extra points for when such a tender comes up.

HON J L BALDACHINO:

I have done a quick subtraction here, Mr Speaker, and it comes out as a total of 66 more applicants than last year. Would the Hon Member not agree with me that even though the reflection of the total of applicants which comes out is 66 but in fact there are more than 66 families now in Gibraltar living worse off, going by the housing application scheme?

HON M K FEATHERSTONE:

I think that depends on whichever way you care to look at it, Sir. The question, as my Hon Colleague the present Minister for Tourism has stated on many occasions, is that you often get two or three applicants from the same family, from the same household, onto the housing list and this is what makes the number as inflated as it is. The situation has been said, and I think I can concur with it, that it is not 1,898 houses that are required to solve the problem but 700 houses which would probably solve the problem completely by a process of musical chairs.

HON J L BALDACHINO:

Mr Speaker, so in actual fact the Hon Member is agreeing with me, the only thing is I have used this formula in reverse.

HON M K FEATHERSTONE:

I can take it that way.

HON J L BALDACHINO:

Doesn't the Hon Member agree with me - and I am not saying that the Government has not tried - that the policy of the Government in the past has not only been unable to contain the number of people wanting houses that they have not been able to solve it.

HON M K FEATHERSTONE:

I wouldn't say that, Sir, the Government's record over the last ten years has been to build several hundred houses and to alleviate the conditions of several hundred people. I think that they have a very good record in this line, it is simply that at the present moment with the financial constraints that are upon us, the housing building rate has slowed down somewhat but if in a year or two year's time the out-turn of events improves once again, housing will once again be of considerable import in our building efforts.

HON J L BALDACHINO:

Mr Speaker, just one final question and I don't think it will be any hardship to the Minister because I think he has that information. Could we have a breakdown of the applicants requiring accommodation, for example, bedsitters, six rooms, four rooms, etc?

HON M K FEATHERSTONE:

If it can be done I will furnish it to you.

HON J L BALDACHINO:

Thank you, Mr Speaker.

HON J C PEREZ:

Does the Hon Member not consider that a couple of hundred houses in relation to a waiting list of 1,898 is not adequate?

HON M K FEATHERSTONE:

I didn't say a couple of hundred, I said 700.

HON J C PEREZ:

Does the Hon Member not consider that 700 in relation to the waiting list is not adequate?

HON M K FEATHERSTONE:

No, because very often you get a household in which there is a mother and father, a daughter who is married with two children, they both make an application. If one of the applications succeed the other person stays in the house and you have solved two applications with one house. Sometimes you get three applications from one house and it can all be solved by one. So it is not necessarily 1,898 houses that are needed, we think with 700 it would break the back of it completely.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, what are Government's plans for expanding geriatric care in the light of the population trends of the last 20 years?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, it is Government policy that, as far as possible, elderly persons should be looked after in their own homes and the hospital only used as a last resort. Government is moving towards an improvement in the Domiciliary Nursing Service to help with geriatric patients in their homes and would prefer to see expansion in this field rather than increased pressure on the geriatric wards in the hospitals.

SUPPLEMENTARY TO QUESTION NO. 157 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, in view that the previous Minister for Health undertook to review the situation and nothing seems to have been done since then, we now find ourselves with a very long waiting list. Does the Minister not agree that not enough attention is being given to this matter as a consequence.

HON M K FEATHERSTONE:

As I have said, as far as possible Government would like to see these persons kept in their own homes and assisted by the Domiciliary Nursing Service. It is a fact of life that people today don't seem to wish to look after their elderly relations to the same extent that they used to in the past and we have found that the more you expand the geriatric service in the hospital the more demand there is upon it.

HON MISS M I MONTEGRIFFO:

But, Mr Speaker, does the Minister not agree that there is an increased demand for geriatric care?

HON M K FEATHERSTONE:

Already there is a considerable amount of assistance given by Government. There are two wards in St Bernard's Hospital, there is the Government subsidy to Mount Alvernia, I think they are doing quite a lot already.

HON MISS M I MONTEGRIFFO:

Mr Speaker, the Minister is saying then that the Government have

no plans to expand the geriatric care, is that what he is saying?

HON M K FEATHERSTONE:

Not specifically, no, Sir.

HON J BOSSANO:

Is it not a fact, Mr Speaker, that like other populations in Western Europe, the trends revealed in the last two censuses show that the proportion of people over the age of 60 is expanding relative to the rest of the community and that therefore it is reasonable to deduce from that that the demand for the services will be increasing per head of population because there are more elderly people in our population now than there were ten years ago and more than there were twenty years ago. I think the increase in the twenty years to which the question refers was of the order of 60% according to the figures provided by the Government in the House. Doesn't the Minister accept that if it is true that the number of elderly people is on the increase and has been, that unless we are providing increasing resources in that area the services are going to be overstretched with the passage of time?

HON M K FEATHERSTONE:

Yes, I agree that there is some increased demand but the demand at the moment seems to be far more than is really necessary on the Hospital basically because people are reluctant to look after elderly persons in their own homes and wish to shovel them off into the Hospital as far as possible. There is room for expansion in Mount Alvernia if one is willing to pay the money for it.

HON J BOSSANO:

The point is, Mr Speaker, that if the Government accepts that there are more elderly people then isn't it natural that if there are more elderly people there will be a demand for more elderly care and therefore what is the Government going to do about it? If they accept that it is happening and will continue to happen, are they going to cater for that and didn't the previous Minister for Medical Services indicate in the House that, in fact, the Government was considering expansion of the Domiciliary Service?

HON M K FEATHERSTONE:

Yes, I have said that, I have said that we are expanding it, I have said that in the answer to the question.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, can Government explain why there is a reciprocal agreement with UK because of the medical service provided to British tourists, yet no such arrangement applies for other EEC Nationals?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the provision of medical services to Community Nationals who visit other Community Countries is governed by the relevant EEC Regulations.

Gibraltar is a member of the Community as a dependent territory of the United Kingdom, in Europe, and therefore is not considered under Community Regulations a separate Country.

In order therefore to define the rights of visitors from the UK to Gibraltar and vice versa it was decided that this could best be covered by a reciprocal agreement, the conditions of which are similar to those covered under Community Regulations.

SUPPLEMENTARY TO QUESTION NO. 158 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, does the Minister accept that the implications of our membership with the EEC are such that if we were to agree with the rest of Europe any agreement in this case in connection with medical services, that same arrangement would automatically apply in Gibraltar and we would have no control over the matter if Britain were to agree with the rest of Europe?

HON M K FEATHERSTONE:

No, I don't follow that that is the case. The case with the UK is a reciprocal agreement, the case with the EEC is that they would have to apply with the relevant form, I think it is called an EE111.

HON MISS M I MONTEGRIFFO:

Mr Speaker, my question is, does the Minister accept that if Britain were to agree with the rest of Europe any arrangement, in this case in connection with medical services, that same arrangement would apply automatically in Gibraltar without us having any control over the matter?

HON M K FEATHERSTONE:

I don't see how that follows.

HON MISS M I MONTEGRIFFO:

Because, Mr Speaker, we are considered as part of the UK.

HON M K FEATHERSTONE:

As far as the reciprocal agreement with the UK that is one thing, the services with the EEC Nationals would be the same service as a Gibraltarian going to the rest of Europe obtains, that is, that he gets medical care if he should fall ill or have an accident in the EEC country on production of the form E111, they would have to do exactly the same here.

HON MISS M I MONTEGRIFFO:

Mr Speaker, he hasn't answered my question.

MR SPEAKER:

In other words, we would be responsible for EEC Nationals in Gibraltar.

HON M K FEATHERSTONE:

No, only if they actually fall ill while in Gibraltar or have an accident, not if they are ill in their own country and wish to come here to be treated.

HON J C PEREZ:

Mr Speaker, the point my Hon Colleague is trying to make is that since in answer to the question the Hon Member has said that Gibraltar has to have a reciprocal agreement with Britain because in the context of the EEC it is considered as part of Britain, that any agreement relating to medical services that is done by Britain with any other EEC country, that should apply to Gibraltar automatically with no control whatsoever on our part.

HON M K FEATHERSTONE:

Yes, I think that would follow.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Can Government state what is the latest position regarding recognition of Gibraltar nursing qualifications in relation to the Briggs Report?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, a comprehensive study of the remaining outstanding matters is nearing completion and will shortly be referred to Council of Ministers for consideration.

THE HON MISS M I MONTEGRIFFO

Does Government accept that once the frontier restrictions are removed any EEC National visiting Gibraltar from Spain will be entitled to free medical attention?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir. In accordance with EEC Regulations, Community Nationals who travel as visitors to another Community Country are only entitled to medical treatment if they are taken ill or have an accident during such visits.

SUPPLEMENTARY TO QUESTION NO. 160 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister say whether under these circumstances once Spain joins the EEC, dependents of Gibraltarians residing in Spain and working in Gibraltar will be continued to be denied free medical attention even if they carry on visiting Gibraltar?

HON M K FEATHERSTONE:

I would think, Sir, that Gibraltarians residing in Spain would no longer be eligible for the benefits of the medical services in Gibraltar once the EEC Regulations came into force otherwise we would be discriminating in their favour against the rest of the EEC Nationals in Spain.

HON MISS M I MONTEGRIFFO:

So therefore they will be having to use the same form as EEC Nationals, is that correct?

HON M K FEATHERSTONE:

Yes, Sir.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Is it Government's intention to provide additional resources to the Medical Department to equip it for the extra demand that could materialise if the Government's intended expansion of tourism is successful?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, one would hope that the vast majority of the tourists visiting Gibraltar would not need to have recourse to our medical services. The matter of any increase in this demand will naturally be monitored and adjustments made as necessary.

SUPPLEMENTARY TO QUESTION NO. 161 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, is the Minister committed to expand our medical services should tourist arrivals increase?

HON M K FEATHERSTONE:

The amount of demand that the tourists have made up to the moment on our medical services have only been about 1.2% of the total services given. If the amount of tourism increased on a medium term basis then I think we would have to look for some increase but for day visitors it will probably not be very necessary.

MR SPEAKER:

Next question.

NO. 162 OF 1984

ORAL

THE HON MISS M I MONTEGRIFFO

Can Government state what they consider to be a sufficient number of GP's to run the Group Practice Medical Scheme efficiently, on the basis of current demands on the Health Centre?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, this matter is currently under discussion with the Health Centre doctors, under the aegis of the BMA (Gibraltar Branch) and any statement at this stage could be in breach of normal management/staff side negotiations.

SUPPLEMENTARY TO QUESTION NO. 162 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, in April of this year the Government knew that a doctor would be leaving the Centre in June, can the Minister explain why it has taken them such a long time to replace him?

HON M K FEATHERSTONE:

These things do have a habit of taking longer than one perhaps would like them to take.

HON MISS M I MONTEGRIFFO:

Mr Speaker, the press release which was issued on the 10th of this month by the Gibraltar Branch of the BMA called as a matter of urgency for an appropriate increase to meet the needs of the community. Does the Minister then not accept the figure put out by the doctors that eleven are required to give an adequate service?

HON M K FEATHERSTONE:

The position is that when you have to recruit a doctor it takes a certain time to recruit the doctor himself and then he often has to give a certain amount of notice before he can leave his present place of employment and that is why it does take a considerably longer time than we would wish in recruiting somebody. The optimum number of patients that a doctor should see at any session is something under discussion at the moment with the Association and I wouldn't like to butt into those discussions at the present moment by saying anything here which afterwards might be in prejudice to what we are discussing.

HON MISS M I MONTEGRIFFO:

So therefore, Mr Speaker, the Minister is not willing to accept whether eleven is an adequate number at the moment?

HON M K FEATHERSTONE:

No, I will not accept that. I am saying that we are discussing the situation with the doctors at the moment and when we come to what we consider a reasonable optimum number then I will make an announcement in the House.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, what steps has Government taken to follow up the question of nursing qualifications from Spanish institutions raised in Question No. 61 of 1984 in order to protect the position of Gibraltar?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, advice is being sought from the Department of Health and Social Security in London on which Spanish nursing qualifications will need to be recognised once Spain joins the Community. We are awaiting a reply.

SUPPLEMENTARY TO QUESTION NO. 163 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, since I raised this matter in June and it is still being pursued, could the Minister provide me with more details, for example, could he give me a progress report on the matter?

HON M K FEATHERSTONE:

We have asked what qualifications will be necessary to accept once Spain joins the EEC and as I said we are awaiting a reply. This is something I am sure is being discussed in the whole of the joining of the EEC by Spain and Portugal not only in the field of nursing but in the field of medicine, dentistry, etc and it is still to some extent, as far as we understand, in the melting pot.

HON MISS M I MONTEGRIFFO:

Mr Speaker, will he keep me informed?

HON M K FEATHERSTONE:

Yes, I shall be happy to do so.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Does Government keep any statistics of the percentage of tourists visiting Gibraltar that make use of the medical services?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Yes, Sir, 2.76% of all patients treated at our hospitals can be attributed, on average, to tourists visiting Gibraltar. This includes, of course, yachts visiting here and staying for a reasonable period of time but they are classed as tourists.

THE HON M A FEETHAM

Can Government confirm that companies based in neighbouring Spain will be able to trade in Gibraltar without a trade license under the EEC requirement of freedom for the provision of cross-frontier services once Spain joins the EEC, and such rights are not subject to any transitional provisions?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, all companies based in EEC Member States require a Trade Licence if they wish to trade in Gibraltar if a Trade Licence is required at all.

Spanish Companies based in Spain would not be exempted irrespective of whatever transitional provisions are agreed to between the EEC and Spain.

SUPPLEMENTARY TO QUESTION NO. 165 OF 1984

HON M A FEETHAM:

Will the Minister clarify the difference between trading and providing a service across the frontier?

HON A J CANEPA:

The Minister is not able to do that but he would gladly ask the Attorney-General if he is able to help.

HON ATTORNEY-GENERAL:

I think trading is defined in the Trade Licensing Ordinance as buying and selling, it is a very long definition of trading, that is what I understand by trading for the purposes of the Trade Licensing Ordinance. The provision of services; dry cleaners, tailors, businesses as such, as it were, where a service is provided to the community, that is the provision of services. Some of them are probably covered in the Schedule of businesses, electrical contracting work, that would be the provision of a service. Trade as defined in the Trade Licensing Ordinance and the provision of services whatever provision of services is, tailors, joiners, carpenters, etc who would be providing a service to the community. That would be the distinction.

HON M A FEETHAM:

Mr Speaker, can Government state - because I am not quite happy with the answers I am getting - can Government state what criteria would be used in defining such services? What situation is envisaged, for example, will the activity be limited in time? Will it be normally taken up for remuneration and will it involve some form of trans-frontier movement?

HON ATTORNEY-GENERAL:

Do you mean a Spaniard living in Spain with a dry cleaners shop, is that what you have in mind? A person who sets up a dry cleaning shop here, for example, would be providing a service.

HON M A FEETHAM:

What would be Government's attitude, what would Government do or are they not prepared to do anything about, for example, a situation where, not a dry cleaners, but a wholesaler in Spain who is now providing a service to outlets in Algeciras, for example, in La Linea, in San Roque, will be able to provide that service across the frontier to outlets in Gibraltar and therefore create problems for existing businesses in Gibraltar? Will there be limitations in this?

HON A J CANEPA:

He requires a trade licence.

HON ATTORNEY-GENERAL:

Because he would be selling in Gibraltar, as I understand it, and therefore he would need a trade licence under the Trade Licensing Ordinance.

MR SPEAKER:

We are beginning to get involved on the interpretation of legislation and nothing else.

HON J BOSSANO:

Mr Speaker, if I can ask the Hon and Learned Attorney-General a question because essentially what we are trying to establish is whether, in fact, a supplier operating from a base across the frontier under the EEC requirement of the freedom to provide cross frontier services can have limitations put on his ability to do so in Gibraltar under our existing legislation which says: "a licence can be refused because the needs of the community are adequately met". Can that, in fact, be done to a supplier from

across the frontier because our information is that it cannot and if our information is correct then it would seem that the law can only stop the Gibraltarian company operating in Gibraltar but not the competition from across the frontier, that is what we are trying to establish.

HON A J CANEPA:

I don't see how goods can be imported into Gibraltar in what would be classed as wholesale quantities without that coming under the definition of trade as amended by legislation here in the House about a year ago. Secondly, in respect of certain goods where conditions are based on an import licence from local traders the same condition, surely, must apply to Spaniards. Therefore, any Spanish wholesaler wishing to import to supply bread to Gibraltar would have to comply with the same conditions for the granting of an import licence as we do to any trader. I don't see how they can be exempted.

HON J C PEREZ:

Mr Speaker, is it not the case that if it can be shown that the contract, for example, as the Hon Member was saying on the distribution of bread, if you have got a wholesaler in Spain selling bread, that the contract is effected in Spain, that the distribution of that bread can take place in Gibraltar from a lorry, for example, from the firm in Spain without the need for a trade licence for the lorry for a work permit for the driver and for a trade licence for the bakery itself?

HON A J CANEPA:

I don't think so and I hope that the Hon Member is not being guided by the incident of a lorry coming here to take away personal effects such as furniture. That should not be used as an example of the kind of thing that can happen.

HON M A FEETHAM:

Can the Minister give an assurance that he will apply the laws to the person providing the service on the same basis as it does to Gibraltarians so that no loopholes are left open for the persons providing that service, can the Minister give that undertaking?

HON A J CANEPA:

Can I give that undertaking, Mr Speaker? I would like to but if I do and I am wrong of what value is it? I don't mind confessing, Mr Speaker, that I am neither omniscient nor infallible, if I were to be the former I would be God, if the latter I would be Pope and I am neither.

MR SPEAKER:

I think we are talking at cross purposes. I think the Opposition is asking Government whether they will give them an undertaking to go into the matter to protect local trade engaged in this particular kind of competition, is that right?

HON A J CANEPA:

I can give an undertaking that we will protect local traders as far as it possible, naturally.

HON J BOSSANO:

But, Mr Speaker, what we are trying to establish is how far it is possible to do it?

MR SPEAKER:

That is not a matter to be dealt with at question time.

HON J BOSSANO:

If we are saying whether the Government can confirm that it will be possible to provide services in Gibraltar from a trading base in Spain once Spain joins the EEC, what we are asking is, in fact, has the Government obtained information from authoritative sources, one way or the other, we are not asking for the personal view of the individual Ministers, we want to know what is the effective advice that has been given to the Government as to whether it will be permissible within EEC law to apply the requirements of the Trade Licensing Ordinance to anybody that wants to operate in Gibraltar from a base in Spain? Our information is that it will not be possible. If our information is incorrect we want the Government to tell us.

MR SPEAKER:

With respect, that is asking Government for an interpretation of existing legislation in Gibraltar. I think the Opposition is not entitled to ask those questions, what the Opposition is entitled to ask from Government is whether they are prepared to study the position and legislate for the purposes of protecting local trade.

HON J BOSSANO:

Surely, Mr Speaker, it is legitimate to ask the Government what is, as far as they are informed, what is the position that Gibraltar will find itself in as a consequence of the enlargement of the community as regards the ability of Spanish firms to trade

in Gibraltar in competition with local firms. They are responsible for the legislation, I think it is legitimate to ask them whether the advice that they have is that they will be able to prevent competition from across the frontier by requiring anybody wanting to do that to apply to the Trading Licensing Committee and obtain a licence. Our information is that that cannot be enforced. If they have got different advice let them say that they are satisfied that it can be enforced on the official advice they have been given.

HON CHIEF MINISTER:

We are satisfied except for one or two very minor exceptions, in fact, in The Economist of this week I see that the Commission has taken four nations of the Community to the European Court about one or two of their activities not being in compliance with the EEC. We can say, except with one or two minor exceptions, we can say that we feel that the Trade Licensing Ordinance is valid and exercises a considerable amount of protection as it is doing now unless, of course, it were to be found, and that until the decision is taken you cannot decide, it were to be found by the European Court that that is not the case. We cannot go further than that.

