

# GIBRALTAR

## HOUSE OF ASSEMBLY



## QUESTIONS AND ANSWERS

Meeting of  
30 October 1984  
86 to 183

NO. 86 OF 1984

ORAL

THE HON J BOSSANO

Can Government explain how the net annual value of dwelling houses for rating purposes is actually being calculated?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT  
AND TRADE

Sir, the net annual value of dwelling houses for rating purposes is calculated in accordance with Section 310 of the Public Health Ordinance, namely by comparison with the rents at which dwelling houses owned by the Government are let to members of the general public.

The Government is conscious of the spiralling effect on the ratable value as the result of increases in the rents of Government dwellings over the last few years. It has therefore been decided in order to cushion the effect to defer these increases over a period. Thus the domestic rating increase of April this year was based on the rental increase of July 1982, that of April 1985 will be based on those of July 1983, and this year's rental increase in July will not be reflected until April 1987.

SUPPLEMENTARY TO QUESTION NO. 86 OF 1984

HON J BOSSANO:

Mr Speaker, can the Minister say whether, in fact, the actual rent being paid is used as the basis for calculation?

HON A J CANEPA:

Yes, that is the position.

HON J BOSSANO:

Is it not the case that under Section 310(3) of the Public Health Ordinance it says that the rent which shall be used shall be the rent at which the hereditament would be let if the tenant undertook to pay rate taxes and bear the cost of repairs and insurance and shouldn't therefore, in order to comply with the Ordinance, a notional rent be used as the basis after deducting the cost of repairs?

HON A J CANEPA:

That is why it is based on 5/6ths or 10/12ths of the rent, the notional deduction being the 16th set aside for repairs.

HON J BOSSANO:

But is it not a fact, Mr Speaker, that it is possible to establish from the amount of money that is paid out of the Housing Fund for repairs, that the relationship between the rent, for example, if the Hon Member will confirm my figures - if one takes the 1983/84 figure, the amount of money paid in rent for Government housing was £2.1m and the amount of money paid in repairs of those houses was £1.4m and therefore it can be legitimately argued that had the tenant paid for the repairs the rent would have been £0.7m which is considerably less than the figure the Hon Member has quoted.

HON A J CANEPA:

I think whilst the Hon Member may legitimately argue along the lines that he is actually doing, ultimately it is a matter for interpretation by the Valuation Officer, the position in which he is being that of a quasi judicial officer.

HON J BOSSANO:

So the Government is saying, therefore, that if the tenant in Government houses paid for all their repairs their rents would be 5/6ths of what they actually are?

HON A J CANEPA:

What I am really saying is that the Valuation Officer exercises a judgement on the matter. Ultimately, the issue would have to be contested in the Courts.

MR SPEAKER:

I think, in fairness, the answer has been that the element of repair has been equated to 2/12ths of the rent. In other words, it is ten months of rent which is calculated and not the full twelve months.

HON J BOSSANO:

Can the Minister say how the poundage that is used for rating purposes relates to that figure, is the poundage then based on a percentage of the percentage that he has given?

HON A J CANEPA:

No, it isn't, in fact, the poundage has not been touched one way or the other for more years than I myself care to remember.

HON J BOSSANO:

But the 5/6th figure that the Hon Member has given me is not the poundage, the poundage is on top of the 5/6ths?

HON A J CANEPA:

Yes.

HON J BOSSANO:

Can the Minister say how then one proceeds to challenge the adequacy of this estimation based on this Section? I am not asking the Hon Member about an individual contesting the value put on his house, I am asking about how one can contest whether the formula that is being used conforms with the requirements of the Ordinance.

HON A J CANEPA:

That I do not know, I know what steps an individual can take in order to contest the rateable value of his property if he feels aggrieved. If he is successful, if that is a test case and he is successful then that is generally applied but how the whole basis, the formula, can be generally challenged I wouldn't be sure and I think if the Hon Member cares to pursue the matter outside the House, if he cares to write to me, I will pass it on to the Valuation Officer and perhaps we can get to the bottom of it.

MR SPEAKER:

Next question.

NO. 87 OF 1984

ORAL

THE HON M A FEETHAM

Sir, when was the Unstuffing Shed at the Commercial Mole completed?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

Sir, works were completed and the Building was handed at the end of last March.

SUPPLEMENTARY TO QUESTION NO. 87 OF 1984

HON M A FEETHAM:

Sir, can the Minister say what is holding up the operation of the Unstuffing Shed?

HON MAJOR F J DELLIPIANI:

No, Sir. The first notice that I had that the Unstuffing Shed was not being made use of was when I received the question from the Hon Member but I think that because there were a lot of people involved in the Unstuffing Shed and I mean the operators who were going to use it, the Captain of the Port and the Collector of Revenue, to name just a few, I think there are problems involving welfare facilities etc, which apparently were not anticipated in the brief and I am as concerned as I am sure the Hon Member opposite is as to what has really happened and I think that this requires an investigation by the Efficiency Committee to pinpoint what has happened and why the brief did not include any welfare facilities.

MR SPEAKER:

Next question.

NO. 88 OF 1984

ORAL

THE HON M A FEETHAM

Sir, has the tender in respect of the work on Government offices for which funds were provided in this year's estimates under the Improvement and Development fund - Head 104 Sub Head 5 - now been awarded?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Sir, the tender for the conversion and rehabilitation of the Loreto Convent as Government Offices has already been awarded.

SUPPLEMENTARY TO QUESTION NO. 88 OF 1984

Sir, could the Minister please say when the tenders came out and how many tenders were received and what was the closing date?

HON MAJOR F J DELLIPIANI:

I haven't got that with me, Sir. If it is important for the Hon Member I shall give him details of the tender procedure as such. I can say that it is hoped that the contractors will commence on the 19th November and it should be completed in nine months. What has happened before I haven't got with me but I can get the details.

HON J BOSSANO:

Mr Speaker, is it correct that in the last couple of months the Government was reviewing whether the project should go ahead at all or not?

HON MAJOR F J DELLIPIANI:

This is always dependent on what the tender price is. Every tender price is reviewed and this one in particular over the last couple of months.

HON J BOSSANO:

But is it a fact that after the project went to tender the Government was having second thoughts about proceeding with it?

HON MAJOR F J DELLIPIANI:

No, what we were studying was the tender price.

HON J BOSSANO:

So the Government was not considering using the funds that had been allocated for this purpose for anything else?

HON MAJOR F J DELLIPIANI:

Certainly not.

MR SPEAKER:

Next question.

NO. 89 OF 1984

ORAL

THE HON M A FEETHAM

Has Government now approached Her Majesty's Government for further aid beyond the 1981/86 Development Programme?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT  
AND TRADE

Mr Speaker, an assessment is now being made by the Departments of the projects which might be included in the next Development Programme. When this is finalised, a decision will be taken on which projects will be submitted to Her Majesty's Government for funding.

SUPPLEMENTARY TO QUESTION NO. 89 OF 1984

HON M A FEETHAM:

Could the Minister say when he envisages an approach will be made and if an approach is going to be made?

HON A J CANEPA:

An approach is going to be made and we hope to be able to do so in the first half of 1985. Our aim is to do so before the summer of 1985.

HON M A FEETHAM:

So in fact you are envisaging commencing negotiating before the end of the present Development Programme?

HON A J CANEPA:

Very much so. The present Development Programme runs out in April, 1986, and our forward planning arrangements are to have a submission ready well before that.

HON M A FEETHAM:

As a matter of information can the Minister say how far the Forward Planning Committee has established what areas will require to be looked at in relation to the negotiation of development aid?

HON A J CANEPA:

The Forward Planning Committee hasn't done so yet but, naturally, we are very conscious of the criteria which has been laid down

by ODA and therefore one can say that infrastructural projects, notably the Port, are bound to figure quite prominently in the next Development Programme.

MR SPEAKER:

Next question.

NO. 90 OF 1984

ORAL

THE HON M A FEETHAM

Has the Financial and Development Secretary now taken steps to invoke the provisions of Sec 48 (D) 4 of the Imports and Exports Ordinance, to ensure effective control of duty free imports as recommended in the 1982/83 Auditor's Report?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Collector of Customs has since improved arrangements for the physical inspection of plant and machinery imported by contractors following the comments in the Principal Auditor's Report. I shall keep these arrangements under review, but I am not convinced as yet that it is either generally necessary or desirable to require contractors to make a deposit as provided for under the Ordinance.

SUPPLEMENTARY TO QUESTION NO. 90 OF 1984

HON M A FEETHAM:

Can the Hon Financial and Development Secretary state whether there has been an investigation where specific cases have come across whereby contractors who have been exempted from paying duty on machinery imported for Government and MOD contracts have, in fact, hired that machinery outside the Government or MOD contracts for private work?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not aware of any such arrangements, Mr Speaker.

MR SPEAKER:

Next question.

NO. 91 OF 1984

ORAL

THE HON M A FEETHAM

Sir, can Government state how much income it expects to receive from investing the positive balance of the Improvement and Development Fund during the current financial year?

ANSWERTHE HON FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, all cash surplus to the Government's day-to-day requirements is managed as a single entity or balance. The interest earned is credited to the Consolidated Fund.

