

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.

NO. 194 OF 1984

ORAL

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.

NO. 207 OF 1984

ORAL

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.

NO. 208 OF 1984

ORAL

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 BALDACHINO

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.

11 12 84.

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.

NO. 213 OF 1984

ORAL

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.

NO. 214 OF 1984

ORAL

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.

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?

ANSWERTHE 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.

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?

ANSWERTHE 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.

NO. 221 OF 1984

ORAL

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) Gibraltarian 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 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. 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.

NO. 222 OF 1984

ORAL

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.

NO. 228 OF 1984

ORAL

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.

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.

NO. 234 OF 1984

ORAL

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.

NO. 236 OF 1984

ORAL

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?

ANSWERTHE 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?

ANSWERTHE HON THE CHIEF MINISTER

Yes, Sir, I can. I will do so in speaking to the motion of which I have given notice.