HON J BOSSANO:

Mr Speaker, would the Hon and Learned Chief Minister not agree with me that under current circumstances the application of the Trade Licensing Ordinance is limited to businesses established in Gibraltar. The new situation envisaged is whether we can extend that to businesses established in the neighbouring territory but selling to customers in Gibraltar, would a trade licence be required for that? Our understanding is that to attempt to limit competition from across the frontier would be in contravention of the requirement under EEC law for the free provision of cross frontier services. In fact, if that is not the case, if we have been misinformed, then fine, if we are told that we have been misinformed we are satisfied with that, presumably the Government have been given the correct information.

HON CHIEF MINISTER:

At the best of times all EEC Regulations and directives and so on are subject to a considerable amount of conflict in interpretation. In England they first of all go to the High Court and if they are not satisfied they go to the Court of European Rights. What I think would be certainly contrary to the EEC would be to legislate now against any rights that the Spaniards are likely to acquire as a result of becoming a member. That, I think, would be contrary to the EEC and would not be valid. We are sticking to what we have which we have had for a long time

and not precisely because of Spain joining the EEC, trade licensing was done for other reasons. We cannot go further than that.

HON J BOSSANO:

Mr Speaker, I don't want the Hon Member to go very far. All I want to be told is whether the advice that the Gibraltar Government has is that they can require a company established in Spain and selling from a Spanish base in Gibraltar, to have to obtain a licence under the Trade Licensing Ordinance, yes or no?

HON A J CANEPA:

The answer is that if a trade licence is required at all in Gibraltar, then such a company based in Spain would require a trade licence if they wish to trade in Gibraltar.

HON J BOSSANO:

Notwithstanding that they didn't have a subsidiary in Gibraltar and were selling from a Gibraltar outlet?

HON A J CANEPA:

That is the information that I have, that is the legal advice that I have.

HON M A FEETHAM:

Mr Speaker, is it then envisaged in relation to what the Hon the Minister for Economic Development and Trade has just said, that the person providing the service himself crosses the frontier or just the service that he is providing?

HON A J CANEPA:

We are talking about a company. The last question from the Hon Leader of the Opposition was about a Spanish company and the original question is about a company.

MR SPEAKER:

I am afraid we have got as far as we can get at question time on this one. Next question.

NO. 166 OF 1984

ORAL

THE HON M A FEETHAM

Sir, when does Government expect to award the Viaduct Causeway contract?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Sir, the closing date for tenders was 29 August, 1984. These are now being evaluated.

SUPPLEMENTARY TO QUESTION NO. 166 OF 1984

HON M A FEETHAM:

Can the Minister say what is the delay? How long have they had to consider the tenders?

HON MAJOR F J DELLIPIANI:

The Minister cannot say, Sir, because the Minister does not get involved in tender procedures. What I can say is that according to the terms of the tender, the winning tenderer must be notified unless there is an extension with previous agreement with the successful tenderer, within three months of the 29 August which means that by the 28 November the successful tenderer must be notified of the award of the tender. With regard to what is going on as to the evaluation, the Minister does not get involved.

HON M A FEETHAM:

Could the Minister confirm or otherwise that the tender has been found to be too expensive and there is some reconsideration whether to go ahead or not?

HON MAJOR F J DELLIPIANI:

I certainly know that the tender was far above the figure that the Public Works Department had estimated so, obviously whatever is going on between the people involved, with the Quantity Surveyors, etc and our consultants, must be ways and means of bringing the price down to the figure that the Public Works Department estimated it should have cost.

HON M A FEETHAM:

We are not saying that it should not be done, what we are asking is whether this delay could result in it being more expensive in the end?

HON MAJOR F J DELLIPIANI:

I do not think so, Mr Speaker, because as I said previously, the tender is valid for three months from the date of submission so if the tenderer insists and it is always the prerogative of the Government Tender Board either to accept or not accept the tender, but if the tender has been accepted and the tenderer insists that that is the price he will keep only till the 28 November and that any delays later will result in increases then it is his prerogative but we are trying, at least the people involved are trying, to solve the question of the tender price to a more equitable figure as per the Public Works Department estimate before the actual tender contract expires on the 28 November. At the moment it is not increasing the cost because the tender price holds good three months after the date that the tender was received by the Tender Board.

HON M A FEETHAM:

Could the Minister state whether, in fact, agreement has now been reached with the MCD on the question of apportionment of the cost?

HON A J CANEPA:

I do not have the details with me but I am aware of the fact that agreement has been reached on the apportionment. I have not got the details with me because I did not expect that information would be required by me.

HON M A FEETHAM:

Will you make those details available to me?

HON A J CANEPA:

Yes.

MR SPEAKER:

Next question.

HON A J CANEPA:

Mr Speaker, in the course of supplementaries arising from Question No. 166 the Hon Mr Michael Feetham asked about the apportionment of costs on the Viaduct Causeway Project. Based on the latest figures available, the apportionment is the following - the Government will meet 69.31% of the cost and the PSA will meet 30.69% of the cost. In addition to that Shell are making a contribution of £30,000 towards the cost of re-routing their own pipeline.

NO. 167 OF 1984

ORAL

THE HON M A FEETHAM

Has agreement now been reached with the MOD, the developer and A & P Appledore regarding alternative accommodation which will allow the commencement of work on the multi-storey car park at Casemates to proceed?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir. Agreement has been reached in principle with the Ministry of Defence, the developer and A & P Appledore regarding alternative accommodation to accelerate the development of the multi-storey car park at Casemates.

As stated publicly, last May, the arrangement entails the conversion by the developer of a derelict building at South Barracks known as North Pavilion into six quarters at an estimated cost of £160,000. The seventh flat would be made available by the developer. The tender sum of £105,000 would be put towards the cost of conversion, with the developer meeting the difference from his own resources.

The Ministry of Defence have lowered their reprovisioning requirements to three Type III quarters in lieu of the seven Type V's now existing and have also agreed that the alternative accommodation would only need to meet A & P Appledore's requirements provided the Government underwrites the agreement.

The stage has now been reached where Public Works Department are completing the detailed plans for the conversion of North Pavilion and a Specification of Works for the developer.

SUPPLEMENTARY TO QUESTION NO. 167 OF 1984

HON M A FEETHAM:

Will the Minister confirm that the first stage will be the conversion and can he give an indication when this will be started?

HON A J CANEPA:

The first stage of?

HON M A FEETHAM:

Of the development.

HON A J CANEPA:

Will be the conversion of North Pavilion, yes, I can confirm that.

HON M A FEETHAM:

Can he please state when this will be started?

HON A J CANEPA:

No, I do not know when Public Works will have completed the Specification of Works.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

Mr Speaker, will Government be now giving all other Government tenants the option of purchasing their dwellings on the same terms and conditions as has recently been agreed with tenants of Shorthorn Estate?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, in 1979 the Government gave all Government tenants the option of purchasing their dwellings on the same terms and conditions as recently agreed with seventeen tenants at Shorthorn Estate.

The Government has already decided to reactivate its home ownership policy more vigorously, in the light of the limited success enjoyed to date. It will therefore be proceeding to a selective sale of its housing stock on more favourable terms than those available to the tenants of Shorthorn Estate.

SUPPLEMENTARY TO QUESTION NO. 168 OF 1984

HON J L BALDACHINO:

Mr Speaker, if I have understood the Hon Member correctly what he is saying is that this will be done in stages in the different Estates?

HON A J CANEPA:

I don't know what the Hon Member means by in stages. Yes, we are contemplating the sale of about 250 units, we do not have in the Crown Lands Department or in the Housing Department for that matter, a very large administration so it will have to be taken in stages. It is envisaged to concentrate on Estates such as Rosia Dale, St Jago's, St Joseph's, Medview Terrace and the Town Range maisonettes comprising, as I say, about 250 units because it is thought by the Government that these are Estates which having regard to a number of factors, not the least of which is the very high rent paid by people, have a better chance of being sold. Also they are manageable Estates, they are not too large and we think the prospects of successful sale on a home ownership basis are rather better than, say, Moorish Castle Estate or Laguna Estate.

HON J L BALDACHINO:

Mr Speaker, if it is done in stages as the Hon Member has said, won't the last options given to any Estate be paying more than the others?

HON A J CANEPA:

No, we will set a price at the time when the offer is made to everybody. For instance, if we were to select Rosia Dale first, that will be the baseline and the same price will be calculated for all the others at the same time and will be maintained.

HON J L BALDACHINO:

Mr Speaker, is the selling price of any Government owned house based on the rent that they are actually paying now?

HON A J CANEPA:

Not necessarily. I think that a number of factors go into setting the selling price. For instance, when the Government in 1979 launched the scheme, the prices were relatively low for accommodation which was comparable to what later on in 1980 was also offered at the time when Rosia Dale was completed and the selling price for Rosia Dale was of the order of £27,000 to £30,000, it obviously reflected a higher rent but not necessarily proportional. What I am saying is that if the rent at Rosia Dale was, say, five times the rent for a similar flat in Laguna, that does not mean that the selling price was also five times higher, the selling price for Laguna was £3,000 so rent is not the sole criterion, the cost of building, the age of the accommodation are also factors that are taken into account in arriving at a selling price.

HON J L BALDACHINO:

This will also reduce the housing stock of the Government?

HON A J CANEPA:

If the Government sells 250 flats then the housing stock is reduced by that number.

HON J L BALDACHINO:

I think Rosia Dale has cost the Government £40,000 per unit, am I correct?

HON A J CANEPA:

The initial ones rather less, £27,000 for three rooms; £30,000 for four rooms and I think the latest are probably nearer to £40,000, the last building is probably nearer to £40,000, between £35,000 and £40,000 I would imagine.

MR SPEAKER:

We are now expanding. I have been very patient and I have not interrupted you until now. We are not going to go into the whole operation of the scheme and how much is going to be charged for each particular house or for each particular Estate because that goes beyond the scope of the question.

HON J L BALDACHINO:

I am only giving Rosia Dale as an example, Rosia Dale houses which cost them £40,000. Isn't that money going back into housing and if that money is going back into building houses, to sell Rosia Dale which cost £40,000 for, say, £20,000 then, obviously, they need to sell two houses to build one which in turn will not put the same number of houses into the housing stock that they already have.

HON A J CANEPA:

That can well happen, yes, the fact that we sell 250 units does not mean that we are going to be able with that money to reprovide 250 units, it just won't be the case. If you are selling some of the older accommodation at £20,000 which is a fair price and might be a fair price in all the circumstances because there are certain restrictions on the sale, then, obviously, for £20,000 you cannot provide a unit other than a bedsitter at today's building prices.

HON J L BALDACHINO:

In actual fact, Mr Speaker, the policy of the Government is one of building less houses and going into home ownership.

MR SPEAKER:

No, we are not going to go into the general policy of Government housing.

HON J BOSSANO:

Mr Speaker, can I ask, when the Government has finally made up its mind to go ahead with this project, will they make details of it available to Members on this side so that we know exactly what is going on?

HON A J CANEPA:

Of course, it has to be made public.

HON J BOSSANO:

Well, so far there is very little public information about the sale of the Shorthorn Estate.

HON A J CANEPA:

The Hon Member who was a Member of the House here in 1979 has, I am sure, all the information that he wants at his disposal because Shorthorn has been sold on the terms which in 1979 the Government offered the bulk of its housing stock to all its tenants, virtually.

HON J BOSSANO:

Mr Speaker, my recollection of what happened then was, in fact, that the Government sent out a questionnaire and one of the problems was that the people were being invited to apply for the purchase of their houses had a lot of unanswered questions about its implication as to whether they would be able to sell it or whether they would be able to pass it on to their descendants and all sorts of questions and the scheme never got off the ground because, if I recall correctly, there were 1,800 questionnaires sent out and something like 60 returned.

HON A J CANEPA:

I remember, Mr Speaker, quite distinctly, that there was a lot of debate and discussion in this House about the terms which the Government was offering, it went on ad nauseam and the Hon Member should not forget that the other Members of the Opposition in those days used to question the Government very, very closely and my Hon Colleague who was then Minister for Housing, Mr Horace Zammit, was subjected to a great deal of detailed questioning. I would refer him to the Hansard, they are available.

MR SPEAKER:

So the answer is that the information will be available.

HON A J CANEPA:

The information is already available, Mr Speaker.

HON J L BALDACHINO:

Mr Speaker, if I may.

MR SPEAKER:

With respect, only if it is completely and utterly relevant and is seeking information. We have been a long time on this question and we have expanded the orbit but go ahead by all means.

HON J L BALDACHINO:

Mr Speaker, I want to clarify one point. I wrote to the Minister for Housing asking for certain information in this sale and I was able to read that at the Housing Department but I was not able to get a copy of what I wanted because it was considered to be "commercial in confidence".

HON J BOSSANO:

Will we be able to obtain the information or not, Mr Speaker, because if my Colleague has been told that information about the prices of the houses and how they were arrived at are commercial in confidence, then it cannot be readily available in a Hansard?

HON A J CANEPA:

I understand that what the Hon Member was actually after was a copy of the leases. We have not seen copies of the leases because they are not available.

HON J L BALDACHINO:

I raised a number of points in my letter so if a copy of the leases could not have been provided because it was confidential they could have given me the other information I asked for.

MR SPEAKER:

We are now debating why information was retained. Next question.

THE HON J L BALDACHINO

Mr Speaker, can Government confirm that the leasing of properties needing refurbishment recently put to tender for owner occupation requires the successful tenderer to take out comprehensive insurance cover for the property?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir. There is a standard Clause to that effect in all Government leases, and indeed in most private leases.

SUPPLEMENTARY TO QUESTION NO. 169 OF 1984

HON J L BALDACHINO:

And this will also apply to similar Government schemes?

HON A J CANEPA:

It is standard practice, whenever the Government gives a lease in respect of a dwelling, it is a requirement that comprehensive insurance cover be taken out.

HON J L BALDACHINO:

Does the Hon Member also consider that the Government funds for this type of comprehensive cover for their houses is equally covered?

MR SPEAKER:

The insurance would be by the purchaser.

HON J L BALDACHINO:

I understand that, Mr Speaker, what I am saying is has the Government got a Fund for the insurance of their buildings and I am saying if they are satisfied that they will also have an equal cover as those in this scheme?

HON A J CANEPA:

There is a Government Insurance Fund. I think the matter was being discussed this morning.

HON J BOSSANO:

Mr Speaker, if the Government is requiring people to whom they sell leases of properties to take out insurance cover, are they satisfied that for the properties that they are renting they are applying equally sufficient insurance cover with the Government Insurance Fund?

HON A J CANEPA:

No, we do not have to. We do not have to take out insurance for properties that we are renting.

HON J BOSSANO:

But then why does the Government think it is necessary that the tenants of these other properties should do so?

HON A J CANEPA:

It is standard practice everywhere. The private sector does the same and all we are talking about is a pittance, we are talking of a premium of about £60 a year if the value of a dwelling is £50,000 or £55,000, that is all we are talking about. People do not seem to have any hesitation in paying increasing premia every year for a car which is only worth £5,000 and they pay three or four times more if the car is in Spain, so why should there be a hesitation? What are we asking of people, £50 a year to insure their house against destruction by fire, is that what we are debating?

HON J BOSSANO:

Mr Speaker, but we are not censuring the Minister, we are asking for information and we are saying if the Minister thinks that people to whom they sell houses should take out insurance cover, are they satisfied that the houses that they own are equally well covered?

HON A J CANEPA:

The houses that we own are covered differently, we do not have an insurance with an insurance company, we do not do that but we have a Government Insurance Fund and in any case it is our own property. If it were to be lost and if we are not sufficiently covered it is a risk which the Government is taking.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

Can Government state if there is any limit on the price at which a Government flat can be resold with vacant possession after five years under the Government Home Ownership Scheme?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, under the present scheme, ie the one that was advertised in 1979, the Government retains the option to buy back after the first five years if the purchaser wishes to sell. If the Government exercises the option then the selling price is limited to the price the person paid plus a percentage increase by reference to the cost of living index calculated on a cumulative basis but reduced at the rate of 2% per annum subject to a maximum reduction of 60%.

If Government does not exercise the option then it can be sold at open market value but only to an entitled person under the scheme, ie either a person registered as a Gibraltarian under the provisions of the Gibraltarian Status Ordinance, or an EEC National who has a valid permit of residence issued under Part IX of the Immigration Control Ordinance. In such a case the open market will be dictated by the price an entitled willing purchaser is prepared to pay to a willing vendor.

As indicated in the answer to Question No. 168 the Government has agreed to relax the option of first refusal by Government after the first five years and in so doing hopes to make the scheme more attractive.

SUPPLEMENTARY TO QUESTION NO. 170 OF 1984

HON J BOSSANO:

Mr Speaker, is there a similar provision in respect of any resale of the other properties, the pre-war properties that have been sold on the basis of the owner occupiers actually bringing them up to a reasonable standard? Is there any limitation on the resale of those?

HON A J CANEPA:

No, we have only had one case where for rather compelling personal reasons a resale was involved. The matter went back to the Land Board because an assignment was required and the Land Board dealt with the assignment on the same basis as it would for any other request to have an assignment. It is a separate situation altogether.

HON J BOSSANO:

Does the Government in those cases have an option that it can buy or not?

HON A J CANEPA:

I do not think so, no, I do not think we have.

MR SPEAKER:

Next question.

THE HON J E PILCHER

Can Government state what is being done to combat oil pollution given the adverse effects that this can have on tourism?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, oil pollution is one of the banes of life in the 1980's the world over and has led to international agreements, which are reflected in Gibraltar laws, to deal with those responsible, once they have been caught. The problem arises from the inability of authorities in most countries to pin-point the source of spillages.

In order to detect offenders, the Port Department collaborates with the Naval Authorities in keeping a sharp look-out in the seas around Gibraltar. Port Department personnel on duty at the look-out tower and the Port launch report any slicks and their location is passed on to the Admiralty, the only authority in Gibraltar possessing vessels fitted with dispersant spray and other equipment. Naval helicopters and Gibraltar Airways aircraft flying in the area as well as harbour launches, the Windmill Hill look-out and the Europa Point Lighthouse also report sightings. Both the Admiralty and the Port Department have oil booms, in the latter's case primarily for the protection of the yacht basin.

The Naval Authorities have used thousands of litres of dispersants at sea in the past few months. Once the oil reaches the foreshore the City Fire Brigade, who stock 10,000 litres of this expensive fluid, has been able to spray the oil and remove it with its powerful hoses.

The Public Works Department also assists, particularly on the beaches, although the good work has been largely negated by the persistency of the pollutant.

All commercial ships must have insurance cover for oil pollution and when entering the Port they are warned of the consequences of allowing spillages to occur. On two occasions in the recent past ships have been found liable and have had to reimburse the costs of cleaning and other private claims.

The Joint Working Party on Oil Pollution has recommended the siting of various look-outs at vantage points from which slicks can be reported on sighting so that immediate action can be taken. The request has been taken up officially.

Garages and associated industries, as well as the general public, have been asked by means of Press Releases, which have been given prominence in the press, radio and TV, to use the services of the PSTO(N) oil sullage plant to dispose of their waste oil.

SUPPLEMENTARY TO QUESTION NO. 171 OF 1984

HON J E PILCHER:

Mr Speaker, is it really enough to say that the Port Department is equipped with only one oil boom to protect the two yacht marinas, what about the rest of the sea front, Mr Speaker, most especially areas which we advertise in our tourist brochures as swimming facilities like the Montagu Basin?

HON A J CANEPA:

Mr Speaker, Montagu Basin is an area definitely where swimming takes place but the cost that is involved as a result of the pollution to the yacht marinas is, surely, much greater than what it would be in the case of Montagu Sea Bathing Pavilion, that is a sea bathing pavilion which if it is polluted, is a matter for concern but if you have a few hundred yachts which you are also trying to attract to Gibraltar because yachts are one of the greatest money spinners, one of the greatest sources of revenue then, obviously, you have to consider priorities, ultimately it is a question of cost. You could have five, six, seven, eight oil booms, it is a question of what you can afford in the circumstances.