SUPPLEMENTARY TO QUESTION NO. 91 OF 1984

HON M A FEETHAM:

Can the Hon Financial and Development Secretary say why they are including it under interest in the Consolidated Fund and why they are not showing it as income for the Improvement and Development Fund under Summary of Receipts of the I & D Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The arrangements which we have generally followed with regard to these two Funds, Mr Speaker is that the cash balance available at any time is invested and the interest is credited to the Consolidated Fund. If I interpret the Hon Member's supplementary correctly, I think he is asking me if that is unfair to the I & D Fund in that it is not credited with any notional interest. I think my answer to that would be no, it is not unfair, because the Consolidated Fund doesn't charge the Improvement and Development Fund interest on contributions, for example, £1.5m in 1983/84 which was made from the Consolidated Fund to the Improvement and Development Fund nor on advances from the Consolidated Fund to the Improvement and Development Fund as, for example, during 1982/83 and the converse also applies.

HON M A FEETHAM:

Sir, it is not a matter of unfairness, it is a matter of illegality. Can Government confirm that they are contravening Section 24 of the Financial Procedure Ordinance which says in relation to monies paid into the Fund under Section 24(F), 'all monies received by way of interest or dividends on any investment or loans of money belonging to the Fund shall be invested in the Fund'?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, is the correct answer to that question because the way this particular subsection has been interpreted has been in respect of investments which are funded, that is to say, if one were to invest in gilts as, for example, in some of the other special Funds, the Social Insurance Fund, for example, that is regarded an investment and the interest on that investment would be credited but cash advances have not been treated in that way, this is traditionally and for the reasons I have stated.

HON M A FEETHAM:

What I want to seek from the Financial and Development Secretary is that it is not what has been traditional, is it a matter of interpretation, that you are interpreting this to be so?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, I think I could say that it is a matter of interpretation not simply by myself but also by my distinguished predecessors and distinguished previous Finance Officers and Principal Auditors.

HON J BOSSANO:

Mr Speaker, has the Financial and Development Secretary sought legal advice on whether the Clause gives him any flexibility of interpretation because is it not the case that the fund's money available to it which produces an income irrespective of how it is invested, surely the Hon Member will recognise that if he has got the discretionary power to invest that money he can invest it in very short dated gilts and then presumably he is saying the income would be credited to the Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I have not sought legal advice for the reason which I gave. This was inherent in my earlier answer in that I do not think that my interpretation of the Ordinance or that of my predecessors is in any way at fault and I am sure it has been to the advantage of the Government's Funds to manage cash in this way.

HON J BOSSANO:

Mr Speaker, in view of the fact that obviously this side of the House disagrees with the Hon Member's interpretation, will he then take the steps to seek legal advice on whether his interpretation is correct?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I will bear the Hon Leader of the Opposition's suggestion in mind, Mr Speaker.

HON J BOSSANO:

No, Mr Speaker, I am afraid that is not good enough. If you will give me some guidance, if this side of the House believes that the Government is contravening one of its own laws, is it sufficient that the Financial Secretary should bear that in mind or should he not, in fact, give an undertaking that he will seek to find out whether he is acting outside the law or not, if not do we take him to Court for it?

MR SPEAKER:

No, with respect, I think the Hon Financial and Development Secretary has given an answer to the question. If the Opposition is dissatisfied and the Opposition wants to take it up legally for a declaration as to the legality of the action is another matter But insofar as the House is concerned an answer has been given.

HON J BOSSANO:

So the Financial Secretary is not giving an undertaking to take legal advice, he will only bear it in mind. Is that the position?

MR SPEAKER:

He is satisfied that matters are being done correctly and therefore he feels that there is no need for him to take legal advice. I think that is the interpretation I have given to his answer. Next question.

30.10.84

NO. 92 OF 1984

ORAL

THE HON J C PEREZ.

Mr Speaker, what insurance cover is provided for the Vehicle Testing Centre?

ANSWER

THE HON FINANCIAL AND DEVELOPMENT SECRETARY

Answered together with Question No.93 of 1984.

NO. 93 OF 1984

ORAL

THE HON J C PEREZ

What insurance cover is provided for the buildings, plant and equipment of (a) the Electricity Undertaking (b) the Potable Water Service (c) the Telephone Service?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, direct insurance cover with commercial insurers was obtained in 1983 for assets which are considered vital for the running of the Government's essential services, namely the Waterport Power Station, the North Face Distiller, the Refuse Destructor and the Telephone Exchange. It is proposed to insure the new distillers when they are handed over to the Public Works Department.

The insurance cover was obtained for 3 years after selective tendering and provides for the full replacement value of the assets, including machinery and equipment, for the following risks: fire, lightning, explosion, aircraft, earthquake, rock-fall, subsidence, landslip, riot, strikes, civil commotion and malicious acts. The policy provides for an excess of £25,000 on each and every claim but subject to a maximum liability on the part of Government of £75,000 in any one year.

In addition to insuring these assets with a commercial insurer, the Government continues to self insure and has its own Insurance Fund valued at £800,000 on 31 March, 1984.

SUPPLEMENTARY TO QUESTIONS NOS. 92 & 93 OF 1984

HON J C PEREZ:

Mr Speaker, the Hon Member has not answered whether the Vehicle Testing Centre is covered by an insurance or not.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I have, Mr Speaker, by virtue of its omission.

MR SPEAKER:

In other words, let us be clear and let us not speak at cross purposes. The answer is that the Vehicle Testing Centre is included in the insurance that you have given.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It is included in self insurance, Mr Speaker, but it is not regarded as, I think if I may quote the phrase again, 'an asset which is considered vital for the running of the Government's essential services'.

HON J C PEREZ:

So that means that the Vehicle Testing Centre is covered by the Government's Insurance Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker.

HON J C PEREZ:

Is the Hon Member aware that if the Vehicle Testing Centre were to by accident be damaged beyond repair, that the cost of that would have to be met by the Insurance Fund and that the cost of the Vehicle Testing Centre was £300,000 which would cut the Insurance Fund by half and does he think that the Insurance Fund sufficiently caters for what is insured by Government and not through private insurers?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As to the first part of the Hon Member's question, Mr Speaker, yes, I accept the implication which he put forward. As far as the second half of the Hon Member's question which is really whether in that event we are really not providing enough money, these are matters of course for consideration by experts and we take actuarial advice and we regard the figure of £800,000 being the provision in the Fund as adequate for the risks involved.

HON J C PEREZ:

Mr Speaker, no contribution was made this year to the Insurance Fund. Can the Hon Member state whether a contribution from the Consolidated Fund is to be made in next year's Estimates to the Insurance Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I cannot anticipate what decision the Government will take in next year's Estimates, Mr Speaker.

HON J BOSSANO:

Mr Speaker, does it imply, in fact, because we have not made a contribution this year that the actuarial advice has been that the Fund was over-invested at the beginning of the financial

year, that is, that it had more than sufficient assets to cover the risks of covering 5,000 housing units which the Government owns?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, from memory we were not so advised.

HON J BOSSANO:

So, in fact, how is it that the Hon Member gives us an answer that the risk that is being taken for the Vehicle Testing Centre is, in fact, as a result of actuarial advice and yet he does not seek advice before he decides not to make a contribution this year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The decision not to make a contribution this year, Mr Speaker, was in view of a number of circumstances, the Government's financial position, likely claims on the Fund in the light of recent experience.

HON J BOSSANO:

Mr Speaker, isn't the present funding of the Government Insurance Fund the result of a study carried out some three years ago which required or advised that the amount of annual contributions should be substantially increased from £31,000, I think it was, to £100,000? Is the Hon Member aware of that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not, in fact, aware of that, Mr Speaker, but I express my thanks to the Hon Leader of the Opposition for pointing it out to me.

HON J BOSSANO:

Mr Speaker, is it therefore a change of policy since two years ago the Government adopted a policy of trebling the contribution because after bringing in experts, at the usual cost, they were advised to increase the contribution? How can the Government now tell us that they can simply wipe out one years contribution because of financial constraints if they brought in experts who told them that they were contributing too little?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I think the experts advised us amongst other things on the amount of insurance ~~or rather~~ the assets which should be insured as vital to the running of the Government's essential services so I do not think we can be said to have ignored their report.

HON J BOSSANO:

Could I ask the Hon Member, the actual premium payments in respect of this item's external insurance, are they charged to the individual special funds?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker.

HON J BOSSANO:

So the amount of money that appears in the account is for covering the main assets. Is there an amount of money for covering things like vehicles or is that included?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That would be included in the self insurance, Mr Speaker, there is one figure which perhaps I should have provided to the Hon Member and that is the figure for insurance of the vital assets which was £31,000 in 1983.

MR SPEAKER:

Next question.

THE HON J C PEREZ

Mr Speaker, is it intended to amortize the cost of the Vehicle Testing Centre?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir. The Government's fixed assets are not shown in the Statement of Assets and Liabilities.

SUPPLEMENTARY TO QUESTION NO. 94 OF 1984

HON J C PEREZ:

Does the Hon Member not think that it is proper accounting policy to amortize the Vehicle Testing Centre in that in future we will be able to cost the replacement from the funds of the Government?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I wouldn't assent entirely to that, Mr Speaker. It has been Government policy to amortize the fixed assets of the Funded Services but not assets such as the Vehicle Testing Centre although I acknowledge the point underlying the Hon Member's question which was that this will be fee earning but I think there is a distinction between an asset which is fee earning and one which is a Funded Service like the Telephone Service, the Potable Water, etc, which can be regarded as nationalised industries.