HON J E PILCHER:

Mr Speaker, is the Hon Minister saying that we cannot afford an extra oil boom for the Montagu Basin?

HON A J CANEPA:

What I am saying is that you have got constraints in Government as regards expenditure, you do have constraints, and you have to have priorities and if you have two yacht marinas, one of them built recently, you have to protect the yachts there because if you do not protect them then either you will drive yachts away from Gibraltar or you can have some of the local authorities or other being, perhaps, the subject of claims for compensation.

HON J E PILCHER:

Mr Speaker, I am not saying that we should not protect the yacht marinas. What I am saying is does the Government have any plans to buy another oil boom in order to protect other areas especially the Montagu Bathing Pavilion which is a tourist attraction as far as swimming is concerned?

MR SPEAKER:

Fair enough, have you got plans to buy another boom?

HON A J CANEPA:

I think we have to look at this in the context of expenditure next year. We have had a particularly bad summer as far as oil pollution is concerned. I think, if the nature of the problem is going to be of a recurring nature, if the present difficulties in locating the sources of the leakages continues, I think the Government will have to consider taking some steps but, as I say, ultimately it is a question of the cost, how much can you afford to spend on any given item.

HON J E PILCHER:

Mr Speaker, is it not true that because the equipment used is, in fact, oil dispersants and what oil dispersant does is that it pushes the oil to the bottom of the sea, is that not causing long term damage to marine life, again another aspect which, if I remember correctly, the consultants highlighted in their lecture, is another part of tourism that we want to highlight, fishing, underwater operations, etc? Is the use of oil dispersants, in fact, causing a long term damage to this?

HON A J CANEPA:

Mr Speaker, I am not technically equipped to answer that question.

HON J E PILCHER:

Mr Speaker, I won't pursue that other than by asking the Government to look into the matter because there are other ways of dispersing oil with separators and things like that which do not cause long term damage and, of course, they are expensive but obviously that is something that has to be looked at. I have another question. Should an enquiry be carried out publicly as to the reasons behind the continued pollution at Montagu Basin?

HON A J CANEPA:

Is he asking whether it should, I do not think so. I do not know what such a public enquiry is going to achieve when all sorts of people in the Government and in the Ministry of Defence, including a Naval expert was brought over recently, are dealing with the matter actively.

HON J E PILCHER:

But is it not true, Mr Speaker, that the responsibility for taking action against offenders lies with the Gibraltar Government?

HON A J CANEPA:

Of course it is not true that the responsibility lies with the Gibraltar Government, it lies with the Gibraltar Government in respect of Port waters but it does not lie with the Gibraltar Government outside Port waters.

HON J E PILCHER:

But is the Montagu Basin a Port water or is it not?

HON A J CANEPA:

The Montagu Basin is, yes.

HON J E PILCHER:

Is the Government responsible for the oil pollution at the Montagu Basin?

HON A J CANEPA:

Is the Government responsible for the oil pollution at Montagu Basin?

MR SPEAKER:

With respect, we are getting out of control and I am not going to have it. The Government, and I can say that, there is no need to ask them, the Government is not responsible for the oil pollution. The Government may be responsible for doing something about the oil pollution but not for the fact that it is polluted.

HON J E PILCHER:

That is what I am getting at. I have a letter sent by the Admiral to the Oil Pollution Pressure Group which states that the Gibraltar Government is responsible for taking action against offenders. What I am asking is if this is true, which I take it it is true, how can the Minister say to the Pressure Group: "I understand that samples have been forwarded to the UK for analysis". If the Gibraltar Government is responsible, surely, they should be submitting the samples to UK or do they expect the Shell Company to tell them: "I am responsible for it"? The samples and the analysis should be undertaken by the person responsible.

MR SPEAKER:

Let us leave it at that because we are making statements. What are you asking?

HON J E PILCHER:

I am asking whether the Government should, in fact, be the one taking the samples and submitting them so that they can establish who is behind the cause?

HON A J CANEPA:

Why, if we can get help from UK in order to analyse the samples?

HON J E PILCHER:

I will tell you why, if I may, the reason being if the leakages are in fact emanating from within Gibraltar then, obviously

MR SPEAKER:

No, we are not going to get involved as to where the leakages come from, this is not part of the question.

HON J E PILCHER:

I think, Mr Speaker, if the question is what the Government is doing about oil pollution and the idea is that

MR SPEAKER:

We are not going to have an enquiry here, that is what I am saying.

HON J E PILCHER:

There can be a situation where the leaks are emanating from inside and then, obviously, it is the Government's responsibility to make sure that this is not the case.

MR SPEAKER:

And with respect to you the question is: "Can Government state what is being done to combat oil pollution given the adverse effects that this can have on tourism?"

HON J E PILCHER:

Mr Speaker, what is being done to establish the source of the oil leaks?

HON MAJOR F J DELLIPIANI:

Sir, maybe I can clear part of the question.

HON CHIEF MINISTER:

Clear the pollution, too.

HON MAJOR F J DELLIPIANI:

I wish I could clear the pollution. Mr Speaker, what the Hon Member has been trying to imply and there is a basis that justice must appear to be done and I think this is what he is getting at, is that we asked the MOD to take the oil samples and we have got to take their word that what they are saying is true. I have been in correspondence with the Deputy Governor and though I am satisfied with the answer of the Flag Officer when he says that it is not due to any ships, I think that the public at large must be convinced

also and I have suggested to the Deputy Governor that whenever there is an oil slick that samples should be taken both by the Ministry of Defence and ourselves and sent to separate establishments for analysis in order to satisfy the public at large that the source is not MOD or that the source is not Shell. I accept when they say it isn't but the public want to be satisfied that there is no suspicion on this question. I come into the picture because once the oil comes to the shores it is the responsibility, certainly in the few bits of shoreline that we still have on the West side, it is the responsibility of the Public Works Department to clear the mess up whoever is responsible and later if we can establish who is responsible we can bill but at the moment we are not tackling the oil slick that exists there because, certainly in my experience, whatever oil slick has come into Gibraltar depending on the wind conditions the oil slick has disappeared. I am convinced though I cannot prove it, that an oil leak existed within Gibraltar and this is why the oil is still there. Where the oil is coming from we still have not been able to analyse.

HON J E PILCHER:

In fact, the words of the Hon Member are the same as the words of the Oil Pollution Pressure Group who insist that the oil leakage is coming from an area within the Montagu Basin. Is the Government prepared to carry out a simple test to prove whether this is true or not by putting the oil boom which they have across the Montagu Basin after having cleared the Basin and if at the end of two weeks the Basin is full of oil it means that the leak is coming from within the Basin? That is a simple test, Mr Speaker, that can be carried out quite easily if at the same time Shell and the MOD are seen to be pumping at the same site.

HON MAJOR F J DELLIPIANI:

Mr Speaker, there is some logic in what the Hon Member has said and I used that logic before. The worst area within the Montagu Basin itself is the slipway of the Calpe Rowing Club where they have a boom and inside the boom they have oil already and I suggested that a member of my Department should get in touch with the Club and remove the boom to see whether the oil would go away. The reaction of the Club is, no, they are going to keep the boom to see if the oil inside the boom increases which I think is pretty difficult to measure. I think it would have been more logical to have removed the boom and see if the oil goes away and then if any new oil comes in we know that the source could be in that area. We have conducted, and I invited a representative from the Ministry of Defence to accompany us in our investigation, we have lifted all the manholes in that area to see if there is any oil leakage from any pipes draining into our own system and then going out to sea and we did not discover any oil in our manholes. We are now carrying out some drilling around the area to see if we can detect any oil coming in from the Rock itself though, of course, this would be a very cautious operation because whilst we are doing the digging and the trenching we do not want to dig into one pipe and break the pipe and really cause an oil spill but, certainly, these are

the measures that my Department is pursuing purely because at the end of the day the damage that has been done already will have to be tackled by the Gibraltar Government in our shoreline and of course if we can establish the source then we will charge whoever caused the oil pollution. But I am convinced myself though I cannot prove it as I am a layman, that there is a leakage somewhere within Gibraltar because the oil just does not go away.

HON J E PILCHER:

I take it, just a final point, that if we get the cooperation of all the Associations, the Calpe, the Small Boat Owners Association, we can carry out the tests which I think the Hon Member is happy with, to put the oil boom and see what happens after that.

MR SPEAKER:

Next question.

THE HON J BOSSANO

Can Government state whether problems are being experienced by non-British spouses of Gibraltarians in obtaining British Nationality?

ANSWERTHE HON THE CHIEF MINISTER

Sir, the British Nationality Act, 1981, to which we contributed so much, prescribes a number of requirements which must be satisfied for a person to become eligible to apply for the discretionary grant of a certificate of naturalisation as a British Dependent Territories citizen. Freedom from immigration restrictions is one of them. In the case of a spouse of a British Dependent Territories citizen who wishes to acquire British Nationality in Gibraltar, this means that, in addition to satisfying all the other prescribed requirements (including a 3-year period of residence in Gibraltar), he or she must also be free from immigration restrictions when the application for British Nationality is submitted.

Persons holding certificates of permanent residence issued under the provisions of the Immigration Control Ordinance are considered to be free from immigration control for these purposes. However, these certificates are only available to the children and husbands of registered Gibraltarian women provided certain conditions are met. In order to enable other persons who would otherwise meet all the statutory requirements for naturalisation to satisfy the freedom from immigration restriction requirement and so apply for naturalisation, an amendment to the Immigration Control Ordinance was enacted, in December last year, which provides for the Governor-in-Council in his absolute discretion to exempt persons from immigration control. The exemption process was set in motion immediately but in the course of considering applications it became clear that the amendment as enacted was technically inadequate and that many of the applications could not be considered. In view of this, new provisions have been drafted and referred to London to ensure that no further technical difficulties are encountered. Nevertheless, it is hoped to bring the proposed revised legislation before the House when it next meets.

30.10.84

NO. 173 OF 1984

ORAL

THE HON J BOSSANO

Can Government confirm that the Acting Director of Tourism will need to be paid for these duties in addition to his emoluments as Administrative Secretary?

ANSWER

THE HON THE CHIEF MINISTER

Yes, Sir. This is covered by Colonial Regulation 26 which states that, in this kind of case, the officer concerned shall receive half the minimum pay of the office in which he is acting and the whole of the pay of his own job.

I was waiting for a supplementary but it has not come. I should say that the amount, after tax, amounts to something like £286 per month or £66 per week.

30.10.84

NO. 174 OF 1984

ORAL

THE HON M A FRETHAM

Has Government now made a decision regarding the Chamber of Commerce Memorandum on customs arrangements at the frontier?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, there has been continuing consultation between the Government and the Chamber of Commerce on this matter. No decisions have been taken because it was mutually agreed to await developments on possible early normalisation at the frontier.

NO. 175 OF 1984

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government give a fixed date when they propose to put into effect the 1983 Landlord and Tenant Ordinance?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

At the last meeting of the House, I stated that a Rent Assessor had already been appointed and that the necessary administrative work had been put in hand with a view to implementation in early autumn.

I regret that there are still a number of arrangements to be completed before the Ordinance can be properly put into effect. For a start there are a number of amendments which have come to light that have to be brought before the House. There is also the question of office accommodation for the Rent Assessor and his assistant which I am told will be ready before the end of December. Finally, but not least, there is the appointment of the Rent Tribunal which is also receiving consideration.

A realistic date would therefore appear to be January next year although I would have preferred an earlier date.

SUPPLEMENTARY TO QUESTION NO. 175 OF 1984

HON J BOSSANO:

Mr Speaker, is there any precedent for legislation that has been through all its stages in one meeting of the House last December because of the urgency of its implementation not being in effect a year later?

HON A J CANEPA:

Mr Speaker, I have only been a Member of this House since 1972 at the same time as the Hon Member came in and I do not know whether there are precedents before that.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, does Government support that the MOD property adjoining the Museum should be given for accommodation to the Gibraltar Ship-repair Limited rather than it being used to extend the Museum?

ANSWERTHE HON THE CHIEF MINISTER

The Government is very conscious of the need to expand the Museum and we are at present considering a possible solution.

SUPPLEMENTARY TO QUESTION NO. 176 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, is the Hon and Learned Chief Minister saying then that the Museum will be getting the property?

HON CHIEF MINISTER:

I say that we are looking for a possible solution and the solution would be that the Museum would get the property otherwise it is no solution.

NO. 177 OF 1984

ORAL

THE HON J C PEREZ

Mr Speaker, can Government state when they expect to be in a position to make available the Coopers and Lybrand Report on water and electricity as promised in answer to Question No. 85 of June this year?

ANSWERTHE HON THE CHIEF MINISTER

Sir, as it was I who undertook that the Report would be made available, and as I wrote to the Hon Member on this matter on 10 October, I must express regret that, owing to an administrative misunderstanding, there has been a delay. The report, as far as I am concerned, was, I hope, safely delivered yesterday on a confidential basis.

SUPPLEMENTARY TO QUESTION NO. 177 OF 1984

HON J C PEREZ:

Mr Speaker, notwithstanding the fact that I have got the Report, I do have a supplementary for the Hon and Learned Gentleman, in fact, I was thinking that perhaps since I was asking for the Report since last April he would be making a public presentation in the House or something but notwithstanding that, he said in answers to supplementaries of Question No. 85, and I quote: "I did not say that it would be made available on a confidential basis, what I said was that there would not be enough copies to go round but, certainly, the first choice would be to the Opposition". Since the Hon and Learned Minister for Municipal Services has in a letter to me this morning said that he is giving me the copy on a confidential basis, does that mean that the confidence is initially and that later on when the Government has copies available it will be made available to the press for publication?

HON CHIEF MINISTER:

No, not exactly that. Certainly it is in the first place confidential and we have not got more copies to go round but, of course, it is available to all Members of the House. When the Hon Member has had an opportunity of studying the Report I am prepared to discuss with him whether we should lift the confidentiality.

NO. 178 OF 1984

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, has Government now studied the Victoria Stadium Report and if so, what conclusions have they reached?

ANSWERTHE HON THE CHIEF MINISTER

Sir, preliminary discussion has taken place in Council of Ministers and it is expected that a conclusion will be reached in the meeting after the next of Council of Ministers.

SUPPLEMENTARY TO QUESTION NO. 178 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister responsible not agree at this stage that most of the criticism contained in the Report is directed at him at his handling of the situation?

HON CHIEF MINISTER:

I am sorry, I did not hear the question.

HON MISS M I MONTEGRIFFO:

Can the Minister responsible, the Minister for Sport, not agree at this stage that most of the criticism contained in the Report is directed at him at his handling of the situation?

HON CHIEF MINISTER:

No, the answer is no.

MR SPEAKER:

Next question.

NO. 179 OF 1984

ORAL

THE HON J BOSSANO

Does the Chief Minister accept that the Foreign and Commonwealth Office has the right to discuss defined domestic matters with Spain without his prior agreement?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, I really do not understand what the Hon Member means.

As stated in the Press Release which I issued on my return from my last meeting with the Secretary of State, relations between the Gibraltar Government and the FCO are in excellent shape.

For over twenty years I have had to deal not only with the substance of the very difficult problems with which Gibraltar has had to contend with but also with the sceptics and prophets of doom who have attacked me because they do not trust the British Government.

Throughout this period I have stood by my trust in the British Government, the British Parliament, the British press and the British people. That trust has been vindicated and I do not accept that the British Government is acting behind my back.

SUPPLEMENTARY TO QUESTION NO. 179 OF 1984

HON J BOSSANO:

Mr Speaker, is the Hon Member going to answer the question apart from his little homily on trust, or not?

HON CHIEF MINISTER:

That is all I have to say on the matter.

HON J BOSSANO:

Mr Speaker, is it in fact the case that the Chief Minister has to give his consent to defined domestic matters being discussed with Spain or the Foreign Office can act in disregard of his views in the matter? That is what I want to know, I am not saying whether he trusts or he doesn't trust.

HON CHIEF MINISTER:

I am not prepared to add to my answer.

HON J BOSSANO:

The Hon Member can expect to be faced with the same questions House after House as long as he hides behind a wall of silence, Mr Speaker.

HON CHIEF MINISTER:

We have been answering questions since 10.30 this morning.

MR SPEAKER:

Next question.

NO. 180 OF 1984

ORAL

THE HON J BOSSANO

Can Government state whether it still adheres to the view that any negotiations dealing with any prospective rights of Spanish Nationals in Gibraltar should take place after the removal of the restrictions unilaterally imposed by Spain and not in order to obtain the removal of these restrictions?

ANSWERTHE HON THE CHIEF MINISTER

Sir, it has always been my view - and this view has been shared and consistently upheld by the British Government - that there should be no re-negotiation of the terms of the Lisbon Agreement or any pre-negotiation before it was implemented. That remains my view. It does not preclude the holding of exploratory talks at official level.

SUPPLEMENTARY TO QUESTION NO. 180 OF 1984

HON J BOSSANO:

So, in fact, the Hon and Learned Member is saying that he continues to subscribe to the view that he has expressed about the interpretation of the Lisbon Agreement notwithstanding the fact that the current exploratory talks appear in the Spanish view to be doing something different that appear to be leading to prior agreement before the removal of the restrictions?

HON CHIEF MINISTER:

I am quite satisfied that that is not the case.

NO. 181 OF 1984

ORAL

THE HON J BOSSANO

Can the Chief Minister state whether he is permitted to consult with all or any other Government Ministers as regards the confidential information which has been imparted to him from the Foreign and Commonwealth Office?

ANSWERTHE HON THE CHIEF MINISTER

Sir, whether I consult all or any Ministers on confidential information imparted to me by the Foreign and Commonwealth Office depends on the particular matter being dealt with at any particular time. There are occasions on which it is necessary for me to sound out Ministers in order to express a collective view. My Deputy is, of course, brought into the picture more frequently than other Ministers and accompanies me to meetings with the Secretary of State.

SUPPLEMENTARY TO QUESTION NO. 181 OF 1984

HON J BOSSANO:

Am I right in deducing from that answer, Mr Speaker, that it is the Chief Minister who decides who he needs to consult and that, in fact, the fact that he is consulted on a confidential basis does not mean that he is required not to consult anybody else?

HON CHIEF MINISTER:

I do not understand the logic. I consult as required with my Ministers who are bound by an oath of secrecy as Members of the Council of Ministers.

HON J BOSSANO:

Mr Speaker, am I right then in deducing from that that the requirement placed on him still enables him to consult whoever he thinks fit?

HON CHIEF MINISTER:

Not whoever I think fit, certainly not.

HON J BOSSANO:

Well, within the Government, obviously.

HON CHIEF MINISTER:

Well, that is a very different thing. To be a Minister and to be bound by an oath of secrecy is one thing and I cannot consult just anybody, I cannot share my consultations with anybody other than my Ministers.

NO. 182 OF 1984

ORAL

THE HON J BOSSANO

Can Government explain why it was not able to give any indication of the substance of the talks between Britain and Spain to the last meeting of the House of Assembly, yet shortly afterwards the Chief Minister revealed in a radio interview that the New York meeting was a "make or break" one for the question of advance implementation of EEC rights and early lifting of restrictions?

ANSWERTHE HON THE CHIEF MINISTER

Sir, the radio interview referred to in the question took place on 11 September. On 5 September, a Spanish newspaper had given a detailed, and what appeared to be an authoritative report on the progress of talks on Gibraltar between the British and Spanish Governments. This gave rise to very considerable speculation in Gibraltar and it was right, in my judgement, to make the brief statement to which the question refers.

SUPPLEMENTARY TO QUESTION NO. 182 OF 1984

HON J BOSSANO:

Mr Speaker, since this meeting of the House has taken place subsequent to both the Hon and Learned Member's radio interview and the press report, does he not think that he should have made a statement to the House which he was not prepared to make in June last year?