HON J C PEREZ:

Since the Hon Member has said it is going to be fee earning and the Hon Mr Featherstone said in the previous House that perhaps at first there was going to be a loss but it might be making a profit later, will the Hon Member not consider setting up a Special Fund for the Vehicle Testing Centre?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

think  
No, Mr Speaker, I do not think that would be really necessary or justified in the circumstances and it would not be in accordance with the Government policy which I have just stated.

MR SPEAKER:

Next question.

NO. 95 OF 1984

ORAL

THE HON J C PEREZ

Can Government state when and why the vote "Public Works Non-Recurrent" was discontinued?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the last year in which the Public Works Non-recurrent vote was included in the Estimates was in 1977-78. It was decided that the projects included therein could also be appropriately charged to other Heads of Expenditure in both the recurrent and capital budgets.

I should add that as announced by the Chief Minister during this year's Budget debate, it is proposed to have only one Head for Public Works Departmental expenditure from 1985/86 onwards thus discontinuing the practice of charging that Departments' services votes to a separate Head - Public Works Annually Recurrent.

SUPPLEMENTARY TO QUESTION NO. 95 OF 1984

HON J C PEREZ:

Did Government seek the consent of the Secretary of State for Foreign and Commonwealth Affairs to be able to get rid of that vote?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As we haven't got rid of that vote, Mr Speaker, we haven't sought the consent of the Secretary of State for Foreign and Commonwealth Affairs but I am not, in fact, convinced from my studies of the Regulations that this is necessary for us to do.

HON J C PEREZ:

Is the Hon Member aware that Clause 200 of Colonial Regulations state: "There shall be two Heads for Public Works in addition to that for establishment of the Public Works Department. All annually recurrent services shall be placed under the first of these Heads and other works under the second. There will be thus three Heads of Expenditure administered by the Public Works Department, viz, Public Works Department, Public Works Annually Recurrent and Public Works Non-Recurrent", and is he aware that the only way he can change this is by asking permission from the Secretary of State for Foreign and Commonwealth Affairs?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the House will be surprised, very surprised, to learn

that I was aware of Colonial Regulation 200 which prescribes that there are to be three Heads of Expenditure administered by the Public Works Department viz Public Works Department, Public Works Annually Recurrent and Public Works Non-Recurrent. However, the provisions of Section 65 of the Constitution and Sections 39 to 43 of the Public Finance (Control and Audit) Ordinance permit me, as indeed it did one of my predecessors, to alter the format of the Estimates on the lines which I have indicated.

MR SPEAKER:

Next question.

NO. 96 OF 1984

ORAL

THE HON J C PEREZ

What steps has Government taken in relation to the Auditor's comments in the accounts of 1982/83, to the effect that payments made to Hawker Siddeley for the running of Waterport Power Station should have been taxable?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the liability to Income Tax has now been established and the matter has been settled.

SUPPLEMENTARY TO QUESTION NO. 96 OF 1984

HON J C PEREZ:

Does that mean that the tax has been charged to the Electricity Undertaking Fund, that that sum of money has been charged to the Electricity Undertaking Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think the answer to that is yes, Mr Speaker, as this was in fact proposed by the Principal Auditor but I would have to check. I am almost certain but I will check on that for the benefit of the Hon Member.

MR SPEAKER:

Next question.

NO. 97 OF 1984

ORAL

THE HON J C PEREZ

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

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

No Sir. The Government has not yet completed the study of the finances of the Telephone Service Fund.

SUPPLEMENTARY TO QUESTION NO. 97 OF 1984

HON J C PEREZ:

What steps has the Hon Member taken since the last meeting of the House when he said he was at the point of completing the study and reporting to Council of Ministers so that they should make a policy decision, what steps has he taken since then?

HON J B PEREZ:

Mr Speaker, I have personally already completed the study and I have already referred the matter to Council of Ministers. The matter is in the process of being considered shortly.

HON J C PEREZ:

Will the Hon Member keep this side informed on what policy he has taken and could he commit himself to supply a copy of the study to the Opposition?

HON J B PEREZ:

Mr Speaker, in due course when the Government takes a decision on the finances of the Telephone Fund it will necessarily have to come to the House if there are to be any changes being made to the question of charges for calls.

HON J C PEREZ:

But would that mean that the Hon Member would give us a copy of the study that the Government has undertaken?

HON J B PEREZ:

I think the Hon Member has misunderstood when he speaks of the Study. The Study is one carried out by the Telephone Department

itself and by me and that report which carries my name will be submitted to Council of Ministers with my recommendations for the Government to take a policy decision.

MR SPEAKER:

What you are being asked is whether you are prepared to release this particular report.

HON J B PEREZ:

No, I cannot obviously release my own report at this stage.

HON J BOSSANO:

Mr Speaker, didn't the Hon Member say in June that the reason why he hadn't completed the study was because the study was done by his predecessor?

HON J B PEREZ:

No, Mr Speaker, what I said in the last House was that I had not yet had sufficient time to myself to consider the report which had been prepared which was, of course, in draft stage. I have gone through the report that has been prepared, added and deleted a number of matters and, again I repeat, the matter will now be considered by Council of Ministers.

HON J BOSSANO:

In fact, the study was initiated by his predecessor, was it not?

HON J B PEREZ:

Absolutely, Mr Speaker.

MR SPEAKER:

Next question.

THE HON J C PEREZ

Does Government consider that it is good accounting policy to continue charging the Water Service Fund with the cost of the viaduct distiller up to the year 1991/92, notwithstanding the fact that it has already been decommissioned and taken out of service?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, whether to continue to amortize or to write off in the year in which the asset is retired is a matter of judgement in the circumstances of each case.

The policy adopted in respect of capital expenditure on the Potable Water Service Fund is that it should be amortised over a period of 10 years from the year in which the expenditure is incurred.

The total cost of the distiller was £754,862.15. The major part of this expenditure (£720,121.37) was in fact fully charged to the Fund by 1983/84. The remaining expenditure (£34,740.78) relates to a claim by the contractor, Aiton & Co Ltd, for Labour Cost Adjustment under the terms of the original contract. This claim, was not settled until 1981/82 and 1982/83, and is being amortised over the period to 1991/92.

THE HON J L BALDACHINO

Mr Speaker, can Government state if they have made any approach as yet to the Commercial Banks as stated by the Financial and Development Secretary in his Budget Speech when speaking on Home Ownership occupation?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir, and discussions are continuing.

SUPPLEMENTARY TO QUESTION NO. 99 OF 1984

HON J L BALDACHINO:

Mr Speaker, can the Hon Financial and Development Secretary give us a breakdown of what they are discussing?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I didn't quite hear that.

MR SPEAKER:

Could you possibly give us an indication as to what has been discussed to date?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I would describe them as certain technical matters, Mr Speaker, for example, how the banks would isolate the funds which might be used exclusively for home ownership from those funds which form part of their general deposit base, that is one area, and there are difficulties here and I think there is another aspect to this which is really that the banks themselves perhaps primarily in the first place although Government also has a responsibility, and that is the extent to which they can agree amongst themselves on a scheme or indeed whether they want a scheme because I think it is important that all the domestic banks should be able to take advantage of this facility, we don't want invidious distinctions between them.

HON J L BALDACHINO:

Mr Speaker, will the Hon the Financial and Development Secretary make proposals to the banks to give mortgages in line to those in UK?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, I didn't quite catch that.

HON J L BALDACHINO:

When talking with the banks, Mr Speaker, will the Hon Financial and Development Secretary make proposals to the banks to give mortgages in line to those in UK?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think this is something I must leave to the commercial judgement of the banks, Mr Speaker, in the last resort. I think they are well aware of the importance which the Government attaches to home ownership and are doing all they can consistent with their own judgement of the commercial risks and, indeed, the relationship between this sort of lending to their other lending.

HON J L BALDACHINO:

Doesn't the Hon Member think that this is of fundamental importance before the Hon and Learned Chief Minister makes his awaited announcement in the development of the Old Gasworks Site in this financial year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think that is a slightly hypothetical question, Mr Speaker, but I would like to make one further point which I hope will be helpful to the Hon Member. I don't think that the fact that discussions which I am having with the banks have not yet reached finality has, at any rate at this stage, led to any shortage of finance available for lending by the institutions, generally.

HON M A FEETHAM:

Can the Financial and Development Secretary please clarify what difference in risk is there between a bank in Gibraltar giving a mortgage to young people who wish to purchase their flats and the risk that a bank in UK takes in relation to granting the same conditions on periods of 25 years, for example, what is the difference in risk?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't think that is really a question which I can answer or, indeed, would be proper for me to attempt to answer, Mr Speaker.

HON M A FEETHAM:

Has he tried to find out, Mr Speaker?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think my answer to that question is implicit in my answer to the earlier question, Mr Speaker.

HON J L BALDACHINO:

Mr Speaker, seeing that the Hon Member has made an approach to the bank then, surely, he can either confirm or deny that a well known bank in Gibraltar is thinking of reducing its loans to people requiring such loans for purchasing a house for home ownership occupation and if that is so, will the Government put into effect the thinking of the Hon Major Dellipiani as expressed by him at Budget time?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not quite sure what my Hon Friend is driving at.

MR SPEAKER:

I tend to agree with the Hon the Financial and Development Secretary. There is no way in which the Hon Member can answer that question other than by going into matters of policy and not information.

HON J L BALDACHINO:

Mr Speaker, at least if he cannot answer.....