HON CHIEF MINISTER:

I did not say anything in the radio interview that would have enlightened the Hon Member on the details of the discussions. I think the interview should be read as a whole and not just a particular phrase taken out of context because I also said: "Having regard to the fact that I am kept informed on a confidential basis, I would rather make no judgement when the matter is sub judice, that is, whilst it is the subject of negotiation". Then the other question was: "What hopes for September, not that you are going to break any confidentiality of the unpredictable situation to come. Do you feel anything concrete will come out of yet another meeting between Moran and Howe?" I said: "Well, I attach more importance to the September meeting than to the ones that have come up to now because we are gradually reaching the stage where the bona fides of previous talks will be put to the test in September and it could well be a make or break meeting on the advance implementation of the removal of the restrictions". What I was saying was that there were enough meetings for something to happen and that is why I used that phrase. I was not revealing anything that has happened except to say that there had been a series of meetings and it was about time that progress was made.

HON J BOSSANO:

Mr Speaker, wouldn't the Hon and Learned Chief Minister agree with me that, in fact, the revelation that the advance implementation of EEC rights was linked to the possible lifting of restrictions was something that he had been unwilling to say in the House of Assembly and, in fact, I had not even gone as far as asking him that? Would he not agree with me that that coming from him must be considered as an authoritative statement of the nature of the contents of his talks?

HON CHIEF MINISTER:

I think that, certainly after the 5th September, it was generally known. It was made in an authoritative statement in what is regularly recognised as the mouthpiece of the Government in Spain and that was it.

HON J BOSSANO:

But, Mr Speaker, I accept that, obviously, the information appeared to have been leaked in the Spanish press by a Spanish Government source who seemed to be less concerned about confidentiality than the Hon and Learned Member but does the Hon and Learned Member not agree that, in fact, his adamant refusal to give any information here in June where the requirement was far less than anything like this, is in sharp contrast to the statement that he made on radio where he appeared to go further than I had been asking him to go in the House?

HON CHIEF MINISTER:

No, I think not, with respect. I think that the situation was such that I wanted precisely because there had been a leak in the Spanish press, I felt freer to be able to answer a question. This was September and the House was in recess, I do not think that I would have called a meeting of the House to say that I thought the next meeting should be a make or break situation.

HON J BOSSANO:

Could I ask the Hon Member how he can consider a make or break meeting still to be an exploratory one which he told me in answer to Question No. 180 was all that was taking place regarding the possible prospective rights of Spanish Nationals being agreed prior to the removal of the restrictions which he says is not taking place? How can a meeting be exploratory and not involve decision taking and still be make or break?

HON CHIEF MINISTER:

No, it was in the future that I was saying, not in the past. We are talking about a meeting that had not been held yet.

HON J BOSSANO:

Mr Speaker, but it is now after the meeting and I am asking the Hon and Learned Chief Minister whether he still adheres to the view that any negotiations on rights of Spanish Nationals must take place subsequent to the removal of the restrictions and not prior to that removal and he has said, yes, he still adheres to that view and that the meetings that are being held and have been held are exploratory and yet the last exploratory meeting was described by him as a make or break one for a decision to be taken prior to the meeting taking place. I am asking him how he reconciles his description of the meeting today as being an exploratory meeting in which no decisions are taken and his description of that meeting in his radio interview as a make or break one because the process has now been going on for so long that it was now time for decisions?

HON CHIEF MINISTER:

Well, not for decisions, for progress, it would show that there should be progress in what was being discussed, that is all it meant. I was free to say that having regard to the fact that the Spanish sources had revealed what was being discussed.

HON J BOSSANO:

To sum it up, Mr Speaker, then the Hon and Learned Chief Minister is telling us that in order for the Opposition to be brought into the picture by him we have to rely on leaks in the Spanish press to prompt him, is that the situation?

HON CHIEF MINISTER:

No, that is not the case. In order for the Hon Leader of the Opposition to be consulted he has been told many times that what is required of him is to abide by the terms of confidentiality otherwise the basis for communication is the basis of how much of it is known or not. If the Spaniards thought to make some release I thought it was necessary in Gibraltar to counter that by saying what I said.

HON J BOSSANO:

Mr Speaker, I am not asking about being consulted, I am asking about the House of Assembly being kept informed by the Hon and Learned Chief Minister as to what is taking place and have questions in this House receiving answers and it seems that all that one has to do is to time the questions more or less in line with the leaks on the other side.

HON CHIEF MINISTER:

You have to look at the interview as a whole, that was purely a remark and there is nothing in the interview at all revealing what had happened at previous meetings which is the important thing.

MR SPEAKER:

Next question.

NO. 183 OF 1984

ORAL

THE HON J BOSSANO

Can the Chief Minister state whether the decision not to proceed in 1981 with a petition to the European Parliament for the right to vote, as recommended at the time by Lord Bethell, was taken exclusively by him and the then Leader of the Opposition, Mr Isola, or whether other Members of the House were aware of or consulted on the issue?

ANSWERTHE HON THE CHIEF MINISTER

Sir, the decision was taken in consultation between the Leader of the Opposition at the time and myself.

SUPPLEMENTARY TO QUESTION NO. 183 OF 1984

HON J BOSSANO:

And therefore no other Members of the House were made aware of it?

HON CHIEF MINISTER:

I should make a reservation and that is that as far as I was concerned there was no other but the Leader of the Opposition could well have consulted his colleagues.

GIBRALTAR

HOUSE OF ASSEMBLY



QUESTIONS AND ANSWERS

Meeting of

11 December 1984

184 to 247

NO. 184 OF 1984

ORAL

THE HON J E PILCHER

What is Government's policy as regards the Spanish proposals that tourists destined for Spain and arriving in Gibraltar should be allowed to travel to the mainland without being subject to Gibraltar Customs and Immigration Controls?

ANSWERTHE HON THE CHIEF MINISTER

Sir, the Government is not aware of any such proposals having been put forward by the Spanish authorities.

Sir, I should like to add to my answer with your leave, a general comment which applies to a number of questions that have been put down for answer today. We have done our best to produce answers as far as we can at this stage but definitive replies have not always been possible. I should also point out that some of the matters raised in these questions will be the subject of the legislative proposals which will be put to the House, at the meeting to be held next month, in order to give effect to the advance implementation of EC rights between Gibraltar and Spain. To go into any kind of detail or to discuss such matters at this stage would therefore be to anticipate debate on those proposals. There is also, of course, the question of anticipating the debate on the motion of which I have given notice.

Finally, Sir, I would make the general point that, while a number of the questions refer to the rights of Spaniards, it is an essential element of the Brussels Agreement that there will be reciprocal rights for Gibraltarians and that cooperation will be on a mutually beneficial basis.

SUPPLEMENTARY TO QUESTION NO.184 OF 1984

HON J BOSSANO:

Would the Chief Minister not agree that the rights that may or may not be granted to Gibraltarians in Spain is a matter for the Spanish Parliament and not one on which any Member of the Government is responsible for in Gibraltar and therefore there is no question of us asking the Government what Gibraltarians may or may not obtain in Spain?

HON CHIEF MINISTER:

I think the Hon Leader of the Opposition has misunderstood the element of my remarks. I was remarking that in the case of all the questions that are being asked about certain rights being acquired, I was just commenting that there is an equivalent right

to be gathered and we are not going to answer here for that, what we have to answer is to see that they are carried out.

HON J BOSSANO:

Would the Hon Member not agree that the questions that we have got are the sort of questions that people need to answer if they are to understand the implications of the agreement and it is not a question of anticipation debate but of obtaining information?

HON CHIEF MINISTER:

Yes, and the Hon Leader of the Opposition will see that we have done our best because I appreciate the concern of the Opposition and of everybody in Gibraltar to know what it is all about and I think it is a very good opportunity and if I may say so, the questions from Members have left very little unquestioned, that is to say, you have gathered everything. Hon Members will see that we have tried to give information but in some cases it may not be possible to give all the information that Hon Members may require now.

HON J E PILCHER:

Mr Speaker, following from the initial question, is the Chief Minister saying that the Government do not have a policy on the fact that Spaniards could travel to the mainland without being subject to Immigration and Customs Control?

HON CHIEF MINISTER:

Of course we have a policy but the point is that the question is about Spanish proposals. We do not know any Spanish proposals, if there are any we will react and I can assure Hon Members that however much they disagree with what we are dealing with, the feelings of Hon Members there and feelings here in many respects are equal and that the rights of people will be safeguarded and I will not come to this House to have to apologise to anybody.

HON J E PILCHER:

I thank the Chief Minister for telling me what my feelings are but could I ask the Government whether they have a policy and, if so, could they tell the Opposition what their policy is?

HON CHIEF MINISTER:

Yes, the policy is as stated in the reservation made in the press release that was issued by me after the Agreement. We do not envisage any question of dual control of the airport or any special privileges to anybody.

MR SPEAKER:

Next question.

NO. 185 OF 1984

ORAL

THE HON J BOSSANO

Can Government state whether the reference to cooperation in military matters in the Brussels Agreement implies that the defence of Gibraltar could become partly a Spanish responsibility?

ANSWERTHE HON THE CHIEF MINISTER

Sir, this is another example of a question which it is impossible to answer in the terms stated.

Cooperation in military matters - as well as in economic, cultural, touristic, aviation and environmental matters - will be discussed in the working groups referred to in the Agreement. I do not see that Spain will have anything to do with the defence of Gibraltar, certainly not in the context of the Brussels Agreement.

SUPPLEMENTARY TO QUESTION NO.185 OF 1984

HON J BOSSANO:

But is it true to say, Mr Speaker, that the Brussels Agreement is concerned with cooperation in military matters in relation to Gibraltar or is it about cooperation in military matters between Her Majesty's Government and the Spanish Government outside Gibraltar, which of the two is the Brussels Agreement about?

HON CHIEF MINISTER:

I think it would be ridiculous to pretend that the question of cooperation here does not refer to Britain and Spain on Gibraltar, it would be ridiculous to do that, but it is included in a number of things on which there will be discussions as to cooperation. When it refers to the defence of Gibraltar it is a different matter and when I said in the context of the Brussels Agreement I was referring to the fact that there may well be eventually, if Spain joins the military side of NATO and takes her share in the NATO Council, that the areas around here may be the subject of cooperation, I do not exclude that, but that is beyond our remit and in any case the British Government is responsible for the defence of Gibraltar and we would look to the British Government for Gibraltar to be defended by the British Government and by nobody else.

HON J E PILCHER:

Is the cooperation envisaged the same cooperation as now exists.

The Hon and Learned Chief Minister is talking about when Spain joins NATO, is that the same cooperation as now exists between Britain and other members of NATO that there is usage of the dockyard, usage of the airport as a NATO member or is the cooperation even further than that?

HON CHIEF MINISTER:

I do not see that as being further than that, in fact, we haven't got there yet.

MR SPEAKER:

Next question.

NO. 186 OF 1984

ORAL

THE HON J E PILCHER

Will goods purchased in Gibraltar after the lifting of restrictions be subject to duty when taken back to Spain by visiting tourists and, if so, can Government state what is the average level of such duties?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, I have no information yet on the customs regime which the Spanish Government will apply at the frontier. The position will become clearer when talks are held, at official level, on the practical arrangements for the opening of the frontier.

SUPPLEMENTARY TO QUESTION NO.186 OF 1984

HON J E PILCHER:

But is it not true, Mr Speaker, that there have been a series of technical talks for the past two years, in fact, ever since the Lisbon Agreement was signed and has this subject never come up in those technical talks?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

They have not come up, Mr Speaker.

HON J BOSSANO:

Mr Speaker, can the Hon Member then say how he expects to be able to say that Gibraltar will benefit by the visit of tourists if he is not able to say whether the tourists will be able to take their things back because the duties may or may not be prohibited?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There are various ways in which Gibraltar can benefit by increased tourism, Mr Speaker, and the particular benefit which the Hon Leader of the Opposition has referred to is only one of those.

HON J BOSSANO:

Can the Hon Member say whether in fact he knows generally what Spanish tariffs are on imports and whether there is any reason to suppose that the tariffs applied to goods bought in Gibraltar would be any different from what they would be if they were bought anywhere else?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

These matters will have to be discussed, Mr Speaker. As I have said, we will be holding talks at official level.

HON J BOSSANO:

Mr Speaker, is it not the case, for example, would the Hon Member not agree, that anybody can find out what our duties are by simply buying a copy of the relevant Ordinance? Has the Government made any attempt to find out what is the average range of import duties in Spain without any technical talks, have they made any effort to find out on their own initiative?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

We have general information about the level of duties in Spain, of course, Mr Speaker. The Hon Member's question was addressed to the subject of tourists crossing the frontier going back into Spain which is the one I have tried to answer.

HON J E PILCHER:

I take it the definition of the word 'tourist' is what is upsetting the Hon Financial Secretary but I take it that tourist is any person entering Gibraltar via the land frontier. If I can give the Hon Member an example, would a person coming into Gibraltar and buying a radio made in Japan would that radio not pay the same duty as it would pay whether it went into Spain by any other point of entry in Spain or would there be a special circumstance for the frontier in Gibraltar and has the Government not asked themselves that question?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

For the purpose of duty it is normally the country of origin, I think, which determines the amount of duty to be paid. As regards tourists I have, in fact, a definition of tourist. A tourist is defined as a person without distinction of race, sex, language or religion, who enters the territory of a state different from that in which that person habitually resides and remains there for at least 24 hours and not longer than 6 months in a period of 6 months.

HON J BOSSANO:

Mr Speaker, is he saying then that all the day trippers that visit Gibraltar will not be tourists because they won't be here 24 hours?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If we are getting back to the subject of duty free allowances, Mr Speaker, I think the Hon Leader of the Opposition will be familiar with the arrangement which was agreed some considerable time ago under the 1954 New York Convention which does stipulate a stay of 24 hours in a country by a tourist to qualify for duty free allowances when crossing the frontier.

HON J BOSSANO:

Mr Speaker, we are not talking about duty free allowances, we are talking about goods purchased in Gibraltar meaning duty paid, not in the air terminal, goods that are bought by people who visit Gibraltar and are taken back to Spain, presumably what the difference is going to be between now and the situation after the lifting of restrictions is that there will be no physical barrier to taking goods back which operates at present. What we want to know is has the Government any notion of what people are likely to be asked to pay, some indication? It is difficult to believe the Hon Member has got no idea at all of what is the likely amount of duty chargeable on things bought in Gibraltar or anywhere else for that matter.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As I said, Mr Speaker, this is something which will be covered in the talks at official level.

HON J BOSSANO:

But does the Government have any idea at all whether any duty will be payable or not, for a start?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, Mr Speaker, I have nothing to add to what I have said.

HON J BOSSANO:

But is it that the Hon Member has nothing to add or that the Hon Member is withholding the information? Is it that he doesn't know or that he doesn't want to say it?

HON DR R G VALARINO:

Shame.

HON J BOSSANO:

No, Mr Speaker, if the Hon Member doesn't know it is even more of a shame than if he doesn't want to say it because if he doesn't

know he has got no business and the Government has got no business to be recommending anything to anybody if they do not know. What I want from the Hon Financial and Development Secretary is - (a) is it that he doesn't know whether duty is payable or that he knows and he doesn't want to tell, and (b) if he knows can he tell us, yes or no, duty is payable or duty is not payable? Let us start by that to try and get some information. He has lost his tongue has he, Mr Speaker?

MR SPEAKER:

Next question.

NO. 187 OF 1984

ORAL

THE HON J BOSSANO

What additional costs is Government expecting to have to meet as a result of the acceptance of the terms of the Brussels Agreement in the first financial year of this happening?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

The Government is considering the measures which may be necessary following the Brussels Agreement and I am not yet in a position to say how much additional expenditure will be incurred.

SUPPLEMENTARY TO QUESTION NO.187 OF 1984

HON J BOSSANO:

Does the Government accept that there will be additional expenditure incurred?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker, we expect there will be some increase in expenditure in the frontier and in other Government Departments.

HON J BOSSANO:

Does the Government expect to know this before they actually introduce the legislation to give effect to the Brussels Agreement?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I would imagine that by the time the legislation is presented to the House, Mr Speaker, the Government will have a clearer idea but these are obviously a question of expenditure and I think there may be some continuous expenditure during the course of the year to meet the situation as it arises.

HON J BOSSANO:

Would the Hon Member not agree with me that although it is not going to be possible to give an exact figure of the cost, it should be possible to give an indication of the order of costs?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

On the previous occasion when there was preliminary expenditure in 1982, Mr Speaker, the figure was, I think, about £250,000. Obviously, some of that expenditure having already been incurred

will not be incurred again because it was of an infrastructural nature. If the Hon Member is asking me for a figure of the order of the expenditure, I would not put it higher than that particular figure, certainly.

MR SPEAKER:

Next question.

NO. 188 OF 1984

ORAL

THE HON J BOSSANO

What additional revenue is Government expecting to obtain as a result of the lifting of all Spanish restrictions in the first financial year of this happening?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

The net effect on Government revenue will depend on a number of factors; notably, the flow of visitors to Gibraltar, the Customs regime at the land frontier, and any changes in import duties which the Government may want to introduce. It is not possible to quantify these factors at this stage.

SUPPLEMENTARY TO QUESTION NO.188 OF 1984

HON J BOSSANO:

Could I ask the Hon Member the same question as I did in relation to the previous one, Mr Speaker, does he expect to have a clearer idea by the next meeting of the House when the legislation is going to be brought?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I do not think that that information is something which will necessarily follow from the legislation as such - the legislation on the frontier arrangements - I think one obvious variable which will be critical from the point of view of Government finances would be changes in import duties. I say critical, I mean to which Government finances will be sensitive. I think in general terms one could say that in the short term, we are talking about the first year, Government finances would not be highly sensitive to the effects of normalisation at the frontier and when I say that I am excluding the question of import duties and any changes from that. The changes in import duties which might be necessary for various reasons would obviously affect the equation.

HON J BOSSANO:

Would it be true to say then, Mr Speaker, that in the first year the effect is likely to be a net loss rather than a net gain to Government, taking cost and revenue together?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think that is a not unreasonable assumption, Mr Speaker, that in the first year there might be a net loss to Government revenues and I think separating the question of changes in import duties

one would expect the same effect. If one were, shall we say, to reduce import duties over a range of goods by the amount of £1m, shall we say, one would not expect the increased volume to compensate for that loss of revenue within the 12-month period. I am, of course, giving those purely as an example. In general terms, I would assent to the Hon Leader of the Opposition's assumption.

MR SPEAKER:

Next question.

NO. 189 OF 1984

ORAL

THE HON J E PILCHER

Is Government aware how wages in the bar and restaurant trade compare between Gibraltar and La Linea?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, the Government has no information on the level of wages in the bar/restaurant trade in La Linea. The only available statistics are in respect of national/regional earnings levels as and when published in the ILO Bulletins. These do not give a breakdown by industry.

SUPPLEMENTARY TO QUESTION NO.189 OF 1984

HON J E PILCHER:

Again I am forced to ask the same question. There has been absolutely no move by Government to find this out over the technical talks that have been occurring over the last couple of years?

HON DR R G VALARINO:

No, Sir.

HON J E PILCHER:

I take it that no attempt has then been made. Does the Government not accept that if the wages in La Linea are far lower than the wages in Gibraltar in this important bar and restaurant trade, that there might be a lowering of the standards of living in this particular area and that this boom on employment might not materialise?

HON DR R G VALARINO:

Mr Speaker, Sir, I think the question of the Hon Member is pure speculation.

HON J E PILCHER:

Mr Speaker, it might be pure speculation but how can the Government call the Agreement an honourable Agreement when they do not know whether it is prohibited to come to Gibraltar and buy goods and they don't know whether the tourists or day visitors will be able to take them to Spain. They don't know whether there will be a boom from employment in the bar and restaurant trade because they are not sure what wages are paid in this respect, do the Government know anything at all about this Agreement and the repercussions of the Agreement?

HON CHIEF MINISTER:

There are some questions where you will get positive answers.

HON J BOSSANO:

Is the Minister intending to do anything to try and obtain this information or is he quite happy not to know?

HON DR R G VALARINO:

Mr Speaker, of course we will try to get this information and I assure the Hon Member that any information that I obtain I will pass on to him.

HON J E PILCHER:

I expect, Mr Speaker, before the 15th February if not it will be too late afterwards.

MR SPEAKER:

Next question.

NO. 190 OF 1984

ORAL

THE HON J BOSSANO

Can Government confirm that employees of Spanish businesses operating from a base in Spain will not be liable to income tax on their earnings if these are paid in Spain notwithstanding that they may arise wholly or in part from work undertaken for a client in Gibraltar?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the gains or profits from any employment exercised in Gibraltar is deemed to derive from Gibraltar whether such gains or profits from such employment are received in Gibraltar or not, and are therefore liable to tax.

SUPPLEMENTARY TO QUESTION NO.190 OF 1984

HON J BOSSANO:

Can the Hon Financial and Development Secretary explain to us how he proposes to go about collecting this?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The collection of tax is, of course, a matter for the Commissioner of Income Tax, Mr Speaker.

HON J BOSSANO:

Mr Speaker, I am sure the Hon Member must be aware that the Commissioner already has difficulty sometimes in tracking down taxpayers in Gibraltar, never mind on the other side. Can he tell us if somebody gets paid in Spain for work done in Gibraltar, how is that money going to be taxable, how is it going to be declared and how is the tax going to be collected if it is taxable which I take it he is saying it is?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The problems which I think the Hon Leader of the Opposition is perhaps attempting to define are clearly those which would apply to the residents or those who work in any country who then move their point of residence or whose activities are difficult to trace. I think we must leave this to the discretion and the efforts of the Commissioner of Income Tax to work out.

MR SPEAKER:

We are not going to get involved in the actual implementation of

the collection. I think the answer has been given, the manner in which it is going to be executed is a matter for the Commissioner of Income Tax.

HON J BOSSANO:

With respect, Mr Speaker, I think the Hon Member may have missed the point. I am asking, Mr Speaker, if the person is employed in Spain, not employed in Gibraltar, and the firm which employs him has got to do some work in Gibraltar but the person's wages are still paid in Spain, is the Hon Member saying that in those circumstances part of his wages would be taxable in Gibraltar because he has undertaken some work in Gibraltar because that is what the questions asked - employees of Spanish businesses who are employed in Spain on Spanish wages and presumably taxable in Spain on those wages. The Hon Member is saying they would also be taxable in Gibraltar?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

What I said, Mr Speaker, is that if the employment is exercised in Gibraltar, that is, the employment is in Gibraltar, then he would be liable to tax on earnings from that employment.

HON J C PEREZ:

When he says 'if the employment is effected in Gibraltar', does the Hon Member not differentiate between the fact that the contract for that employment might have been effected in Spain rather than in Gibraltar?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I am not differentiating between those two circumstances, Mr Speaker.

HON J BOSSANO:

So the Hon Member is saying then, for example, that if a lorry driver comes in on the 16th February driving a lorry, for the time it takes him to arrive from the frontier to wherever the lorry is being unloaded is employment in Gibraltar on which he is taxable, for that part of his wages he is taxable in Gibraltar, is that what he is saying?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I am not saying that, Mr Speaker, and indeed if I were to comment further I would be anticipating one of the other questions which I think in the name of the Hon the Leader of the Opposition is down on the Order Paper.

HON J BOSSANO:

I do not think the Hon Member will anticipate anything because many of the questions are similar. The specific example that we are trying to establish in this particular question, Mr Speaker, is where an employer in Spain sends his workforce to do some work in Gibraltar which may be part of a week or a whole week, it can be said, it can be deemed that part of his earnings have arisen out of the work he has been undertaking in Gibraltar for a Spanish employer. The Hon Member says that that will have to be taxed in Gibraltar - I am insisting on that point because I am not sure that he is correct, Mr Speaker.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, I have given the general rule, Mr Speaker, obviously afterwards we will be consulting the Commissioner of Income Tax and there are clearly problems of definition here and I referred to another question where the Hon Member is asking about cross frontier services to which I will also be giving an answer. The answer I have given so far refers to employment exercised in Gibraltar. I think it would be obvious to anyone with a certain amount of commonsense which I am sure the tax collector has, that there are problems of definition and there are problems of interpretations and clearly there are going to be problems of interpretation for the Commissioner of Income Tax. I have tried to confine my answers to the Hon Leader of the Opposition's questions to the specific circumstances he mentioned. I have given a general statement of how that can be dealt with and one can vary the circumstances, I think, almost infinitely and cases will have to be considered by the Commissioner on their merits.

MR SPEAKER:

Next question.

NO. 191 OF 1984

ORAL

THE HON J BOSSANO

Will personal allowances under the Income Tax Ordinance now have to be granted to non-resident Spanish Nationals?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, no non-residents, whether Spanish or of any other nationality are entitled to personal allowances.

SUPPLEMENTARY TO QUESTION NO.191 OF 1984

HON J BOSSANO:

Is it not the case, Mr Speaker, that under the Income Tax Ordinance British Subjects who are resident in the Campo Area get personal allowances?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

They are deemed to be living in Gibraltar, Mr Speaker, under the Income Tax Ordinance.

HON J BOSSANO:

I know that, Mr Speaker, so therefore the answer that the Hon Member gave me is wrong. He said that no non-residents get personal allowances and the answer is there are people who are resident in the Campo Area who are deemed to be resident in Gibraltar for the purposes of the Income Tax Ordinance. Will that now have to be expanded to Spanish nationals?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As the Hon Member knows, indeed that was the section of the Ordinance which I read with some surprise when I first came across it, this will have to be reconsidered in the changed circumstances. He will be aware that was an amendment to the Ordinance which was introduced some while ago for rather different circumstances than those which will now apply.

HON J BOSSANO:

But what I am asking, Mr Speaker, is does the Brussels Agreement which talks about equality require that equality should be granted in this respect or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I think questions of equality under the Brussels Agreement are not quite the same thing as personal allowances for residents in the Campo Area or Gibraltar.

HON J BOSSANO:

So the Hon Member is telling me that the fact that under our existing law two persons working in Gibraltar and living in the Campo Area are taxed differently, they are taxed less if they are British than if they are Spanish, that has nothing to do with disequality or discrimination that is not discriminatory, is that the answer?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have said, Mr Speaker, that the provisions in the Income Tax Ordinance which were designed to deal with a specific situation arising out of what is now history, will obviously have to be considered under the differing circumstances which will apply in future.

HON J BOSSANO:

And my question, Mr Speaker, is does the Hon Financial and Development Secretary accept that the current provision in the Income Tax Ordinance is discriminatory and needs to be removed to comply with the Brussels Agreement, yes or no? It is not a question of being considered, I am asking him to say whether in fact that is consistent with the undertaking in the Brussels Agreement that there will be equality of rights and reciprocity?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I do not wish to say any more, Mr Speaker, than that we are certainly reviewing the matter.

HON J BOSSANO:

So the Hon Member cannot say whether there is a requirement or not to remove that discrimination?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not aware that there is any specific requirement to that effect, Mr Speaker, no.

HON J BOSSANO:

I am not sure that Senor Moran would agree with the last comments of the Financial and Development Secretary, Mr Speaker.

NO. 192 OF 1984

ORAL

THE HON J BOSSANO

Will persons providing cross frontier services be liable to income tax in Gibraltar if they are paid for their services in Spain?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, if the Hon Member is referring to individuals providing frontier services in its strictest sense then the answer is no.

SUPPLEMENTARY TO QUESTION NO.192 OF 1984

HON J BOSSANO:

I mean people providing services in Gibraltar, Mr Speaker, from a business operating and established in Spain.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think, if I follow that definition which is rather a shift from the Hon Member's question, it falls under the category of persons exercising employment in Gibraltar and therefore the answer to his earlier question, I think, would apply but if we are talking about cross frontier services then the answer which I have just given would apply.

HON J BOSSANO:

No doubt the Hon Member's literary background enables him to decipher his answers, I wish he would impart the same wisdom to me. Mr Speaker, what I would like to know; if you will permit me to give an example for the sake of illustration, if somebody, for example, Mr Speaker, is providing a laundry service to a client in Gibraltar does he have to pay tax on the amount he is paid in Spain for the service he is providing in Gibraltar?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think he is now talking about a trade in Gibraltar, that is of a laundry service in Gibraltar, then I think the income from that would be deemed to derive from Gibraltar. As I said, Mr Speaker, these are clearly questions of precise definition and the Commissioner of Income Tax is certainly going to have his cut out, I am sure, in making the necessary definitions but this will essentially be a matter of interpretation of the measures in each case.

HON J BOSSANO:

Is the Hon Member then saying that the same applies in the opposite direction, that is, that any services sold from Gibraltar into Spain becomes taxable in Spain?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As far as I am aware, yes, Mr Speaker.

HON J C PEREZ:

Mr Speaker, what would the Government do if there were to be an individual in Spain who refuses to pay income tax?

MR SPEAKER:

No, that is hypothetical and there is no need to answer that. Next question.

NO. 193 OF 1984

ORAL

THE HON J L BALDACHINO

Mr Speaker, will Government be required to alter the Income Tax Ordinance to allow tax relief for owner occupiers resident in Spain as a result of the Brussels Agreement?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir, Section 15A of the Income Tax Ordinance provides that any interest paid by an individual who occupies property in Gibraltar for residential purposes on a loan to purchase that property shall be allowed deduction from his assessable income.

SUPPLEMENTARY TO QUESTION NO.913 OF 1984

HON J BOSSANO:

Mr Speaker, we know what the Ordinance says, what we are asking the Hon Member is can the Ordinance survive the Brussels Agreement?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I see no reason why the Ordinance should not survive the Brussels Agreement, Mr Speaker, this is a matter of Gibraltar tax law.

HON J L BALDACHINO:

Isn't the Brussels Agreement based on the principles of the EEC or the agreement of EEC countries?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, if it is implicit in the Hon Member's question that Gibraltar's tax laws must be identical or harmonised with those in Spain, the answer is no, nor need they be harmonised with those of any other EEC country.

HON J BOSSANO:

The Hon Member then can say that he knows that this is not one of the points that will require to be altered, one of the pieces of legislation that will be required to be altered next month? He can tell us that he knows this to be a fact or is it just that no thought has been given to this and he is assuming that it won't need to be changed?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I gave the Hon Member an answer about the arrangements as far as tax is concerned for those countries which are members of the EEC and we have no proposal and neither will we have any proposal next month to amend the tax laws in the way the Hon Member is suggesting.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

Mr Speaker, can Government confirm whether the present requirement that only home ownership in Gibraltar qualifies for tax relief infringes the principles of equality of rights under EEC law?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir, it does not infringe the principle of equality of rights under EEC law.

SUPPLEMENTARY TO QUESTION 194 OF 1984

HON J L BALDACHINO:

Is it now correct, Mr Speaker, that under EEC law any resident, irrespective whether he is an EEC national or not who buys a house in an EEC country can claim tax relief in the country that he is working?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

First of all it depends where he is paying tax but I am fairly sure that - I cannot speak for all EEC tax regimes - but it would be most unusual, I am sure, for allowances to be made for a person to gain tax relief in one country for home purchase in another, it certainly does not apply under UK law.

HON J L BALDACHINO:

Mr Speaker, has the Government made enquiries on this?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I do not see why we should make enquiries on this particular point, Mr Speaker. The only enquiries we would perhaps make would be of the United Kingdom and I am quite confident that the position in the United Kingdom is as I have stated it. Perhaps I could add to this that there has been no serious move towards tax harmonisation amongst EEC countries.

HON J L BALDACHINO:

If what I have stated before is correct, Mr Speaker, will the Government then have to change the Income Tax Ordinance to comply with that if once the Brussels Agreement comes into effect and the restrictions between Spain and Gibraltar are lifted and we have a Spanish national working in Gibraltar who buys a house in Spain will he be able to claim tax relief if that is a directive of the EEC?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If he is paying tax in Gibraltar for any reason, Mr Speaker, and he owns a house in Spain, then he will not be able to claim tax relief in Gibraltar on his income arising in Gibraltar in respect of that house in Spain, that is under the present law.

MR SPEAKER:

Next question.

NO. 195 OF 1984

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, will Spanish Nationals resident in Gibraltar have the right to be joined by their families which under community law includes children under 20, spouses, parents and grandparents?

ANSWERTHE HON THE ATTORNEY-GENERAL

Mr Speaker, if this House passes the necessary legislation and that legislation is subsequently brought into operation by the Governor in Council the provisions of Section 59 of the Immigration Control Ordinance will apply to Spanish Nationals employed in Gibraltar if such Spanish Nationals are in possession of a residence permit. I would add that the reservation I have made in regard to the passing of legislation in this House and its being brought into operation by the Governor in Council applies also in the case of the other answers which are to follow. In each such case the answer will be preceded by reference to the reservation I have just mentioned.

SUPPLEMENTARY TO QUESTION NO. 195 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, is it the Government's intention to change the law?

HON ATTORNEY-GENERAL:

Yes, you will see that in the legislation.

HON J BOSSANO:

Mr Speaker, the reference by the Hon and Learned Member to 'if they have a residence permit', does that imply that a residence permit may be refused once EEC rights are granted?

HON ATTORNEY-GENERAL:

The residence permit would normally be granted to a person coming in for an economic purpose, namely, to establish himself or to provide services, he would be entitled to get a residence permit but, of course, under the derogation of the free movement of labour he wouldn't be able to get a residence permit unless he came under the Control of Employment Ordinance and he got a work permit and then he would get a residence permit but in the general run of cases the right to establish oneself and the right to provide services and they will come in under the Immigration

Control Ordinance and if they succeed in establishing themselves or providing services, then they will be given a residence permit under the Immigration Control Ordinance and once they have the residence permit then their families could join them under Section 59 of the Immigration Control Ordinance.

HON J BOSSANO:

But is it not the case, Mr Speaker, that there are a number of Spanish nationals currently resident in Gibraltar or are here on temporary permits of residence, will those not be able once the Brussels Agreement is implemented and the laws changed and the Governor-in-Council gives his assent and so forth, won't they be able to bring everybody mentioned in the question to join them?

HON ATTORNEY-GENERAL:

Mr Speaker, a question was asked in the last House about resident Spanish nationals and I couldn't give an answer then. At the moment the matter is still under consideration by those people who are discussing these matters as to resident Spanish nationals and I would ask the Hon. Leader of the Opposition to await the legislation and he will see then what the derogations, exceptions and modifications as agreed are when that legislation comes before the House but of resident Spanish nationals please don't ask me about at the moment.

HON J BOSSANO:

Mr Speaker, I know that it is sound advice to tell us to await the legislation because that is something we have got very used to for years but assuming that on this occasion the Hon and Learned Member will not be able to take several years to produce the legislation, he has to do it in a month, is it not the case that by now he ought to be able to give us some indication of what this Agreement involves which is being recommended as a good thing?

HON ATTORNEY-GENERAL:

Not on resident Spanish nationals.

HON J BOSSANO:

So it is not a good thing on that?

MR SPEAKER:

He cannot give you an answer on resident Spanish nationals.

HON ATTORNEY-GENERAL:

The whole matter is still being discussed, Mr Speaker, as I answered in the House on the last occasion.

MR SPEAKER:

Next question.

NO. 196 OF 1984

ORAL

THE HON J C PEREZ

Will Spanish building contractors be permitted to compete for work in Gibraltar using their own labour and equipment as a result of the implementation of the Brussels Agreement?

ANSWERTHE HON THE ATTORNEY-GENERAL

Mr Speaker, subject to the reservation stated in the answer to Question No.195 Spanish building contractors will be in exactly the same position as Community Nationals to compete for work in Gibraltar using their own equipment. However, until the expiration of the 7 year transitional period Spanish building contractors will not be able to bring Spanish workers into Gibraltar without obtaining the necessary permits under the Control of Employment Ordinance.

SUPPLEMENTARY TO QUESTION NO. 196 OF 1984

HON J C PEREZ:

Does that mean then, Mr Speaker, that if there are Gibraltarians of the trade involved unemployed in Gibraltar that that contractor if he gets work in Gibraltar must employ the Gibraltarians unemployed rather than bring their own labour force?

HON ATTORNEY-GENERAL:

He cannot bring his own labour force because there is a derogation on the free movement of labour. If he wants to bring his own labour force and he goes to the Director of Labour and Social Security and persuades the Director to give him a work permit that is fine but while there is a seven-year derogation there is no right to bring his own labour force to work in Gibraltar, if he wants to employ Gibraltarians or anybody else, fair enough.

HON J C PEREZ:

But would the company not be right in insisting that work permits for its employees be granted if those unemployed in the register are non-EEC nationals where Spanish nationals have preference over them?

HON ATTORNEY-GENERAL:

I am not quite sure I understand. He will not be able to bring in his own labour force without a permit.

HON J C PEREZ:

The Hon and Learned Member is saying that he will not be able to bring his own workforce unless he applies for a work permit. If he applies for work permits for his labour force because he has got a contract in Gibraltar and there are Moroccans of the same trade as his labour force unemployed, would Spanish

nationals in those circumstances not be granted work permits because they have preference in Gibraltar over non-EEC nationals?

HON ATTORNEY-GENERAL:

That is a matter for the Director. If there was an application for a work permit by a Spanish building contractor, it is a question for the Director of Labour and Social Security, surely, to sort out in deciding whether or not to grant this permit should he have a look at his own unemployed list and see whether he has got any Gibraltarians on that list and see whether he has got any Moroccans on that list, it is up to him.

HON J C PEREZ:

Mr Speaker, I will leave the question of labour although I am not totally convinced because there are other questions specifically on labour further on, but on the question of equipment would the equipment that would need to be brought in be subject to import duty or would it come in freely to do a contract that has been awarded to a Spanish firm with a Spanish base in Gibraltar?

HON ATTORNEY-GENERAL:

It would come in as any other building equipment, there would be no difference between a French building contractor bringing in his equipment into Gibraltar or a Spanish firm, they would have exactly the same EEC rights. I believe they are subject to duty on bringing in their equipment to carry out work unless it is for a specific Government project or it is going to be taken out again and maybe my Hon Friend, the Financial Secretary, can advice on this. It would be subject to the same rights as any other EEC national.

HON J BOSSANO:

How can the Hon and Learned Member say that? Is he not aware that we are not next door to France, that the French frontier with Gibraltar is not going to open and that there isn't going to be free movement of goods across the frontier between us and France, that is the difference. French equipment has got to be brought in by sea or by air, Mr Speaker, and therefore it passes through Customs and it is left in Gibraltar and it does not pay duty if it is going to be used on a development project for which funds have been provided by UK. What we are asking is, if part of the Agreement which gives reciprocal rights gives the right to a Spanish building firm to tender for work in Gibraltar be it public sector or private sector work and the answer to that is yes, then the follow up is presumably if the man comes in every day with his lorry and goes back every night with his lorry, surely is that lorry going to pay duty and get it rebated every evening or what?

HON ATTORNEY-GENERAL:

He can bring in his equipment just the same as any other EEC national and subject to the same freedoms or the same restrictions. There is going to be no discrimination in that respect.

HON J BOSSANO:

Does the Hon Member know what these conditions are and can he tell us?

HON ATTORNEY-GENERAL:

It is the same as appertains at present. The Spanish building contractor who gets a contract here has exactly the same rights as any other, if you like, non-Gibraltarian building contractor.