MR SPEAKER:

No, it is not a question of not being able to answer, it is a question of the function of question time which is for the purpose of seeking information. What is the information you are seeking?

HON J L BALDACHINO:

If he can clarify to the House if it is true or not, Mr Speaker, if there is a well known bank in Gibraltar that is cutting its loans to people for home ownership?

MR SPEAKER:

Are you aware of the fact that a particular bank in Gibraltar is intending to cut its facilities for home ownership loans?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker.

HON J BOSSANO:

Would the Hon Financial and Development Secretary not agree that, in fact, the Government as a client and possibly the biggest single client to the local banking system, is in a position to exert some sort of pressure to get the banks to give facilities of this nature? Wouldn't he think that the Government because of its predominance financially can in fact use its influence and weight to get the banks to provide facilities of this nature?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I hope that the discussions to which I referred earlier in this exchange with Hon Members opposite will give the Hon Members opposite some assurance that the Government is indeed using its influence, I prefer to use the word influence rather than pressure.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

Mr Speaker, can Government confirm that all expenditure under Head 101 of the I & D Fund is being charged to the Housing Fund on the basis of the policy introduced in 1981 of amortization over 60 years?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir, I so confirm.

SUPPLEMENTARY TO QUESTION NO. 100 OF 1984

HON J L BALDACHINO:

Mr Speaker, am I correct in stating then that the 60 years is arrived at and based on what is the expected life for a new building?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The 60 year period is based on the expected life, Mr Speaker.

HON J L BALDACHINO:

Of a new building?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Of a new building, yes.

HON J L BALDACHINO:

Can the Hon Member say if the demolition of Engineer House has a 60-year life?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Robust though the walls of Engineer House are, Mr Speaker, because I understand they date from the eighteenth century, I don't think that the demolition will last for 60 years.

HON J L BALDACHINO:

Mr Speaker, can the Hon Member say why he has charged the demolition of Engineer House to the Housing Fund and what has that got to do with the Housing Fund?

MR SPEAKER:

With respect, that does not arise from the question which is being asked. The question being asked is whether amortization is calculated over a period of 60 years and the answer has been yes and I am afraid we are not going to widen the scope of the question.

HON J BOSSANO:

Mr Speaker, isn't this one of the expenditures under Head 101 and if the answer is that all of it is being amortized over 60 years then it follows logically that one can ask how one particular item, such as the demolition of a wall, can be amortized over 60 years.

MR SPEAKER:

Does the expenditure for the demolition of Engineer House come under this particular Head?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It is certainly charged to that particular Head, Mr Speaker, yes. I don't think that it would be amortized over 60 years.

HON J BOSSANO:

Then, Mr Speaker, how is the formula worked out? Is it not the case that the Improvement and Development Fund expenditure in, say, 1983/84, is then charged to 1984/85 by applying a multiplier of 36 over 1,000 which effectively is amortization at 3% over 60 years without discrimination as to the actual contents, is this not how it is being done? If it isn't, how is it being done?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, could I with the forbearance of the House and indeed Hon Members opposite, alter the answer I gave to the previous question that, of course, because the demolition of Engineer House is preliminary work to a new construction, it would be part of the expenditure on that construction which is amortized over 60 years. I apologise.

HON J L BALDACHINO:

Mr Speaker, what happens then if the Government decides to use the site of Engineer House.....

MR SPEAKER:

No, with respect, that is hypothetical.

HON J BOSSANO:

Could I ask the Financial and Development Secretary as a follow-up to what he has just said, does that mean that the actual start of the amortization is deferred until after the building is constructed, that is, after the site is put into use or does it mean that it is already taking place in anticipation of the fact that eventually there will be a building on that site?

MR SPEAKER:

Are you asking whether amortization is taking place as from the date of expenditure and not as from the date of the completion of the project, is that right?

HON J BOSSANO:

To some extent yes. In reference to what the Hon Member has said that the cost of the demolition at this stage is part of the eventual cost of the building, I am asking is it being charged now or will it await the building before it is charged?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The expenditure will be amortized as from now, Mr Speaker, that is when the expenditure is incurred.

HON J BOSSANO:

And wouldn't the Hon Member think that it is a very peculiar accounting practice to amortize the knocking down of an old building over 60 years when in fact we may never see an eventual housing estate on the Engineer's site and the cost has already been charged to the Housing Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, there are certainly, I think, Mr Speaker, oddities in accounting conventions which to the lay mind amongst whom I include myself, I should add, do seem rather strange.

HON J BOSSANO:

Assuming, Mr Speaker, that I have got a lay mind and the Hon Financial and Development Secretary hasn't or that he has got a lay mind and I haven't, vice versa, would the Hon Member not agree that if the policy that was introduced in 1960 was related to the life of a building, then it ought to be applied on a discriminatory basis depending on the nature of the expenditure from Head 101 and not simply to all expenses?

MR SPEAKER:

With respect, I accept what the Hon Leader of the Opposition is saying but not at question time. Whether the policy which is being applied is correct is another matter but this is what they are doing, they say that the demolition which is taking place now is part and parcel of the development which is going to take place and therefore it would be amortized together with the expenditure of the building which is going up. I don't think we can go beyond that. Whether the policy is correct or not is another matter. Next question.

NO. 101 OF 1984

ORAL

THE HON J L BALDACHINO

Can Government state why amortization of Government housing is at 3% and for 60 years?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the period of 60 years for amortization is generally regarded as a reasonable one for the purpose of calculating capital charges on buildings. The low interest rate of 3% on the other hand takes account of the discounted value of the building at the end of that period. If the secular rate of interest were to change significantly the rate of 3% would itself have to be reviewed.

SUPPLEMENTARY TO QUESTION NO. 101 OF 1984

HON J L BALDACHINO:

Mr Speaker, I understand the 60 years amortization to be based on a new building but what I do not understand, Mr Speaker, and wouldn't it be better, for accounting purposes, for buildings that are remodernised, to be amortized on the expected life of that building?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think that was the sense in my answer, Mr Speaker.

MR SPEAKER:

What is being suggested is that the realistic life of a building could well be over 60 years and shouldn't that be the basis on which it should be done.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Here, although again I am speaking as a layman, this is one piece of accounting practice convention which is almost universally held, I think, as far as buildings are concerned. Sometimes operational buildings are amortized over a shorter period because of the change in technology but buildings which are used for residential or office purposes 60 years is the normal life, of course it could have a useful life at the end of 60 years.

HON J L BALDACHINO:

Mr Speaker, the difference of the 3% is different to the other

Funded Services which is based on the joint Consolidated Fund interest and then it is charged to the different Funds.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, the 3% is as the Hon Member has said, different from the interest rate which applies to the other Funded Services for the reason I gave in my reply to the Hon Member, namely, that one does expect with buildings that there will be a value to the asset at the end of the 60 years, a discounted value which at 3% gives one the present value.

HON J BOSSANO:

Mr Speaker, the Hon Member said that if in fact there were changes in the interest rates the figure of 3% would need to be reviewed. Is it not a fact that since it was introduced in 1981 there have been extremely violent fluctuations in interest rates or is the Hon Member saying that they have to be even more violent than that before a review takes place?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Violent is one of those terms, Mr Speaker, on which there can be different interpretations and I would not regard the fluctuations to which the Hon Leader of the Opposition referred as being of a degree which would cause us to alter the 3%.

HON J BOSSANO:

So the Hon Member is saying that the changes in interest rates that have taken place between 1981 and 1984 are insufficient to require a review of this figure? Can he say what sort of magnitude of change he expects before that applies?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It is hypothetical, Mr Speaker, but certainly if one did have changes in the interest rates of a magnitude we would respond to it.

HON J BOSSANO:

Is he talking about the sort of situation that we had in 1930 in the Weimar Republic in Germany? Is it a fact then, Mr Speaker, that there is really no reason to expect that the Government will be reviewing the 3% in the foreseeable future, that is the answer.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I would assent to that, yes, Mr Speaker.

MR SPEAKER:

Next question.

NO. 102 OF 1984

ORAL

THE HON J BOSSANO

Can Government state what were the cash reserves in the Consolidated Fund Balance at the beginning of the current financial year and what these are estimated to be by the end of the year?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Consolidated Fund Balance on 31st March 1984 was £7.7m and the forecast for 31st March 1985 is £3.7m.

SUPPLEMENTARY TO QUESTION NO. 102 OF 1984

HON J BOSSANO:

Mr Speaker, my question is how much of this is cash?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I rather anticipated that that might be the Hon Leader of the Opposition's supplementary question, Mr Speaker, but I thought in fairness to him and the House that I ought to give the general position in the Consolidated Fund first of all. How much of that is cash, I can say with a certain amount of precision because I am talking of the past, that at 31st March, 1984, approximately over £2m would have been cash and this figure was not greatly different from the figure for the previous year, I believe.

HON J BOSSANO:

Mr Speaker, my original question is, how much it was at the beginning of this year and the answer is £2m, and how much does he estimate it will be at the end of the year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I cannot give an estimate for the end of the year, Mr Speaker, because the cash balances do tend to fluctuate in line with other fluctuations in the reserve in the various Funds which are managed by the Government on a day-to-day basis. I cannot give an estimate to the end of the year. I could give an amount for a current date if the Hon Member so wishes me to do.

HON J BOSSANO:

Could the Hon Member give the amount for a current date and could he confirm that in fact the trend is pointing down rather than up?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The current figure of cash, Mr Speaker, is approximately £3.5m and that, I think, is slightly more than the figure in the Fund at the 31st March, 1984.

HON J BOSSANO:

Mr Speaker, is this in fact because of recent success in collection of arrears and does the Hon Member not agree that it is not possible to have total reserves of £3.7m and cash of £3.9m?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As to the reason, Mr Speaker, it is very difficult to say precisely but I think one contributory factor to the increased amount of cash available to the Government would be the fact that we have had available £3m from Hambros which was a loan the first tranche of which was taken down before the end of the last financial year which has not yet been spent in the sense that projects in the Improvement and Development Fund to which this was earmarked have not yet come to maturity. We have also sold Government debentures so the Government's overall liquidity position at the moment is quite a healthy one and I would think it is perhaps overstated because some of this will be withdrawn as projects in the I & D Fund come to maturity.

HON J BOSSANO:

But, surely, Mr Speaker, the two items the Financial and Development Secretary has mentioned do not form part of the Consolidated Fund Balance, they form part of the balance in the Improvement and Development Fund which I have not asked him about. I am assuming that there was money there at the beginning of the year from the figure given on page 5 of this year's Estimates which was £2m which should have been there in cash at the beginning of the year, I am not taking that into account. I am asking the Hon Member to give me the amount of cash out of the £7.1m or I am assuming that it is now £7.7m because the figure has increased and not because he is including the Improvement and Development Fund. Is he in fact including the Improvement and Development Fund in the original £2m he has given me?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think it is difficult to answer the question, Mr Speaker, in precisely the form in which the Hon Member has put it. He has asked for cash in the Consolidated Fund and my answer, really, was a way of explaining that cash is not in the Consolidated Fund, cash is, so to speak, available to the Government and if

I may hark back to an earlier question, this is how the Government manages its balances, this is how the Government manages its money, it has available a certain amount of money some of it may be earmarked for the I & D Fund, some of it is proper to the Consolidated Fund but we are talking about cash .....

MR SPEAKER:

The amounts you have given includes the Improvement and Development Fund.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It would.

HON J BOSSANO:

Mr Speaker, then I am afraid the Hon Member has not answered the question on the Order Paper which specifically limited itself to the Consolidated Fund Balance and not the Improvement and Development Fund. I am not including that in my question nor am I interested in that figure. Can the Hon Member now tell me what I originally asked him, what were the cash reserves in the Consolidated Fund Balance at the beginning of the year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, because as I explained in answer to an earlier question that cash straddled the two Funds.

HON J BOSSANO:

But, Mr Speaker, is the Hon Member not aware that until the Funded Services were established in 1977, the Consolidated Fund Balance or the General Revenue Reserve, as it was called then, was in fact exclusive of unpaid bills and therefore consequently practically all cash and that it is only possible, would he not agree, to do an assessment of the relative strength of the Government reserves historically by comparing like with like and that therefore it is legitimate for him to produce a set of figures which are comparable with previous years?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I see no obligation on myself to produce a set of figures which are comparable with 1976 or 1977.

HON J BOSSANO:

So the Hon Member thinks that it is perfectly alright for the Government that is here today and was there in 1972 to be telling the House that a reserve is required of three months and today the Hon Member sees no obligation to tell us whether we have got a reserve on the same basis of three months or one day, he doesn't think he has got an obligation to do that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I tried to answer the Hon Leader of the Opposition's question, Mr Speaker, bearing in mind the difficulty I had with answering it literally and I do not think I have misled the House at all.

HON J BOSSANO:

So the Hon Member is not able to tell the House of the £7m in reserve how much of that was unpaid bills, that he cannot say?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

From memory I think I can say, we are talking about the 31st March, 1984, the figure increased by approximately £800,000 over the previous year. If I were to now go through the accounts I could probably find it, Mr Speaker, but perhaps that figure would suffice to the Hon Member at this point in time.

HON J BOSSANO:

Would the Hon Member not agree that on the basis of that trend there will be virtually no cash in the £3.7m he expects at the end of the year, that it will be virtually all unpaid bills? Does he not agree with that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, we have been talking about cash. I have been awaiting for the Hon Member to raise the question of investments and there is of course a further, from memory, £1½m making a total of about £5m in all if one includes investments, this is what I would regard as the Government's liquid reserves, using investments which are put in gilt edged as being more or less liquid for this purpose.

HON J BOSSANO:

Mr Speaker, would the Hon Member not agree with me that the investments to which he has just referred, unless I have misunderstood him, are the investments arising out of the unspent balance in the Improvement and Development Fund which is money that is committed for specific projects?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, these are investments placed by the Crown Agents and they are so shown in the accounts of the Government.

MR SPEAKER:

Next question.

NO. 103 OF 1984

ORAL

THE HON J E PILCHER

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

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir. As the Honourable Member will recall from my answer to Question No.33 of 1984, the Management Agreement will not be signed until my replacement as Chairman of Gibraltar Shiprepair Limited takes up office.

SUPPLEMENTARY TO QUESTION NO. 103 OF 1984

HON J E PILCHER:

Mr Speaker, when will that happen? We are now in October, 1984, I take it that the Gibraltar Shiprepair Limited is starting on the 1st January, 1985, when will the management contract be signed?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, a Chairman designate has been chosen and a press release on this will be made shortly but for the benefit of the House they might wish to know that the new Chairman will be Mr Peter G Simonis who is at present Chairman of Haden plc, a well known British engineering and contracting group with worldwide interests and he will take up office at the end of the year when the Naval Dockyard is formally handed over to the Ministry of Defence.

HON J E PILCHER:

I take it, Mr Speaker, that the management contract will not be signed until the 1st January, 1985?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Simonis will be coming out to Gibraltar for a meeting of Gibraltar Shiprepair Limited's Board in December and I would hope that the management agreement will be an item on the agenda for that meeting with the hope that it may be signed before the end of the year..

HON J E PILCHER:

Mr Speaker, then at the moment Gibraltar Shiprepair Limited is still being paid out of the consultancy agreement by ODA and who is paying for the other UK managers being contracted at the moment by them?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think this anticipates the reply to a later question

HON J E PILCHER:

Mr Speaker, is Appledore now receiving the £300,000 of management fees?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The answer to that is no, they are not receiving a management fee yet.

HON J E PILCHER:

Given that the management agreement has not been signed, Mr Speaker, how is it that GSL is now managing the slop barge? Under what terms and conditions are they managing something if no management contract has been signed?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I mentioned when this was discussed earlier in the House, Mr Speaker, the company and the managers are acting in accordance with the management agreement although it has not yet been formally signed and we have as yet observed or there have been no issues which have caused us acute difficulty because of the fact that the agreement has not yet been formally signed.

HON J E PILCHER:

Mr Speaker, again I refer to Question No.33 of 1984 where I did not get an answer, where I specifically said that part of the management agreement would have the appointment of a controller. If I may just read for a second the words of the Acting Financial and Development Secretary way back in October, 1983, Mr Montado, who said: "The controller will serve almost as a daily watchdog on the activities of the new company and its managers". I take it that because there is no management agreement there is no watchdog at the moment?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It is a matter of great regret to myself, Mr Speaker, as

Chairman, and also to my fellow Board members that we have not yet been able to recruit a controller. I can assure the House that we have not been inactive in this respect and I myself have made a number of trips over to the UK to interview prospective applicants together with the Managing Director, Mr Abbott, but we were rather unfortunate, we thought we had a very good candidate recently ex-Vickers Shipbuilding and unfortunately at the last minute he declined the offer so we had to start again but I am expecting to do some more interviewing very shortly for this post.

MR SPEAKER:

Next question.

NO. 104 OF 1984

ORAL

THE HON J E PILCHER

Can Government state how much revenue is estimated to be produced in the current financial year from rates payable by Gibraltar Shiprepair Ltd?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Sir, I would refer the Honourable Member to answers given in supplementaries to question No. 413 of 1983. It was explained then that Gibraltar Shiprepair Ltd would be eligible to apply for rating relief under the provisions of the Development Aid Ordinance. The Company has already applied for a Development Aid Licence. Once this is granted, the Company will qualify for normal rating relief and no rates will therefore be payable in the current financial year.

SUPPLEMENTARY TO QUESTION NO. 104 OF 1984

HON J E PILCHER:

Mr Speaker, can the Hon Financial and Development secretary then confirm that the Gibraltar Government is in fact giving a hidden subsidy of £450,000 to GSL because when the proposals for commercialisation were accepted by the Government these included this sum, nearly £½m a year in payment of rates, and that came out of the £28m which the company can now use for other things but which the Gibraltar Government cannot because they are giving them this hidden subsidy of £450,000?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I personally would not have used the rather emotive words which the Hon Member has used 'a hidden subsidy' because it suggests something sinister. Whatever may have been the forecast made in the past and many of these have changed in other respects, there is no doubt that GSL is eligible to apply for rating relief under the provisions of the Development Aid Ordinance and it will qualify for rating relief and that is the law.

HON J E PILCHER:

Mr Speaker, can the Hon Member not confirm that when the agreement was accepted by the Gibraltar Government out of the £28m the Gibraltar Government would get £2m out of rates in four years?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I doubt that very much, Mr Speaker. If it was in the original understanding or agreement as the Hon Member has said, well, I would have expected ODA to jump on it fairly quickly because it is a well known feature of overseas aid provided by Her Majesty's Government that the UK Parliament will not allow aid to be used in aid of general Government expenditure, that is to say, in support of local taxes, they insist that it goes to the recipient project unencumbered of taxes or imposts.