HON J BOSSANO:

Mr Speaker, surely the Hon and Learned Member must recognise that the difference created by a frontier with no restrictions is that people will be able to commute on a daily basis and that that is not a situation which exists today. Today anything that is brought into Gibraltar stays in Gibraltar, it doesn't go out every night. Can he tell us in a situation where a contractor in Spain can put a bid for a tender that comes out and gets it, what happens then if he is operating from his yard in La Linea to his site in Gibraltar and what does the Hon Member mean when he says that it is the same as it happens today with other EEC nationals, that is not happening today?

HON ATTORNEY-GENERAL:

What you are saying is if a building contractor in La Linea got a job in Gibraltar would he have the right to move his equipment backwards and forwards. I would have thought he would be classed as a frontier worker. I would have to think about that, Mr Speaker, because I simply do not know the answer off the cuff. The coming in of the equipment and the taking out, quite honestly, off the cuff, I don't know.

HON CHIEF MINISTER:

The cost of moving heavy equipment every day should be completely impossible.

MR SPEAKER:

I think the principle has been established and I think the answer has been that the Spanish contractor will be on all fours as any other foreign contractor and that no derogations have been made or no special restrictions have been placed as far as the present position is concerned. Whether it is good or bad is another matter and that is the answer you have been given.

HON J BOSSANO:

I am not sure that that is the answer I have been given, Mr Speaker, it seems to me that the answer that I have been given is that the Hon and Learned Member and apparently the rest of the Government never thought of this possibility and I am not sure how it operates. The present situation, Mr Speaker, is that a Gibraltarian contractor brings in a second-hand lorry and pays duty on it the moment it arrives at Waterport because the lorry is going to stay here and work here. What I am asking and what the original question asks is, does a firm in the neighbouring territory have the right to tender for work in Gibraltar and the answer has been yes. If he tenders for work in Gibraltar there is no reason why he should uproot himself and move lock, stock and barrel and set up a business in Gibraltar, he can do it from his existing business premises in La Linea as far as we know unless we are told different by the Hon and Learned Member. How would that operate in practice, that is what we want to know?

HON CHIEF MINISTER:

Surely, he cannot use his cranes from La Linea, he cannot use everything from La Linea, surely.

HON J BOSSANO:

But can he or cannot he?

HON CHIEF MINISTER:

Of course he cannot, physically he cannot.

HON J C PEREZ:

If the firm is given a contract in Gibraltar and the firm has work to do in Gibraltar and he is using a vehicle, let us say that it is a small job and he is using a vehicle and a driver, the Hon and Learned Member has already said that for the driver to be permitted to bring in that vehicle he would need a work permit. Is that vehicle because it is coming into Gibraltar to do work, is that vehicle subject to import duty and to restrictions or can that vehicle come in freely if the driver has got a work permit since the Hon Member says that the driver needs to have a work permit?

HON ATTORNEY-GENERAL:

The vehicle could come in. I would have thought perhaps duty would have to be paid but, surely, if the vehicle is going to be taken out again at night that would be a nonsense and if it is going to be brought in again the next day it would be a clear nonsense and obviously this is something that is going to have to be done in each and every case, you bring in your equipment in today, are you, and you are going to take it out tonight, well, if you take it out tonight no duty. Surely,

this is a matter one will have to consider. This is a matter when you get down to the circumstances of each and every case you will have to look at.

MR SPEAKER:

With respect, the rights have been established, the consequences will have to be thought out and perhaps something will have to be done, I think that is what has been said.

HON J E PILCHER:

We can then establish that the Hon and Learned Attorney-General has told us the rights but he has not looked into the consequences, that is our understanding as well as yours, Mr Speaker.

MR SPEAKER:

That has been the answer. Next question.

NO. 197 OF 1984

ORAL

THE HON J C PEREZ

Can Government confirm that the Spanish firm 'Dragados y Construcciones' currently precluded from tendering for the Viaduct conversion, would be able to do so as a result of the Brussels Agreement?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Viaduct Bridge conversion project is financed by ODA Development Aid funds and is therefore subject to the condition that the contract should be awarded to an EEC firm.

SUPPLEMENTARY TO QUESTION NO. 197 OF 1984

HON J C PEREZ:

Mr Speaker, since we are bringing forward EEC rights to Spanish nationals as a result of the Brussels Agreement, as from the 15th February would not that firm Dragados y Construcciones be able to tender for the Viaduct work on those conditions?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, as the Hon Member has said, we are bringing forward certain arrangements but this is really a matter which is determined by Her Majesty's Government and the normal conditions which attach to ODA Development Aid and they are not bringing forward anything.

HON J C PEREZ:

Is the Hon Member saying that although Gibraltar is giving Spanish nationals EEC rights on 15th February in an Agreement signed by Sir Geoffrey Howe, the Foreign Secretary of the United Kingdom of Great Britain and Northern Ireland, is not bound by this Agreement, that only the people of Gibraltar are bound by this reciprocal Agreement?

HON CHIEF MINISTER:

No.

HON J C PEREZ:

Well, he has just said that we are the only ones liable to this Agreement and that since it is ODA money and the British

Government insists that it must be an EEC firm that should take this work, that the British Government would preclude Dragados y Construcciones because it has a bilateral agreement with Gibraltar and no one else.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I do not think it is the Foreign Office in this case, I think it is the Department of Trade and Industry who are the guardians of the conditions. I think that if I can speak - and it is not really my place to speak on behalf of Her Majesty's Government, but they would much rather that the contract was awarded to a British firm, that is to say, they prefer to see the work done by a British company. This is the sort of interest which is paramount with the British Government and the British Parliament but they have had, because of their obligations to member states of the EEC, to allow with some reluctance, I believe, other EEC firms to tender but as of the 15th February Spain will not be a member of the EEC and so the conditions will be as I have stated and that is UK conditions, Mr Speaker.

MR SPEAKER:

Next question.

NO. 198 OF 1984

ORAL

THE HON J C PEREZ

Will Spanish developers be eligible to tender for development sites made available by the Gibraltar Government without being established in Gibraltar as a result of the Brussels Agreement?

ANSWERTHE HON THE ATTORNEY-GENERAL

Mr Speaker, subject to the reservation stated in the answer to Question No. 195, a Spanish developer will be eligible to tender for development sites made available by the Gibraltar Government provided:-

- (a) he has a valid residence permit issued under Part IX of the Immigration Control Ordinance,
- (b) he has a right of establishment in Gibraltar and has exercised or intends to exercise that right, or
- (c) it is a company incorporated under the laws of Spain and has a right of establishment in Gibraltar and has exercised that right of establishment.

SUPPLEMENTARY TO QUESTION 198 OF 1984

HON J C PEREZ:

That is to say that a firm in La Linea which has never been established in Gibraltar would not have the right to tender?

HON ATTORNEY-GENERAL:

A firm in La Linea under advance implementation, a firm in La Linea would have the right to establish itself in Gibraltar. As I said, if it has a right to establish itself and it has exercised that right or intends to exercise that right, that would be "(b) has the right of establishment in Gibraltar and has exercised or intends to exercise that right", yes, he would be able. You will see it in the legislation which is to be brought to the House.

HON J BOSSANO:

Can the Hon Member confirm that, in fact, the right of establishment in this case covers all the rights laid out in Chapter 2 of the

Treaty of Rome in Articles 52, 53, 54, 55, 56, 57 and 58, is that what we are talking about?

HON ATTORNEY-GENERAL:

Yes, subject to derogations, exceptions and modifications.

MR SPEAKER:

Next question.

NO. 199 OF 1984

ORAL

THE HON J C PEREZ

Will Spanish trade unions be given the right of establishment in Gibraltar after 15th February, 1985?

ANSWERTHE HON THE ATTORNEY-GENERAL

No, Sir, there is no EEC obligation to confer such a right absolutely.

SUPPLEMENTARY TO QUESTION NO.199 OF 1984

HON J C PEREZ:

So that means that unions established in Spain as, for example, UGT would not be able to establish themselves in Gibraltar?

HON ATTORNEY-GENERAL:

Not under advance implementation, not under the EEC Treaty, not under EEC law, it is the law of Gibraltar which confers that.

HON J BOSSANO:

Mr Speaker, will the current requirement in the Trade Unions and Trade Disputes Ordinance which says that aliens cannot form a union in Gibraltar continue or will that have to go under the Brussels Agreement or will Spanish nationals not be aliens after the 15th February?

HON ATTORNEY-GENERAL:

I think that that amendment is already covered by the European Communities Ordinance. The European Communities Ordinance overrides that provision about aliens, it doesn't need an amendment.

HON J BOSSANO:

So that means that seven Spanish nationals will be able to form a union in Gibraltar which they can then call UGT if they wish?

HON ATTORNEY-GENERAL:

According to Gibraltar law unless there is any amendment to that law, it is Section 16 of the Trade Union and Trade Disputes Ordinance that would apply, yes. This is establishing a union

under EEC rights, this is part of the law of Gibraltar and anybody who complies with the law of Gibraltar get all the rights that the law of Gibraltar gives them.

HON J BOSSANO:

Moroccans cannot, the Hon and Learned Chief Minister is wrong. Moroccans are aliens still even after the 15th February.

HON CHIEF MINISTER:

And the Spaniards would be aliens, too, for that matter.

MR SPEAKER:

Next question.

NO. 200 OF 1984

ORAL

THE HON J BOSSANO

Will Spanish Nationals resident in Gibraltar on the day the restrictions are lifted acquire full EEC rights immediately without being subject to a transitional period?

ANSWERTHE HON THE ATTORNEY-GENERAL

Mr Speaker, subject to the reservation stated in the answer to Question No. 195, Spanish Nationals resident in Gibraltar on the date that the necessary legislation is brought into operation will, subject to the derogations, exceptions and modifications specified in the legislation acquire full EEC rights.

SUPPLEMENTARY TO QUESTION NO. 200 OF 1984

HON J BOSSANO:

The answer is yes then, is it?

HON ATTORNEY-GENERAL:

Yes.

HON J BOSSANO:

Without a transitional period?

HON ATTORNEY-GENERAL:

Subject to the derogations, exceptions and modifications contained in the legislation.

HON J BOSSANO:

Will those derogations, modifications and exceptions include a transitional period or not, Mr Speaker?

HON ATTORNEY-GENERAL:

Yes, of course.

HON J BOSSANO:

Well, then the answer is no. Which is it, Mr Speaker, yes or no?

HON ATTORNEY-GENERAL:

They will get full EEC rights when the legislation is brought into operation and that legislation will contain the exceptions, the derogations and the modifications.

HON J BOSSANO:

And I am asking, Mr Speaker, whether it will be the case that one of the exceptions that it will contain or derogations or whatever else the Hon and Learned Member wishes to label it, will be that they will still be subject to a seven-year transitional period for the purposes of having a requirement to obtain a work permit?

HON ATTORNEY-GENERAL:

I do not want to go into all the exceptions and reservations, the contents of the legislation, I think that probably will be it.

HON J BOSSANO:

The answer will be they will still require seven years?

HON ATTORNEY-GENERAL:

I think so.

HON J BOSSANO:

So the answer to the original question is simply no?

MR. SPEAKER:

It is a qualified yes.

HON ATTORNEY-GENERAL:

Perhaps the Hon Member should wait for the legislation to come to the House.

MR SPEAKER:

Next question.

NO. 201 OF 1984

ORAL

THE HON M A FEETHAM

Sir, will Spanish nationals employed in Gibraltar and resident in Spain also acquire full EEC rights as frontier workers?

ANSWERTHE HON THE ATTORNEY-GENERAL

Subject to the reservation stated in the answer to Question No.195, a Spanish national working in Gibraltar and returning to his place of residence in Spain daily or at least once a week would subject to the transitional arrangements on the free movement of labour to be agreed between Spain and the EEC be entitled to such EEC rights as are applicable to frontier workers.

SUPPLEMENTARY TO QUESTION NO. 201 OF 1984

HON M A FEETHAM:

Will the Hon and Learned Member say exactly what these rights are?

HON ATTORNEY-GENERAL:

There are a lot of them, Mr Speaker, and I do not really want to go into what all the rights of the frontier workers are but some of the rights, Mr Speaker - the right to move freely, to look for work, to look to establish themselves, to look to provide services, the rights to apply for the exercise of those rights, to get the necessary permits, to establish themselves or provide services, the right to equal access to vocational training, trade union rights, there are many rights for frontier workers.

HON M A FEETHAM:

Will you tell us what rights they won't have?

HON ATTORNEY-GENERAL:

No, I can tell you what rights they may have, the rest you will have to wait and see for the legislation because it is subject to the derogations that are contained in that legislation. When the legislation comes you will see exactly what they are.

HON J BOSSANO:

But, Mr Speaker, the purpose of the questions is to find out what is it that we are committing ourselves to doing when the

legislation comes, we do not want to wait for the legislation this is why we are putting the questions now. The Hon Member's answer to all the questions is that we have to wait and see and then perhaps the Government ought to wait and see as well before they make recommendations or welcome the thing. Can the Hon Member say if all this is subject to all the derogations that are agreed with the EEC, what happens if the negotiations are not completed by the time he has to bring the legislation, what does he do then?

HON ATTORNEY-GENERAL:

We anticipate that the negotiations will be completed by the time we bring the legislation.

HON J BOSSANO:

And if they are not then what happens, Mr Speaker, we will be taking legislation in anticipation of derogations that may or may not exist?

HON ATTORNEY-GENERAL:

Do you think this Government will introduce legislation which it wasn't sure about and which it didn't know completely about and wasn't in accordance with the terms of the Agreement?

HON J BOSSANO:

Yes, Mr Speaker, they do it all the time.

MR SPEAKER:

Next question.

NO. 202 OF 1984

ORAL

THE HON M A FEETHAM

Sir, will Spanish nationals be free to enter Gibraltar without a permit to seek employment as soon as the restrictions are lifted?

ANSWERTHE HON THE ATTORNEY-GENERAL

Subject to the reservation stated in the answer to Question No.195, a Spanish national will be able to enter Gibraltar for an economic purpose on the production of valid documents proving his identity as a National of Spain.

NO. 203 OF 1984

ORAL

THE HON J BOSSANO

Will the families of Spanish Nationals joining members already resident in Gibraltar acquire full EEC rights without being subject to transitional provisions?

ANSWERTHE HON THE ATTORNEY-GENERAL

No sir, the members of a worker's family as defined in Article 10 of EEC Regulation 1612 will have the right to be employed in Gibraltar if they have settled in Gibraltar with the worker and are resident in Gibraltar for a period of not less than 3 years.

This again is subject to the reservations stated in the answer to question No. 195.

NO. 204 OF 1984

ORAL

THE HON J L BALDACHINO

Mr Speaker, will the right of residence being granted to Spanish Nationals under the Brussels Agreement qualify them for the right to apply for inclusion on the Government Housing Waiting List?

ANSWERTHE HON THE ATTORNEY-GENERAL

No, Sir. The eligibility of persons for Government housing is clearly set out in the Housing Allocation Scheme (Revised 1980).

SUPPLEMENTARY TO QUESTION NO.204 OF 1984

HON J L BALDACHINO:

Will this also apply to EEC nationals already in Gibraltar?

HON ATTORNEY-GENERAL:

According to the Housing Allocation Scheme it is people who are entitled to Gibraltar status and people who have certificates of permanent residence, they are the only people who are entitled to go under the Government Housing Waiting List and, indeed, to obtain Government housing in Gibraltar.

HON J L BALDACHINO:

Isn't this contrary to EEC law?

HON ATTORNEY-GENERAL:

No.

HON J BOSSANO:

Mr Speaker, aren't EEC nationals entitled to a certificate of permanent residence under the Immigration Control Ordinance?

HON ATTORNEY-GENERAL:

It is very difficult to get one, it would be quite difficult for them to get one.

HON CHIEF MINISTER:

Not unless they are married to a local girl or something like that.

HON J BOSSANO:

Am I correct, Mr Speaker, in thinking that under EEC law an EEC national who has resided in Gibraltar for five years acquires permanent residence and an EEC national who has worked in Gibraltar and retires in Gibraltar acquires permanent residence?

HON ATTORNEY-GENERAL:

Yes, it is covered by Section 54 of the Immigration Control Ordinance. Again, that will be the subject of the amended legislation to be brought to the House, Section 54 of the Immigration Control Ordinance which deals with the certificate of permanent residence will be the subject matter of legislation for the next House.

HON J BOSSANO:

Mr Speaker, but what we are saying is if the Hon Member has said that the only people who can apply for housing are the people who obtain a certificate of permanent residence and if he is now saying that EEC nationals can obtain a certificate of permanent residence and if Spanish nationals are being granted the rights of EEC nationals, then it must follow that they can obtain certificates of permanent residence and it must follow that the answer he gave to the original question is incorrect, the answer is yes and not no?

HON ATTORNEY-GENERAL:

The Hon Member is confusing me with the yes and no but it is quite clear in the Housing Allocation Scheme as to who is entitled to go on the Housing List and who is entitled to Government housing. Let me read it to you. The following categories of persons resident in Gibraltar are eligible for Government housing -

- (1) persons who have been registered in the Register of Gibraltarians;
- (2) persons who are not registered in the Register of Gibraltarians but who at the time of application have a right of permanent residence.

The EEC nationals can in certain circumstances obtain a certificate of permanent residence under Part IX of the Immigration Control Ordinance, and of course, when they may get their certificate of permanent residence under the Immigration Control Ordinance then they will be eligible to go on the Housing List.

HON J BOSSANO:

So, therefore, Mr Speaker, it is correct to say that EEC nationals who have obtained such a certificate can apply for Government housing and that Spanish nationals will become eligible for application for a certificate of permanent residence the moment they are granted EEC rights.

MR SPEAKER:

In certain circumstances I think the answer has been yes, they would qualify but, generally, they would not. Next question.

11 12 84

NO. 205 OF 1984

ORAL

THE HON M A FEETHAM

Sir, will consumers in Gibraltar be able to purchase goods in Spain and have them delivered in Gibraltar by Spanish suppliers?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Answered together with Question Nos. 232, 233 and 234 of 1984.

NO. 206 OF 1984

ORAL

THE HON J E PILCHER

Will Spanish companies operating from Spain be permitted to tender for the supply of goods and services to:-

- (a) Gibraltar Government
- (b) UK Departments
- (c) Gibraltar Shiprepair Limited?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, tenders from Spanish firms will be allowed subject to normal conditions such as possession of a trade licence and other tests of fitness as for example the pre-qualification procedure adopted by the Public Works Department for building contracts. Shiprepair contracts, at present, are governed by the conditions attaching to ODA Development aid, which in general stipulate EEC manufacture but provide for goods and services to be obtained from non-EEC suppliers in cases and special difficulty, high transportation costs or non-availability of goods from an EEC source. I have no information about the UK Departments.

SUPPLEMENTARY TO QUESTION NO.206 OF 1984

HON J E PILCHER:

In essence what the Hon Financial and Development Secretary is saying is that they will be able to tender for all Gibraltar Government contracts but subject to the provisions of ODA they won't be able to tender for Gibraltar Shiprepair Limited or any other ODA finance contracts?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

We are talking about goods and services, of course, Mr Speaker, and I think, yes, as I understand the Hon Member's supplementary, I think that is the position. They will, of course, as far as Government contracts are concerned, be subject to some of the reservations which have been mentioned in passing by my Hon and Learned Friend the Attorney-General.

HON J BOSSANO:

So it means, in fact, that since Gibraltar Shiprepair Limited is entirely financed by ODA they cannot obtain any supplies from Spain, is that the position?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I wouldn't put the answer in quite the exclusive terms that the Hon Member has put it, I said that the conditions attaching to ODA development finance apply to Gibraltar Shiprepair, indeed

this of course was part of the agreement under which the £28m was granted. I said that in general the stipulation is EEC manufacturers but the EEC stipulation is not taken to absurd limits, obviously, one has to consider each individual exception on its merits.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, will Spanish Nationals employed in Gibraltar and resident in Spain be entitled to free education in Gibraltar Government schools for their dependent children?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

No, Sir.

SUPPLEMENTARY TO QUESTION NO.207 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, could the Government confirm whether or not this is against Community law to deny free education to the dependents of EEC nationals working in Gibraltar and residing in another EEC country?

HON G MASCARENHAS:

Sir, Question No.207 is explicit and the answer that I have given is even more explicit. I would need separate notice of the question.

HON J BOSSANO:

Mr Speaker, does the Hon Member know that in fact his Government has agreed to give EEC rights to Spanish nationals on the 15th February, is he aware of that, or does he need notice of that as well?

HON G MASCARENHAS:

But they are not residents of Gibraltar. In the Education Ordinance the matter of nationality does not take precedence over the question of residence, you have to be ordinarily resident in Gibraltar to be able to qualify for free education in Gibraltar.

HON J L BALDACHINO:

Isn't that Ordinance against EEC law?

HON G MASCARENHAS:

No, Mr Speaker, as far as I know.

HON J L BALDACHINO:

Won't that Ordinance have to be changed because it is against Community law?

HON G MASCARENHAS:

No, Sir.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, will Spanish nationals resident in Gibraltar become eligible for Government scholarships?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORTS AND POSTAL SERVICES

Yes Sir, if they fulfil the requirements of the Educational Awards Regulations, 1983, which provide that the Scholarship Awards Committee shall grant an award to any person who has applied for an award and who:

- (a) is ordinarily resident in Gibraltar;
- (b) is attending a school in Gibraltar or in the United Kingdom, or was attending such a school during the school term immediately preceding the date of the application for the award;
- (c) has been accepted as a student at an establishment for a designated course that begins after the 31st day of July 1978, and is for any of the subjects specified in the First Schedule; and
- (d) possesses a prescribed qualification in respect of the designated course.

NO. 209 OF 1984

ORAL

THE HON J C PEREZ

Will the IDD operate between Gibraltar and Spain once the restrictions are lifted?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, IDD will operate as soon as the restrictions are removed or shortly thereafter. The exact timing will depend on the resolution, on a mutually beneficial basis of a number of technical issues.

SUPPLEMENTARY TO QUESTION NO. 209 OF 1984

HON J C PEREZ:

Can the Hon Member specify what these technical issues are?

HON J B PEREZ:

There are basically two, Mr Speaker. One is that it is necessary to connect the Spanish cable at the Gibraltar test point or alternatively to connect our cable to the Spanish cabinet point, that is the first one. The other point that arises is the question of some work that will have to be carried out in the Exchange in Spain.

HON J C PEREZ:

Does the Hon Member anticipate that the rate charge for IDD will be lower or higher than the trunk operated connected calls?

HON J B PEREZ:

That is why, Mr Speaker, I said that the whole question requires discussion because the question of rates goes back to an agreement dated 1926 and this is precisely one of the areas in which we will have to negotiate the question of how much we will collect, how much we keep and how much we pay over, and similarly vice versa from incoming calls from Spain to Gibraltar.

MR SPEAKER:

Next question.

11 12 84

NO. 210 OF 1984

ORAL

THE HON J L BALDACCINO

Mr Speaker, will Spanish Nationals who worked in Gibraltar prior to 1970 become entitled to Social Security Pensions at current rates on the lifting of Spanish restrictions?

ANSWER

THE HON THE CHIEF MINISTER

No, Sir. They will only become entitled to pensions at current rates when Spain accedes to the Community.

11 12 84

NO. 211 OF 1984

ORAL

THE HON M A FEETHAM

Is Government anticipating a higher or lower level of unemployment in 1985 following the Brussels Agreement that they were prior to it?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Answered together with Question Nos. 212 and 213 of 1984.

NO. 212 OF 1984

ORAL

THE HON M A FEETHAM

How many additional jobs does Government estimate will be generated in the first year of the lifting of the Spanish restrictions?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

· Answered together with Question Nos. 211 and 213 of 1984.

THE HON M A FEETHAM

How many jobs is Government anticipating will be lost in Gibraltar as a result of the extra competition faced by the private sector from opening up the local market to Spanish firms?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, whilst it is impossible at this stage to make any accurate prediction about the effects which the opening of the frontier will have on the employment situation in Gibraltar, it is expected in general terms that the opening will stimulate commercial activity and should lead to the creation of more job opportunities. According to the Economic Diversification Consultancy Study undertaken in May 1982, it was estimated that some 400 job opportunities could be created with a full normalisation of the frontier, mainly in tourism and finance centre activities.

SUPPLEMENTARY TO QUESTION NOS. 211, 212
AND 213 OF 1984

HON M A FEETHAM:

Mr Speaker, can the Minister be more specific about these 400 jobs? He mentioned tourism, in what area of tourism?

HON DR R G VALARINO:

Mr Speaker, at the moment I cannot be more specific but I promise to look into the matter as the Hon Member is interested and I will let him know in what area of tourism

HON M A FEETHAM:

The Hon Member opposite has not replied to Question No. 213, how many jobs are going to be lost because of the extra competition to the private sector does he anticipate, does he foresee?

HON DR R G VALARINO:

Mr Speaker, Sir, I believe I have answered that by being positive rather than negative. I do not see any jobs being lost, I see jobs being created.

HON M A FEETHAM:

So the answer is he does not foresee any jobs being lost? Will the Minister then confirm that the euphoria on the part of the Government in the statement made by the Chief Minister that the opening of the frontier is what trade, is what all Gibraltar wanted, is not as an affirmative statement as should have been the case because, in fact, in economic activity they do not know what activity is going to be generated because no study has been made and the House has not been informed in that

direction and, secondly, since we are not sure of the jobs and where they are going to be generated then, in fact.....

MR SPEAKER:

What are you asking?

HON M A FEETHAM:

I am asking can Government confirm that they are happy about the situation in terms of employment because contradictory statements have been made to the press?

HON DR R G VALARINO:

Yes, Sir, I do not know what the Hon Member means by euphoria but I am happy about the net result of the situation.

HON M A FEETHAM:

The thing is that you are happy about the situation, that is his answer?

HON DR R G VALARINO:

About the net result.

HON J BOSSANO:

So, therefore, Mr Speaker, the answer to Question No.211 would be that the Hon Member is anticipating lower unemployment levels in 1985 unless he is happy that unemployment should be higher? Which of the two is it?

HON DR R G VALARINO:

I would have thought that one follows the other, Sir.

HON J BOSSANO:

The answer then is, yes. The answer to Question No.211 is yes, the Government is expecting unemployment to come down in 1985, is that correct or not, Mr Speaker; we want to be given information?

MR SPEAKER:

With respect, I think the Minister has given you an answer, he expects the balance to be in favour of 400 new jobs.

HON DR R G VALARINO:

A net gain.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

Mr Speaker, will the Department of Labour and Social Security be registering Spanish Nationals seeking employment in Gibraltar and will vacancies notified to the Department be offered to those Nationals with the relevant skills?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, the Control of Employment Ordinance allows anyone, of whatever nationality, to register for employment. A record is being kept in the Key and Anchor office of those Spaniards who have sought employment in Gibraltar since the pedestrian opening of the frontier. Such applicants are not, however, included in the Department of Labour's unemployment returns.

Vacancies notified to the Department which cannot be filled by EEC Nationals will be dealt with in accordance with the general principle of Community preference.

SUPPLEMENTARY TO QUESTION NO. 214 OF 1984

HON M A FEETHAM:

Could the Minister state what he means by Community preference?

HON DR R G VALARINO:

Yes, Mr Speaker, by Community preference I mean by preference as the Hon Member knows which we give to EEC nationals as against non-EEC nationals and then there is also the question of the Moroccan workers which will be dealt with as part of a following question.

HON M A FEETHAM:

What the Minister is saying or attempting to say or has avoided saying is that in fact this will apply to the Spaniards as well, is this what he is saying?

MR SPEAKER:

What will apply?

HON M A FEETHAM:

The EEC rights in relation to the preferential treatment that they will be given in reply to the first part of the question.

HON DR R G VALARINO:

Mr Speaker, Sir, the only thing I can do is quote again from the Brussels Agreement that with regard to paid employment and in accordance with the general principle of Community preference this carries the implication that during the transitional period each side will be favourably disposed to each other's citizens when granting work permits.

HON J C PEREZ:

Mr Speaker, will that mean that if there is a Spanish national who has registered for work with the Labour Department and there is an unemployed non-EEC national, ie a Moroccan worker, will the Spanish national be given preference over that non-EEC national for work?

HON DR R G VALARINO:

Mr Speaker, Sir, if the Hon Member could kindly wait until I answer Question No. 220 of 1984, he will get the information.

HON J BOSSANO:

No, Mr Speaker, the answer to Question No. 214 then is that the Labour Department will, in fact, be offering employment to those nationals who have already registered in the Key and Anchor if there is nobody else available, is that right? Can I have an answer then, is the answer to Question No. 214 no?

HON DR R G VALARINO:

No, Sir, of course it cannot be no. People have been registered there but that does not mean that everybody who has registered there will automatically be given employment.

HON J BOSSANO:

But it does mean that there is no limit to the numbers that can register, am I right, and, secondly, that certainly if 7,000 register the Hon Member at best will only have 400 jobs to offer them but those jobs will be offered to the people who register if there is nobody else who is an EEC national available, is that the position?

HON DR R G VALARINO:

If there is no EEC national available or Gibraltarians.

HON J BOSSANO:

So the answer then is that people will be able to register separately at the Key and Anchor from across the frontier and that they can do so already, in fact?

HON CHIEF MINISTER:

They have been doing so.

HON DR R G VALARINO:

They have been doing so for a long time.

MR SPEAKER:

Next question.

11 12 84

NO. 215 OF 1984

ORAL

THE HON J E PILCHER

Will self-employed Spanish Nationals eg Maintenance Craftsmen, be able to undertake work in Gibraltar without having to obtain work permits or be subject to a transitional period?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, subject to the reservations stated in the answer to question No. 195 a self-employed Spanish National, eg a Maintenance Craftsman, would be able to undertake work in Gibraltar without having to obtain a work permit or be subject to a transitional period if he established himself in Gibraltar or was providing services here. Such a person would, however, have to comply with the provisions of the Trade Licensing Ordinance.

11 12 84

NO. 216 OF 1984

ORAL

THE HON J L BALDACHINO

Mr Speaker, will employees of Spanish businesses operating in Gibraltar from a base in Spain be liable to Social Insurance Contribution in Gibraltar if already contributing in Spain?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Answered together with Question No. 217 of 1984.

NO. 217 OF 1984

ORAL

THE HON J L BALDACHINO

Mr Speaker, will Spanish Nationals undertaking work in Gibraltar on a self-employed basis be liable to Gibraltar's Social Insurance contribution if already insured in Spain?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

No, Sir, Spanish workers or Spanish nationals working in Gibraltar on a self-employed basis would not be liable for Social Insurance contribution, if they are already contributing in Spain.

SUPPLEMENTARY TO QUESTION NOS.216 AND 217 OF 1984

HON J L BALDACHINO:

Mr Speaker, the Hon Member has not answered Question No. 216 which reads: "Will employees of Spanish businesses operating in Gibraltar from a base in Spain be liable to Social Insurance contribution in Gibraltar if already contributing in Spain?" Can he answer that one?

HON DR R G VALARINO:

No, Sir.

HON J BOSSANO:

The Hon Member has said no to self-employed, is it true for both cases or only self-employed because his original answer mentioned only self-employed, Mr Speaker.

HON CHIEF MINISTER:

Employees of Spanish businesses. Spanish workers or Spanish nationals.

HON J L BALDACHINO:

So the answer is no to both of them?

HON DR R G VALARINO:

Sir, if I may repeat the answer, I said: "No, Sir, Spanish workers or Spanish nationals working in Gibraltar on a self-employed basis" - I believe this covers both questions - "would not be liable for Social Insurance contribution if they are already contributing in Spain".

MR SPEAKER:

Next question.

11 12 84

NO. 218 OF 1984

ORAL

THE HON J E PILCHER

Will Moroccan Nationals made redundant by the Naval Dockyard have priority of employment over Spanish Nationals in the Commercial Dockyard?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Answered together with Question Nos. 219 and 220 of 1984.

11 12 84

NO. 219 OF 1984

ORAL

THE HON M A FEETHAM

Can Government state whether Moroccans currently in Gibraltar will have priority of employment over Spanish nationals who are new entrants if both are unemployed, or vice versa, under the terms of the Brussels Agreement?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Answered together with Question Nos. 218 and 220 of 1984.

NO. 220 OF 1984

ORAL

THE HON M A FEETHAM

Will Moroccans working in seasonal employment be given priority of employment over new Spanish nationals competing for their jobs after February, 1985?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, Non-EEC Nationals who become unemployed in Gibraltar are allowed to stay for a period of six months in order to collect their Unemployment Benefits. They are allowed to register as unemployed and are considered by the Government to form part of the local labour market during that period. As such, they will be regarded as having priority of employment over any new applicants for employment. As far as the Commercial Dockyard and other employers are concerned, the actual selection for employment will be a matter for the judgement of management. The Director of Labour will however have regard to the policy which I have explained when considering applications for the issue of work permits.

SUPPLEMENTARY TO QUESTION NOS. 218, 219 AND
220 OF 1984

HON M A FEETHAM:

Am I correct in saying then that the current Moroccan labour force will have preference of employment over Spanish nationals during those six months that they are unemployed, will that be the position?

HON DR R G VALARINO:

Yes, Sir.

HON M A FEETHAM:

What will be the position after that?

HON DR R G VALARINO:

Mr Speaker, I believe from the answer to the question that once the six month period is over they will have no preference.

HON J E PILCHER:

Mr Speaker, reference the priority of employment over Spanish nationals in the Commercial Dockyard. Am I right in understanding that the Hon Minister said that that is subject to the decision of the managers of the Gibraltar Shiprepair Limited and that if there is a craftsman available if the managers deem it fit not to take him then the Gibraltar Government would be accepting to give out a permit to a Spanish national?

HON DR R G VALARINO:

If I may repeat the answer to clarify it a little bit, as far as GSL is concerned. "As far as the commercial dockyard and other employers are concerned, the actual selection for employment will be a matter for the judgement of management. The Director of Labour will, however, have regard to the policy which I have explained when considering applications for the issue of work permits".

HON J E PILCHER:

Does that mean that provided there is a Moroccan unemployed the Director of Labour and Social Security will not give a permit?

HON DR R G VALARINO:

Yes.

HON J E PILCHER:

Well, why don't you say that?

HON DR R G VALARINO:

I have said so. You should listen to the answers.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

Mr Speaker, can Government confirm that it will still be the case following implementation of the Brussels Agreement that Spanish Nationals working in Gibraltar will not have equal rights with -

- (a) Gibraltarians in the Campo Area, or
- (b) Gibraltar and British Subjects residing in Gibraltar

for the purpose of eligibility to supplementary benefits and that this is understood and accepted by the Spanish Government?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, as stated in my reply to Question No. 137 of 1984, the Supplementary Benefits Scheme is not statutory and is therefore not applicable to EEC Nationals other than those eligible under the Scheme, viz:-

- (a) Gibraltarians as defined in the Gibraltar Status Ordinance resident either in Gibraltar or the Campo Area;
- (b) Non-Gibraltar British Subjects who have resided in Gibraltar continuously for not less than three years prior to the date of application;
- (c) The dependent child or children of parents eligible under (a) or (b) above.

SUPPLEMENTARY TO QUESTION NO. 221 OF 1984

HON J L BALDACHINO:

Mr Speaker, the Hon Member has said if this is understood and accepted by the Spanish Government?

HON DR R G VALARINO:

Mr Speaker, Sir, as far as I am aware the subject has not been discussed with the Spanish Government.

HON J BOSSANO:

Would the Hon Member not agree that it seems to conflict with the understanding that the Spanish Government has got of what equality of rights means?

HON CHIEF MINISTER:

That is a matter for the Spanish Government.

HON J BOSSANO:

It may be a matter for them, Mr Speaker, but can the Government tell us whether the Spaniards are aware of the Gibraltar Government's version of what those rights mean? I suppose they will know after today, no doubt.

HON DR R G VALARINO:

No doubt.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, in the absence of any legislation on minimum wages, can Government state whether there is anything to stop employers in the private sector paying wages comparable to those current in La Linea to commuting frontier workers in areas where there are no established union rates?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, during the transitional period, Spaniards working in Gibraltar will require work permits. The issue of such permits is subject to the Director of Labour and Social Security being satisfied that the terms and conditions of employment are not less favourable than those prescribed by law or generally observed by good employers. Employers are required to produce a contract of employment, for the Director's approval, in respect of each worker who is issued with a work permit and the rates of wages are included as part of the conditions of employment. The Director already exercises his judgement on the basis of good employer practice in those areas where there are no established union rates, eg domestic servants, and will continue to apply the same criterion in respect of work permits issued to Spaniards.

11 12 84

NO. 223 OF 1984

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, can Government confirm that family allowances will now have to be paid to all Community Nationals working in Gibraltar who have dependent children in any EEC member state?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Answered together with Question No. 224 of 1984.

NO. 224 OF 1984

ORAL

THE HON J L BALDACHINO

Can Government confirm that Spanish Nationals in employment in Gibraltar will be able to claim family allowance in respect of dependent children living in Spain on the implementation of the Brussels Agreement and if so will the same rights be granted to Moroccan Nationals at the same time?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, family allowances will not have to be paid to Spanish nationals during the period of advance implementation. The question of payment of family allowances to non-EEC nationals does not arise.

SUPPLEMENTARY TO QUESTION NOS. 223 AND 224
OF 1984

HON J L BALDACHINO:

The advance implementation, I understand, that it will be before Spain reaches an agreement with the EEC or on the 1st January, 1986, which is supposed to be the deadline, after that Spanish nationals will be liable to claim family allowance under EEC law, will the same right then apply to Moroccan workers?

HON DR R G VALARINO:

Sir, the position after that will depend on the terms of the Social Chapter and any derogations finally agreed.

HON J BOSSANO:

What the Hon Member is saying is that at this stage he doesn't know whether family allowances will become payable or not?

HON DR R G VALARINO:

After accession, yes.

HON J L BALDACHINO:

After accession it will be paid?

HON J BOSSANO:

Can I ask, Mr Speaker, is it not the case that for Community purposes Gibraltar is considered to be part of the United Kingdom and therefore if the United Kingdom is required by its Treaty obligations to give family allowances to EEC nationals who have their dependent children resident in an EEC state, doesn't that obligation cover Gibraltar as well?

HON DR R G VALARINO:

I feel, Mr Speaker, that this is something that may have to be discussed but I would have thought that the question may not necessarily apply if they are resident in Spain.

HON J BOSSANO:

I am not asking about them being resident in Spain, Mr Speaker, I am referring to Question No.223 and what I am saying is, is it not a fact that Gibraltar is considered a part of the United Kingdom for Community purposes as far as social security legislation is concerned and that in fact the leaflet produced by his Department says so and if that is the case, since the United Kingdom is required by Community law to give family allowances today to EEC nationals, is it not the case that we are also required to do it by the terms of membership of the United Kingdom and that consequently our law is incorrect in this respect, it is contrary to Community law?

HON DR R G VALARINO:

Mr Speaker, Sir, I take the point of the Hon Member about the law with regards to existing EEC nationals. The only thing I would like to add to that is that the position will depend on the terms of the Social Chapter and any derogations that will be finally agreed. It may well be that Spaniards will not have a right to family allowances.

HON J BOSSANO:

Mr Speaker, I am grateful to the Hon Member for giving me answers to questions that I am not asking but I would like him to give me an answer to the question that I am asking which is Question No.223. Is it true that family allowances have got to be paid to existing Community nationals.....

MR SPEAKER:

The answer has been yes.

HON DR R G VALARINO:

Yes.

HON J BOSSANO:

Then, Mr Speaker, can the Hon Member say whether it is also true that his Department currently is not doing it and that therefore that will have to be corrected?