HON J BOSSANO:

Is the Financial and Development Secretary not aware that when the proposals were accepted and the Project Study was approved by the British Government it was approved inclusive of an amount payable by the company of £450,000 as rates and that no previous mention has been made in the House until now that this was in any way unacceptable to ODA or the British Government notwithstanding the fact that it has been debated before?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, as far as GSL and its entitlement for rate relief is concerned, Mr Speaker, there have been previous questions in the House so the House is not unaware of this. As regards the other point, namely, the normal conditions applying to overseas aid, well, I was familiar with these and I can only register surprise that someone with the encyclopaedic knowledge of the Hon Leader of the Opposition was not also aware of it.

HON J BOSSANO:

I am not saying I wasn't aware of it, Mr Speaker, what I am saying is is the Hon Member aware that there has never been any suggestion previous to now that ODA would object to this notwithstanding the fact that these proposals have been known and made public and debated for two and a half years? Nobody has ever suggested that ODA has said to the Government or to Appledore that if their £28m included £2m for rates, which it did, then they would only get £26m which is the implication of what the Hon Member is saying.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, Mr Speaker, I cannot really add anything to what I have said.

HON J BOSSANO:

Could the Hon Member then state whether he agrees that since the estimates of profitability of the company included the

payment of rates of this amount, that it would be reasonable in looking at the successful implementation of the project, to expect that the profits should be £456,000 higher than previously estimated a year as a consequence of not having to pay rates?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I don't think I will fall into the trap of following that hypothetical path to which the Leader of the Opposition so seductively invites me. I think there are many factors which will effect the profitability of the company but of course although I have said that it is eligible for rating relief this is only in the early years which coincides with the years for which finance is available, thereafter the company will of course (a) earn profits and (b) be liable to rates.

MR SPEAKER:

I think we are extending the orbit of the question.

HON J BOSSANO:

Since the Hon Member has said that they are going to be exempted and that this will only be for a number of years, can he say for how many years they are not going to have to pay rates?

MR SPEAKER:

That is according to the Development Aid Ordinance.

HON J BOSSANO:

Is there any discretion?

MR SPEAKER:

No, it is a question of scaling.

HON CHIEF MINISTER:

No payment the first year, 20% the second year of the total rateable value, 40%, 60%, 80% and on the fifth the full amount.

MR SPEAKER:

Next question.

NO. 105 OF 1984

ORAL

THE HON J E PILCHER

Can Government state what disbursements have been made from the Gibraltar Shiprepair Limited Fund stating the dates, amounts, purpose and to whom such disbursements have been made?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the total amount authorised for payment to date is approximately £3.1m, of which £2m represents payment for contracts placed with off-shore companies and the remainder locally incurred costs. The Company's accounts will in due course provide details of capital and current expenditure in accordance with normal accounting practice and be subject to audit.

SUPPLEMENTARY TO QUESTION NO. 105 OF 1984

HON J BOSSANO:

Has any of this money from the Fund been paid direct by the Government or through GSL?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The money has been paid or, I should say, it has been accounted for by the Government, Mr Speaker.

HON J BOSSANO:

Mr Speaker, in view of the fact that in the last House of Assembly when I drew attention to Clause 6(4) of the Gibraltar Shiprepair Limited Ordinance, 1983, the Financial and Development Secretary said he would have to take advice on whether in fact this was being done in accordance with the requirements of the Ordinance, can he now say whether he has taken advice?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker, I took advice from Learned Counsel at the time and arrangements have been made for the company to issue shares up to a value of approximately £20m and the Government will receive as consideration for disbursement from the Fund shares to that value, a value not exceeding on present estimates of expenditure, £20m.

HON J BOSSANO:

But this in fact has not yet happened, is that the case?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

This has not yet happened in the sense that the physical transaction has not been made, Mr Speaker, but this is certainly the intention on the receipt of advice to which I referred.

HON J BOSSANO:

Mr Speaker, can the Financial and Development Secretary explain how it is that when it was brought to his attention in June that the way the money was being spent from this Fund was contrary to the provisions of the law governing the Fund, in October the position is still not rectified whatever his intentions? Is it not the case that notwithstanding the fact that money can only be used to subscribe for shares, this has not yet happened?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I do not think I can accept that the Hon Leader of the Opposition draws to my attention things which are contrary to the law. I think whether something is contrary to the law is, in the first instance, to be established by legal advice and I refer to the legal advice which we have obtained.

HON J BOSSANO:

Well, then, Mr Speaker, could the legal adviser of the Hon Member whom I presume is the person sitting next to him, no? I think perhaps the Hon Member may be mistaken in thinking, if you will allow me to make a clarification.

MR SPEAKER:

I would like to clear one particular point before you carry on. When we talk about the legal advice which the Hon Financial and Development Secretary is seeking, is he seeking this legal advice as Financial and Development Secretary or as Chairman of the Gibraltar Shiprepair Limited because if he is seeking it as Chairman of Gibraltar Shiprepair Limited he is not answerable to this House and therefore you may have other questions to ask.

HON J BOSSANO:

I am asking him as Financial and Development Secretary, Mr Speaker, and not as Chairman of the company and therefore I am assuming that the Financial and Development Secretary is advised by Her Majesty's Attorney-General because, in fact, the law provides that he is the controlling officer of the Gibraltar Shiprepair Fund and it is about the Gibraltar Shiprepair Fund that the question is and not about Gibraltar Shiprepair Limited as a company. As far as the Fund is concerned, will the Hon Member explain to the House how it is that the law moved by him in this House of Assembly says: "There shall be charged upon the Fund such monies not exceeding £28m as the Financial and Development Secretary may authorise for the subscription by the Government of Gibraltar of shares", and if, in fact, he has been using money for anything other than shares, with what authority, that is the question?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As I said in my earlier reply, Mr Speaker, I took advice in a dual capacity, first of all, as Chairman of the company from the company's solicitors and, secondly, from my Hon and Learned Friend the Attorney-General in my capacity as Financial and Development Secretary and the answer I have given was in the light of the advice I received.

HON J BOSSANO:

Could the Hon and Learned Attorney-General, Mr Speaker, give the House the benefit of his advice and explain how it is that the law appears to be quite categorical in limiting the powers of the Financial Secretary who may authorise the use of these funds for the subscription of shares or for the payment of expenditure on assets? How it is that the Financial Secretary has been able to pay the workforce directly without buying shares in the company, can he explain that to the House because I cannot understand it and since he is the expert, I think it is only right that he should tell the rest of us, Mr Speaker.

HON ATTORNEY-GENERAL:

The money out of the Fund, Mr Speaker, must be used only for those purposes specified in the Ordinance, namely, the purchase of shares or the acquisition of assets belonging to the Government, whatever the other thing is in the Ordinance. Those are the only payments out of that Fund that are authorised for those two things.

HON J BOSSANO:

Then, Mr Speaker, can the Financial and Development Secretary say what money has been used for what purpose and to whom the money has been paid if in fact it can only be done as the Hon and Learned Attorney-General has confirmed as the Ordinance states? Can he say whether he has only done it for buying shares which obviously is not the case since the shares have not gone up?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

My understanding of the point which the Hon Leader of the Opposition is making is that it is a technicality and that provided that shares are purchased to this amount we would be within the law.

HON J BOSSANO:

Mr Speaker, what the Hon Member is saying and will be confirm it, is that he is not within the law now, he was not within the law in June, it was brought to his attention and he intends to bring himself within the law retrospectively, is that the situation? He is saying that provided the money that has been spent already is on paper assumed to have been spent retrospectively on purchasing shares which could not have been spent on

that purpose because the shares do not exist, then that will correct the illegality with the benefit of retrospection, is that the position?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon Leader of the Opposition may have expressed it admirably, Mr Speaker.

HON J BOSSANO:

And that is, in fact, Mr Speaker, what the Financial and Development Secretary is telling the House is a correct way to proceed, to break the law for nine months and then retrospectively correct the illegality? Is that a facility available exclusively to the Hon Financial and Development Secretary or do the rest of us lesser mortals have an opportunity of breaking laws in the same way and having them corrected subsequently?

MR SPEAKER:

Next question.

NO. 106 OF 1984

ORAL

THE HON J E PILCHER

Can Government now state what will be the annual salary of Mr Brian Abbott as General Manager of the Gibraltar Shiprepair Limited?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as I explained to the Honourable Member in answer to Question No.37 of 1984, Mr Abbott's remuneration is at present met from funds provided by ODA for A & P Appledore under the Consultancy Agreement. This arrangement will continue until the end of this year. Thereafter his remuneration will be for the Board of Gibraltar Shiprepair Limited to decide.

SUPPLEMENTARY TO QUESTION NO. 106 OF 1984

HON J BOSSANO:

When in fact the salary comes out of Gibraltar Shiprepair Limited will it be then made public, Mr Speaker?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker.

MR SPEAKER:

Next question.

NO. 107 OF 1984

ORAL

THE HON J E PILCHER

Can Government state whether expatriate Managers of Gibraltar Shiprepair Ltd will be paid an additional allowance over their basic salary and whether they are liable to Gibraltar income tax?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, additional allowances are being paid to expatriate managers of Gibraltar Shiprepair Limited. Expatriate managers of Gibraltar Shiprepair Limited are liable to Gibraltar income tax.

SUPPLEMENTARY TO QUESTION NO. 107 OF 1984

HON J E PILCHER:

On both their wages and the allowances, Mr Speaker, or just on their wages or salaries?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, obviously, what constitutes taxable income is a matter for the Commissioner of Income Tax, Mr Speaker.

HON J BOSSANO:

Mr Speaker, can the Financial and Development Secretary say whether the managers are currently being paid by GSL or currently being paid by ODA under the terms of the consultancy? Are there some people being paid by one source and others by another?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There are, I think from memory, two or three individuals still being paid from the consultancy agreement with ODA but all the other managers are being paid by GSL.

HON J E PILCHER:

Mr Speaker, can the Hon Member not confirm that in the original proposals there was a differential in pay between local managers and managers contracted in the UK, something in the region of about 50% in pay differential?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I can confirm that, Mr Speaker, whether it was precisely of the order the Hon Member has mentioned I am not sure but it could very well have been.

HON J E PILCHER:

Can the Hon Member not confirm also that when questioned by this side of the House this minor thing was corrected and the basic wages were made the same for local and UK managers?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If we are talking about basic wages irrespective of allowance, yes, I think I can confirm that but the allowances, of course, are for the expatriate managers.

HON J E PILCHER:

Can then the Hon Member not accept that in fact the allowance is the differential in pay which was there at the beginning and which is now being paid to the UK managers as an allowance but at the end of the day the UK managers will be getting 50% more than the local managers?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I wouldn't say that they will be getting 50% more than the local managers because I think that is a fairly arbitrary figure and in any case it does not take account of the tax figure but if the Hon Member wishes me to assent to the proposition that expatriate managers' total remuneration will be greater than those recruited locally, yes.

HON J E PILCHER:

And is this not, Mr Speaker, contrary to the spirit of parity and the parity fight which the whole of Gibraltar fought for and is the Government happy about this fact and the fact that their allowance might not even be taxable?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The last comment made by the Hon Member is one which I do not think he is entitled to assume from anything I have said but the Government sees the company's responsibility as being to ensure that the company pays no more than is necessary to recruit and retain people with the right qualifications and experience for a particular job and I think the Government and the company are at one in hoping to see the number of expatriate managers reduced substantially in a very reasonably short period from the figure at which it now stands.

HON J BOSSANO:

Mr Speaker, could I just ask the Financial and Development Secretary as a supplementary to the answer that he gave me that two or three of the managers are still being financed by ODA? To confirm whether those that are financed by ODA are not paying Gibraltar income tax?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If they are being financed by the ODA under the consultancy agreement I don't think that they will be paying Gibraltar income tax. I mean if they are paying UK income tax they will not be paying Gibraltar income tax as well but this does not mean that the Commissioner of Income Tax might not raise an assessment and I think he would want to consider each case on its merits.

HON J BOSSANO:

And then, Mr Speaker, if the Commissioner of Income Tax can raise an assessment on the salary of an individual financed by ODA, can the Financial Secretary explain to me why it is that this is permissible and a few minutes ago he was saying that the money from ODA couldn't be used to pay rates because ODA is very adamant that none of the money that they provide can be used to meet local rates or taxes?

MR SPEAKER:

With respect, what the Hon Financial and Development Secretary has said is that if the employees which are called managers who are being paid by ODA are subject to United Kingdom income tax then, of course, they wouldn't be subject to income tax locally but it would be for that reason and no other reason.

HON J BOSSANO:

I accept that, this is precisely why I am asking because if in fact they do not pay UK income tax or they are liable to local income tax, can the Financial Secretary explain how it is that a few minutes ago he has said that ODA will not permit any of the finance that they provide to go towards the payment of local rates or taxes - he has just said that - and in fact it is possible to tax somebody paid by ODA, can he explain that? Wouldn't the ODA insist that the payment that they are making under the consultancy agreement cannot go towards the payment of a local tax?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

When I used that phrase earlier I think I used the words rates and imposts. I didn't mean income tax, Mr Speaker, in the terms which the Hon Member has mentioned.

HON J BOSSANO:

So, in fact, the Hon Financial and Development Secretary is saying that there is no reason as far as the ODA is concerned of any objection on their part why people who are financed out of ODA funds should not pay local income tax, is that the position?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think it is fairly obvious, Mr Speaker, that a substantial proportion of the £28m which is being provided by Her Majesty's Government and which will go during the early years of the company to finance operations, will be paid out in wages and salaries and those who are, in fact, earning those wages and salaries will pay Gibraltar income tax. I don't think ODA would be surprised to learn that.

HON J BOSSANO:

Mr Speaker, I am not disputing that and one could equally argue that the man who delivers a piece of equipment between Waterport and the Dobkyard earns the wages as a result of delivering that piece of equipment which pays income tax, that is not the question I have asked the Hon Member. I am asking the Hon Member to confirm, as a consequence of the statement he has just made, that if ODA is paying directly the salary of somebody, the fact that the salary comes from ODA does not mean that there is an ODA objection to that salary being assessable to Gibraltar income tax.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, I think I would accept that, Mr Speaker.

HON J BOSSANO:

If the Hon Member doesn't know perhaps he ought to ask.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have said yes.

MR SPEAKER:

He has accepted the statement and that is the end of the matter. Next question.

NO. 108 OF 1984

ORAL

THE HON J E PILCHER

Can Government now state on what terms has the Ministry of Defence made available up to 46 properties for the use of expatriate Managers of the Gibraltar Shiprepair Limited?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the 46 properties which the Ministry of Defence are making available will be on the basis of a fully repairing lease to Gibraltar Shiprepair Limited over a three-year period. The rental payable by GSL to MOD will vary from property to property but in general will be at less than current commercial rates.

SUPPLEMENTARY TO QUESTION NO. 108 OF 1984

HON J E PILCHER:

Mr Speaker, can the Hon Member give us what is the total amount being paid for all the 46 properties?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

They haven't yet all been let, Mr Speaker, I think approximately some 30 properties have been let. In due course, if the Hon Member wishes me to provide him with further information I think we will be prepared to do that on a global basis but not with respect to details of individual properties which is contrary to the normal arrangements.

HON J E PILCHER:

I do not want, Mr Speaker, details of individual properties, what I want is the overall rent payable for the 46 properties.

MR SPEAKER:

You will be given that when it is available.

HON J E PILCHER:

Mr Speaker, can I ask whether the rents are being paid by the individuals or by the company? Are the individuals paying rent themselves or is the company paying the rent of their house?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

They will be rent free to employees of GSL.

HON J E PILCHER:

And is this, Mr Speaker, not in fact another allowance over and above the basic wage plus the allowance which they are already getting?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As I said, Mr Speaker, I am sure we have a very efficient Commissioner of Income Tax and he is capable of taking these things into consideration.

HON J E PILCHER:

This has nothing to do with the Commissioner of Income Tax, Mr Speaker, to the point that the initial agreement on the £28m does not provide for the GSL to pay rents on the property, that is not part of the estimated expenditure of the £28m.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There have been many changes in the composition of the £28m, Mr Speaker, since the sum was first thought of and I imagine that once we get into an operational rather than a theoretical phase there will be further changes.

HON J BOSSANO:

Mr Speaker, doesn't the Government think that it owes an explanation to people if there have been these very significant changes since, in fact, for all that Gibraltar knows and for all that we know on this side of the House, the projected results of the company are the results on which they obtained and were successful in their tender? Wouldn't the Financial and Development Secretary agree that if you have got a situation where a number of bidders put in projections of results then you cannot simply change dramatically or significantly what the successful bidder is expected to do without, in fact, creating a situation where other people....

MR SPEAKER:

In fairness, are we not jumping the gun? Should you not wait until the figures are given so that you know exactly what the import is?

HON J BOSSANO:

Mr Speaker, can the Financial Secretary not confirm that there are two significant changes in the expenditure of the company one of which is that they are now paying rents for furnished accommodation for 40-odd managers which was not in the original estimates,

and that that is a new cost, and the other one is that they are now not paying rates which was in the original cost which is a loss of revenue to the Government of Gibraltar?

MR SPEAKER:

In fairness I think we are getting out of hand slightly. You are seeking the information which will give you the right and the entitlement at a later stage to take action on but because the information that you are getting is contrary to what has been agreed before, you must not try and debate the matter at question time, that is what I am saying. You have the information and what you do with it is another matter.

HON J BOSSANO:

Can I ask the Financial and Development Secretary whether the reference to the Commissioner of Income Tax is taken to mean or can be taken to mean that in fact the provision of rent free accommodation will be a benefit in kind which will be taxable, is that what he was referring to?

MR SPEAKER:

Yes.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Thank you, Mr Speaker.

MR SPEAKER:

Next question.

NO. 109 OF 1984

ORAL

THE HON J E PILCHER

Can Government confirm that contractors engaged on the Dockyard refurbishment have been paid by Gibraltar Shiprepair Ltd from its own funds?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, contractors engaged on Dockyard refurbishment will be paid by Gibraltar Shiprepair Limited from funds provided by ODA under the terms of the £28m agreement until such time as the Company generates its own trading income.