HON CHIEF MINISTER:

I do not want to interfere but the thing has now been traversed completely. What the Minister was saying is that the Spanish Social Chapter has not been completed and there may be derogations there that do not put any obligation on the Gibraltar Government to pay family allowances, that is not finished and it does not apply in the advance implementation.

HON J BOSSANO:

Yes, Mr Speaker, but if I may bring the Hon and Learned Member's attention to the question which I am now asking for the fourth time, it is Question No.223 which talks about allowances having to be paid now to Community nationals who are now Community nationals and that is not being done. Is it not the case that it is not being done?

HON DR R G VALARINO:

Mr Speaker, Sir, I take the point and I will look into it and answer the Hon Member but as far as the point is concerned it is to existing EEC nationals and has nothing to do with the Brussels Agreement.

MR SPEAKER:

Next question.

NO. 225 OF 1984

ORAL

THE HON M. A. FEETHAM

Will the schemes announced by Government for encouraging employers to provide work for young persons by providing a subsidy be applicable where such vacancies are filled by Spanish nationals?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, the complement of the current employer-based training scheme is full and there is at present no scope to fill any further vacancies in that area.

The Government will be considering whether a similar scheme should be introduced next year in the light of the experience on the present scheme, and in so doing will need to take account of who may become eligible to participate in schemes of this nature in the future.

SUPPLEMENTARY TO QUESTION NO. 225 OF 1984

HON M A FEETHAM:

Can the Minister please answer the question?

MR SPEAKER:

I think he has.

HON CHIEF MINISTER:

He has, he has answered the question but not the way you want it.

HON M A FEETHAM:

He has given an answer which does not answer the question. What I am saying is, what we are asking is.....

MR SPEAKER:

The answer that you have been given is clear, that at present there are no vacancies and therefore it does not arise and for the future schemes they will consider the matter.

HON M A FEETHAM:

Mr Speaker, one of the conditions that is provided by the scheme which at the moment is complete but which is part of a continuing process of Government policy to encourage young people to employment is that a subsidy is paid to an employer whereby the job is replaced by a young person and it applies to people other than non-EEC members. Will the subsidy be applicable when an employer says that he is going to substitute a Spanish national by a young person? That is what I am asking, I have not had an answer.

HON DR R G VALARINO:

Mr Speaker, as is implied from the answer the Government will re-examine and revise the scheme next year so that the question of the Hon Member does not really arise.

MR SPEAKER:

Next question.

NO. 226 OF 1984

ORAL

THE HON J C PEREZ

Will Spanish nationals be eligible to apply for the Construction Training Courses, within the terms of the Brussels Agreement, if they are members of the family of:-

- (a) resident workers
- (b) non-resident workers?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, subject to the reservation stated in the answer to Question No.195, by virtue of the provisions of the EEC Regulation 1612/68 on freedom of movement for workers within the Community, a worker of a Member State, including a frontier worker, shall have the right to equal access to training in vocation schools and retraining centres. The children of such workers are only eligible if they are residing in the state where the parent is employed.

NO. 227 OF 1984

ORAL

THE HON M A FEETHAM

Will workers coming into Gibraltar to deliver and install goods such as furniture be required to obtain a work permit and have to pay local tax and insurance?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, workers coming into Gibraltar to deliver and install goods as employees of their principals in Spain would be required to obtain a work permit.

They would not be liable to tax if they came into Gibraltar for a single day. However, if they were to exercise their employment over a period of time (regardless whether they commuted daily to perform their work) they would then be liable.

They would not be required to pay insurance if they were insured in Spain.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, will meat imports be permitted from Spain following the lifting of Spanish restrictions?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

No Sir. The ban on meat imports from Spain is based on purely public health grounds and is in no way related to conditions at the Frontier. The lifting of restrictions will, therefore, have no effect on the existing ban. The situation is, however, continuously monitored and may change once Spain's meat and meat products are again acceptable to EEC members.

NO. 229 OF 1984

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, will Spanish Nationals be free to use Gibraltar's Medical Services in the same terms as visiting EEC Nationals?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, this is under consideration but the most that visiting Spanish nationals are likely to be entitled to would be emergency medical treatment under advance implementation.

SUPPLEMENTARY TO QUESTION NO. 229 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, does Government intend to remove the restriction introduced in respect of Gibraltarians living in Spain but working in Gibraltar which denies their dependents free medical services?

HON M K FEATHERSTONE:

That will have to be taken into consideration at the same time.

MR SPEAKER:

Next question.

11 12 84

NO. 230 OF 1984

ORAL

THE HON J C PEREZ

Will Gibraltar firms be required to hold minimum stock levels of those commodities which are currently subject to this requirement after the implementation of the Brussels Agreement?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir, essential commodities under the Second Schedule Part II of the Imports and Exports Ordinance (Cap.75) which are currently subject to minimum stock levels will continue to do so.

NO. 231 OF 1984

ORAL

THE HON J C PEREZ

Will Spanish suppliers of building materials be able to sell direct to building contractors in Gibraltar without requiring a trade licence and will they be able to deliver to site, as a result of the implementation of the Brussels Agreement?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, any such trading or carrying on of a business will be subject to the provisions of the Trade Licensing Ordinance, 1978. Perhaps, I should also add, and as amended in 1982.

SUPPLEMENTARY TO QUESTION NO. 231 OF 1984

HON J C PEREZ:

Is this true even if it can be proved that the contract between the two companies involved has been effected in Spain and not in Gibraltar?

HON ATTORNEY-GENERAL:

It would be a question here of importation of commercial quantities.

HON J C PEREZ:

But is it true that they would still require a trade licence if it can be proved that the contract between a firm in La Linea and a firm in Gibraltar has been effected in Spain under EEC law?

HON ATTORNEY-GENERAL:

It wouldn't be the contractual consideration only, the other consideration is that there would be an importation into Gibraltar in commercial quantities which would make it trading within the definition which the Minister has referred to.

HON J BOSSANO:

The Hon Member is saying, in fact, that the licence would be required by the purchaser and not by the Spanish supplier?

HON ATTORNEY-GENERAL:

By the importer whoever it may be.

HON J BOSSANO:

Mr Speaker, we are talking here about supplies of building materials and delivery to site, in that case who would be the importer the man coming in with a lorry full of gravel, or what?

HON A J CANEPA:

Whoever is regarded by the Collector of Customs as being the importer.

HON J BOSSANO:

We are talking about an amount of material which is going on a site to be used on that site, that would be considered commercial quantities would it?

HON A J CANEPA:

Very much so.

HON J C PEREZ:

Mr Speaker, is the Government satisfied that this is within the terms of EEC law with reference to cross frontier services? Are we not, in fact, breaching the requirement of EEC directives with this Ordinance?

HON ATTORNEY-GENERAL:

I think I would be prepared to defend this Ordinance in the terms of EEC law.

HON A J CANEPA:

I think it is alright, my heart bleeds, incidentally, for the EEC, my heart bleeds for the EEC, but I think the basis is that we are not discriminating against anybody that is why we are on firm ground because it is applied strictly on a non-discriminatory basis.

HON J C PEREZ:

Mr Speaker, the object of the question is that our heart bleeds for Gibraltar rather than for the EEC but the fact that there is an EEC directive on the free movement of trade and the fact that there is a special clause about cross frontier services, is the Government satisfied that we are in keeping with the law within the Trade Licensing Ordinance?

HON A J CANEPA:

Yes, Sir.

MR SPEAKER:

Next question.

11 12 84

NO. 232 OF 1984

ORAL

THE HON J C PEREZ

Will retailers in Gibraltar after 15th February, 1985, be able to buy direct from wholesalers in Spain without requiring any licences and will they be able to take deliveries in their premises locally?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Answered together with Question Nos, 205, 233 and 234 of 1984.

NO. 233 OF 1984

ORAL

THE HON J C PEREZ

Will retailers from La Linea be able to make home deliveries in Gibraltar without a trade licence as a result of the Brussels Agreement?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Answered together with Question Nos. 205, 232 and 234 of 1984.

THE HON J E PILCHER

Will hotels and restaurants in Gibraltar be free to purchase food direct from Spain and take delivery in their premises in Gibraltar without any permits being required by either supplier or purchaser?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, any such transactions will be subject to the provisions of the Trade Licensing Ordinance.

SUPPLEMENTARY TO QUESTION NOS. 205, 232,
233 AND 234 OF 1984

HON J BOSSANO:

Is that the answer then, he has nothing else to add? Can the Hon Member say how they will be subject? Is he saying, Mr Speaker, that if a restaurateur goes into the market place in La Linea, every stall in La Linea will need a licence under the Trade Licensing Ordinance?

HON A J CANEPA:

Mr Speaker, I would refer the Hon Member to the Ordinance which was passed by the previous House of Assembly on the 16th December, 1982. It was an Ordinance to amend the Trade Licensing Ordinance of 1978 and in respect to the questions now before the House there are three matters in particular which are relevant. A new definition of the term 'commercial quantity'; a definition of the term 'importing' and an extension to the previous definition of the term 'trade'. The answer to these questions is really contained in that Ordinance.

HON J BOSSANO:

Can the Hon Member then say how it is that Gibraltar Shiprepair Limited was able to import commercial quantities of furniture, was it not infringing the Ordinance which the Hon Member is quoting?

HON A J CANEPA:

The Leader of the Opposition, Mr Speaker, sometimes tries to be very clever by bringing in new matters. I am not going to answer any questions on Gibraltar Shiprepair Limited, I require notice of that question.

HON J BOSSANO:

Mr Speaker, is it true that the Financial and Development Secretary in answer to a question on this subject in the last House said that anybody was free to bring in whatever quantities

they wanted so long as it was for their own use? Is that not the answer that the Hon Member gave to a question on this subject in the last House?

MR SPEAKER:

But surely that is not relevant. The questions you have asked is not for their own use but for the supply of the local trade.

HON J BOSSANO:

Mr Speaker, there are a number of questions which the Hon Member has chosen to answer together or rather, not answer.

HON A J CANEPA:

The answer is simple, I have given you the answer, it is a very straightforward answer. Check the Ordinance that I have referred to and the Hon Member was a Member of this House then, and there you have got the answers. The trouble is that when we give you the right answer - this is as happened this morning - you don't like it. Even when the answer that you are getting shows that the Government is safeguarding the interests of the people of Gibraltar you still do not like the answer.

HON J C PEREZ:

Mr Speaker, I am not sure that the Hon Member is giving the right answer. His colleagues have certainly not given any right answers this morning but going to Question No.233 which he is trying to reply to, we are saying: "Will retailers from La Linea be able to make home deliveries in Gibraltar without a trade licence...?" He is saying: "No, he has to have a trade licence". If the person brings the item that he is buying himself, the resident in Gibraltar brings the item that he is buying himself, that presumably is not covered by a trade licence if he is buying it for himself.

HON A J CANEPA:

If it is in commercial quantities and commercial quantities are defined in the Ordinance then he requires a trade licence.

HON J BOSSANO:

So the answer, Mr Speaker, to the first question which is that a person doing their shopping in Spain after the restrictions have been removed will be able to ask the shop to deliver what he has bought for his use, that he doesn't require a trade licence because that is not in commercial quantities, that is the answer?

HON A J CANEPA:

Somebody else requires a trade licence, whoever is making the arrangements to bring the goods into Gibraltar requires a trade licence because importation is covered by the amended Ordinance.

HON J BOSSANO:

But surely the person selling in La Linea is not importing anything, the person who is importing.....

HON A J CANEPA:

Whoever is importing or attempting to import the goods across the land frontier will have to have a trade licence if the goods are in commercial quantities otherwise he is not allowed to import them.

MR SPEAKER:

Next question.

11 12 84

NO. 235 OF 1984

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, will Gibraltar based firms continue to be required to meet minimum import quantities for fruit and vegetables?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, will Spanish Nationals be able to enter Gibraltar to sell fruit and vegetables and if so what permits will they require?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, after implementation of the Brussels Agreement, Spanish Nationals will be able to enter Gibraltar to sell fruits and vegetables if they obtain a trade licence and the necessary import licence.

SUPPLEMENTARY TO QUESTION NO.236 OF 1984

HON J BOSSANO:

Mr Speaker, can the Minister therefore confirm that as a logical consequence of his answer to Question No.235 it would then mean that any such Spanish national would have to meet the requirements of minimum import quantities?

HON A J CANEPA:

On the basis of the information available to the Government at present, it is thought that such conditions can be applied on a non-discriminatory basis. However, if they were to be found to infringe EEC requirements I think the policy would have to be reviewed.

MR SPEAKER:

Next question.

NO. 237 OF 1984

ORAL

THE HON M A FEETHAM

Will the present limit on personal bread imports be removed?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, there are no plans to remove the present limit on personal bread imports.

SUPPLEMENTARY TO QUESTION NO. 237 OF 1984

HON J BOSSANO:

Would the Hon Member not consider that to be a limitation on the free movement of goods across the frontier?

HON A J CANEPA:

Yes, it is a limitation, obviously, if people are only able to bring in one loaf of bread of a certain weight it is a limitation but on the other hand it is a limitation which is allowed by the Trade Licensing Ordinance having regard to its provisions about trading, importing and what are commercial quantities.

HON J BOSSANO:

The Minister is saying that he is satisfied that that is not in conflict with the undertaking contained in the Brussels Agreement which says that there will be free movement of goods and services and people across the frontier by the advance implementation of EEC rights, he thinks it is consistent with EEC law governing EEC frontiers that you can only take one loaf of bread across the frontier?

HON A J CANEPA:

Yes, we think that that is alright.

MR SPEAKER:

Next question.

NO. 238 OF 1984

ORAL

THE HON J BOSSANO

Can Government state whether the transitional period on the question of free movement of labour will commence on Spain's accession to the EEC or on the lifting of Spanish restrictions in the case of Gibraltar?

ANSWERTHE HON THE CHIEF MINISTER

Sir, in a party political broadcast on 3rd December, the Hon Leader of the Opposition quoted from a paragraph in a letter he had written to me on 11 September. He went on to say that he could not quote my reply because it was confidential. This was, of course, quite proper and, without being condescending, I commend the Hon Member for being so discreet on this occasion. He may nevertheless have left some people in suspense and I propose to deal with this when we come to debate the motion of which I have given notice. However, there was one sentence in the paragraph of his letter to which the Hon Member referred in his broadcast which he did not quote on television. This reads as follows:

"I would point out that the implications of this (ie the advance implementation of EC rights) would have been that there would have been a six-year period after Spain's EC entry for the free movement of labour to apply in our case".

In reply I stated, on 13 September, that:

".....none of these (ie ideas discussed in the context of Spain's accession to the EEC) would give up the proposed 7-year transitional period for the free movement of labour from the actual date of Spain's full and formal accession".

I do not in the least mind giving the Hon Member the same information again: the transitional period on the question of free movement of labour will commence, in the case of Gibraltar, on Spain's accession to the EC and not on the lifting of Spanish restrictions.

NO. 239 OF 1984

ORAL

THE HON J C PEREZ

Is the Gibraltar Government aware that the Spanish Government has proposed that electricity and water supplies should come to Gibraltar from Spain?

ANSWERTHE HON THE CHIEF MINISTER

I am not aware of any such proposal. I have checked with the Foreign and Commonwealth Office. No such proposal has been put to them.

SUPPLEMENTARY TO QUESTION NO. 239 OF 1984

HON J C PEREZ:

If proposals of this nature were to be put to the Gibraltar Government in the Brussels process under the heading of 'environmental matters', what is the policy of the Government of Gibraltar if it were to be offered supplies of water and electricity from Spain which might be cheaper than in Gibraltar?

HON CHIEF MINISTER:

Though the question is hypothetical, I am prepared to say that any proposals would be looked at from the point of view of what is good for Gibraltar and what is good to maintain our supplies and our own institutions and not be dependent on any change of attitude for essential services.

MR SPEAKER:

Next question.

11 12 84

NO. 240 OF 1984

ORAL

THE HON J E PILCHER

Can Government state whether Spain has indicated that it expects to obtain landing rights at Gibraltar for Iberia as a result of the Brussels Agreement?

ANSWER

THE HON THE CHIEF MINISTER

Answered together with Question No.241 of 1984.

NO. 241 OF 1984

ORAL

THE HON J E PILCHER

Can Government state whether Spain will permit the re-introduction of the Gibraltar/Madrid flight on the lifting of restrictions?

ANSWERTHE HON THE CHIEF MINISTER

I am not aware that the Spanish Government has indicated that it expects to obtain landing rights at Gibraltar for Iberia as a result of the Brussels Agreement, nor is the Foreign and Commonwealth Office.

The question of direct air communications will no doubt be dealt with in the proposed working group on aviation and will be a matter for discussion under the UK/Spain Air Services Agreement of 20 July, 1952. We envisage that such discussions would be pursued as a matter of priority.

11 12 84

NO. 242 OF 1984

ORAL

THE HON J E PILCHER

Does the Gibraltar Government accept that the Spanish Government should have a say in the fares structure of scheduled services between UK and Gibraltar?

ANSWER

THE HON THE CHIEF MINISTER

No Sir. This is a matter for the Civil Aviation Authority in Britain.

NO. 243 OF 1984

ORAL

THE HON J E PILCHER

Does the Gibraltar Government have any say in whether Spain is permitted to exercise some form of control over the airfield?

ANSWER

THE HON THE CHIEF MINISTER

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 243 OF 1984

HON J E PILCHER:

Mr Speaker, surely this area, the airfield, is a non-defined domestic matter, is it not?

HON CHIEF MINISTER:

We are talking about non-defined domestic matters the whole morning and though it is a non-defined domestic matter the views of the Gibraltar Government will, I am sure, be taken fully into account.

MR SPEAKER:

Next question.

NO. 244 OF 1984

ORAL

THE HON J E PILCHER

Will there be a Ferry Service between Gibraltar and Algeciras on the lifting of restrictions?

ANSWERTHE HON THE CHIEF MINISTER

Sir, it is not clear whether the Hon Member is asking whether it will be possible to have a ferry service once the restrictions are removed or whether such a service will be introduced immediately on the lifting of the restrictions. If the former, the answer is yes; if the latter, we shall have to wait and see.

NO. 245 OF 1984

ORAL

THE HON J E PILCHER

Does the Gibraltar Government consider that the text of the Brussels Agreement implies that the negotiating process will deal separately with the question of Spanish sovereignty over the airfield and Spanish sovereignty over the City of Gibraltar as claimed by one of the signatories of the Agreement - Senor Fernando Moran?

ANSWER .THE HON CHIEF MINISTER

Whether the text of the Brussels Agreement implies this or not, the British Government's view, as publicly stated and reiterated, is that it has no doubt of its sovereignty over the whole of Gibraltar up to the frontier fence.

SUPPLEMENTARY TO QUESTION NO.245 OF 1984

HON J BOSSANO:

So, in fact, the correction of the press release of The Convent to change the word 'issue' into the word 'issues' does not imply that the British Government has accepted in that Agreement that there are different issues of sovereignty?

HON CHIEF MINISTER:

No, I think it was an unfortunate typing mistake or perhaps a sensible mistake but the original one said issues and it had to be corrected to be sure that there was no misunderstanding about it.

MR SPEAKER:

Next question.

11 12 84

NO. 246 OF 1984

ORAL

THE HON J BOSSANO

Does Government agree with the statement made by Sir Geoffrey Howe that there is no material difference between the Brussels Agreement and the Lisbon Agreement?

ANSWER

THE HON CHIEF MINISTER

Sir, in speaking to the motion of which I have given notice I will explain, as I see them, the differences between the Lisbon Agreement and the Brussels Agreement.

NO. 247 OF 1984

ORAL

THE HON J BOSSANO

Can the Chief Minister explain why in 1980 the granting of EEC rights to Spanish Nationals in order to obtain the lifting of restrictions would not have been an honourable settlement and now it is?

ANSWER

THE HON THE CHIEF MINISTER

Yes, Sir, I can. I will do so in speaking to the motion of which I have given notice.