SUPPLEMENTARY TO QUESTION NO. 109 OF 1984

HON J BOSSANO:

Mr Speaker, but is it not the case that under Section 6(4) of the Gibraltar Shiprepair Limited Ordinance the Gibraltar Government is supposed to pay for expenditure on assets that belong to the Government and are to be leased to the company and that, in fact, the Ordinance was amended by the Government because of this point made by me in December of last year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have my notes for the supplementary on this particular question, Mr Speaker, in fact, it is not clear what lies behind this question and I thank the Hon Leader of the Opposition for making it slightly more clear to me. I take the point he makes that some of the assets will be owned by the Government and others owned by the company, that is to say, the Government will lease certain assets to the company and I can assure him that this position will be regularised in due course but as far as payments to contractors are concerned, they are being paid out of funds provided under the terms of the £28m agreement.

HON J E PILCHER:

Mr Speaker, is not one of the contractors that have been paid by the GSL the contract for refurbishing No. 1 Dock which will then be an asset for the Gibraltar Government and not to the company?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is correct. The contract for the refurbishment of No. 1 Dock will be or rather No. 1 Dock will remain in ownership of the Government so the money which is spent on this will not form part of the share capital of GSL.

HON J E PILCHER:

But then, Mr Speaker, am I not correct in assuming because after I have read the Hansard for December where this particular point was made by the now Leader of the Opposition, Mr Joe Bossano, where in fact an amendment was brought by the Attorney-General, page 173, where the amendment was made specifically: "or for expenditure on assets belonging to the Government that are or are to be leased by it to the Company". So the amount of money should have been received by the Government and the contractors should have been paid by the Government and not by the Company.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I thank the Hon Member for making further clarification on this. The arrangements which we have and which, of course, involve the ODA for the placing of main contracts is a tripartite one involving GSL, the Gibraltar Government and the ODA so the de facto situation is that the contracts are placed in accordance with agreements reached between ODA, GSL and the Gibraltar Government. I think we are acting within the spirit of the Hon Member's comments.

HON J E PILCHER:

Mr Speaker, there is an agreement where ODA sends the money down to the fund and the fund has a two-tier system which can send the money to GSL direct or to the Gibraltar Government for major expenses and for payment of assets belonging to the Government but this is not being done, Mr Speaker, this is the second part of the Ordinance which is not being adhered to.

MR SPEAKER:

Fair enough, you have established that fact again.

HON J E PILCHER:

Will the Hon Financial and Development Secretary accept that, that this part of the Ordinance is as well not being adhered to?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, inasmuch as I have not accepted that the earlier part of the Ordinance is not being adhered to, I will not accept that this part is not being adhered to except on a technicality but, obviously, the arrangements will be regularised when the Company's accounts are produced for the inspection of the House and subjected to audit.

HON J E PILCHER:

Mr Speaker, on the first part the Attorney-General gave his advice to the House.

MR SPEAKER:

With respect, I think we must not labour this point more than is necessary. I think the circumstances have been established. The application of these circumstances on either side differ, that is all we are talking about now. You are entitled to take a stand on the information you have and to apply it according to your best concepts and the Government is entitled to do that too. What we cannot do is to try and convince each other that the other one is wrong at question time.

HON J E PILCHER:

I accept that, Mr Speaker, but in the first part, the Attorney-General gave us his advice which, as far as I am concerned, was accepting that what this side of the House was saying was true. What I would now like is whether the Attorney-General can advise this House whether in fact the second part of our contention is as well right?

HON ATTORNEY-GENERAL:

As I understand that Section, the money comes from ODA into the Gibraltar Shiprepair and from that Fund it goes in two ways: (1) to GSL for the purchase of shares, and (2) to the Gibraltar Government for the acquisition of assets belonging to the Government which are going to be leased to GSL. That is my understanding. I have not got the Section in front of me but I have read it enough times.

HON J E PILCHER:

Thank you, Mr Speaker.

MR SPEAKER:

Next question.

THE HON J E PILCHER

Can Government state whether the qualifications obtained by an apprenticeship undertaken by persons with Gibraltar Shiprepair Limited are recognised outside the Company?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, all apprentice training schemes undertaken by persons with Gibraltar Shiprepair Ltd are based on recommendations approved for the Shipbuilding and Engineering Trades in the United Kingdom. The programme is in the form of modular training over a period of some three years. On completion, apprentices obtain a certificate and contract of apprenticeship in accordance with the Industrial Training Ordinance 1970 and the Industrial Training Rules 1973 appertaining to Gibraltar. It is more than likely that apprenticeships completed with Gibraltar Shiprepair Ltd will be recognised outside the Company.

SUPPLEMENTARY TO QUESTION NO. 110 OF 1984

HON J E PILCHER:

Mr Speaker, the words 'more than likely' are the same as the word 'inconceivable'. 'More than likely' means what, Mr Speaker? Yes or no?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think we can say that it will probably be recognised outside Gibraltar and particularly in the UK but I honestly cannot say any more than that, I cannot say there is 100% certainty but a certain probability.

HON J E PILCHER:

Mr Speaker, I take it that the Hon Financial and Development Secretary is now answering as Chairman of the GSL?

MR SPEAKER:

No, he is not answering as Chairman, I would not allow him to do so in that capacity.

HON J E PILCHER:

Is it then not a valid point that this should be verified by

Government so that GSL can tell their trainees whether or not the training that they have received with Appledore will in fact be valid for them not only to move within Gibraltar but to go outside Gibraltar?

MR SPEAKER:

What you are asking is whether Government should inform themselves as to whether these apprenticeships will be accepted and if Government is prepared to do that they may answer the question.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't think I can give a guarantee but we will do all we can to help. It almost goes without saying that the Gibraltar Government and the MOD will accept them, there is no argument about that. The Government will do what it can but I think this obviously will depend on the scheme and the reputation which the GSL employees scheme acquires.

MR SPEAKER:

Let us leave it at that then. Next question.

NO. 111 OF 1984

ORAL

THE HON J E PILCHER

Does Government support the view of the General Manager of its wholly owned Company GSL, that workers should not enjoy a 39 hour week?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Government takes the view that remuneration of GSL employees is ultimately a matter for the Company.

SUPPLEMENTARY TO QUESTION NO. 111 OF 1984

HON J BOSSANO:

Is the Government, in fact, not committed to certain standards. For example, how is it that the Government can legislate so that shop assistants are required to be remunerated for a 39-hour week and in a company that they own 100% they do not take the same view?

HON A J CANEPA:

The legal position, surely, is that the Regulations and Conditions of Employment Board meets and recommends to Government what the working week should be in respect of shop assistants. The Government can take a view, it can reject or accept that advice and the Government in that instance accepted that advice. I don't think that there is a parallel between GSL and the statutory position with respect to shop assistants.

HON J E PILCHER:

It is not a legal position that we are asking about, Mr Speaker, but the question, if I may read it again, asks: Does Government support the view of the General Manager of GSL?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I can add to what I said earlier, Mr Speaker, that the Government is aware that the claim for a 39-hour week is one of a number of claims made by the TGWU and that if conceded in totality these could jeopardise the successful commercial operation of the company.

HON J E PILCHER:

But, Mr Speaker, does Government not in fact encourage as a matter of policy that people should work a 39-hour week?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, we are talking here about a commercial company which must compete in world markets and I hope that my comments will be read in that context. The success of this company and therefore the contribution it can make to Gibraltar will depend on that.

HON J L BALDACHINO:

Mr Speaker, may I ask the Hon Financial and Development Secretary a question? Is he saying that the Government's view is that if the 39-hour week is granted to the employees in the Gibraltar Shiprepair company then the company will not work?

MR SPEAKER:

No, I cannot allow that question.

HON J BOSSANO:

Mr Speaker, isn't it Government policy announced in this House of Assembly in answer to Question No.11 as regards the unemployment situation that they would be seeking within the Government service to reduce the conditioned hours of people because, in fact, the less their conditioned hours given the same amount of work the more people that can be employed? Isn't it Government policy?

HON A J CANEPA:

That doesn't mean that people employed by Government now on a 39-hour week should have their working weeks reduced to 35, say, or 30 in order to create jobs. The point that the Hon Member is raising applies to people conditioned to over 39 hours. The Government may employ, for instance, on the Tourist Office sites, we may employ people during the summer who work 60 or 70 hours a week. I think it is desirable in the interest of spreading job opportunities that rather than have one individual working a 70-hour week you might have two, one doing 39 and perhaps the other one doing 35 or 36. It is in that context that the point that the Hon Member is making has been approached, not as a principle of general application.

MR SPEAKER:

We are debating. We are not in any manner or form obtaining any information or using question time for the purpose it is

designed. If the Opposition feels that the question of the 39-hour week should be the subject matter of a debate they can put in a motion and say what they like on the principles which are being discussed. We are asking here a simple question: Does Government support the view of the General Manager of its wholly owned company GSL, that workers should not enjoy a 39-hour week? The answer has been precise and simple, perhaps not to the liking of the Opposition: "The Government takes the view remuneration of GSL employees is ultimately a matter for the Company". What implications that brings insofar as their employees is concerned is another matter.

HON J BOSSANO:

But, Mr Speaker, whether it may be a matter for the company and that is something that the company will have to face its workforce on, we are trying to establish Government policy and I think it is legitimate as a supplementary to what the Hon Member has just said because he seems to say that the policy he has just enunciated on the.....

MR SPEAKER:

I would not have allowed the number of supplementaries that I have allowed if I hadn't thought it to be legitimate but what I am saying is we are getting to the stage when we are not achieving any object and there is repetition, then we are debating and I must stop it.

HON J BOSSANO:

Mr Speaker, if you will allow me to ask the Hon Mr Canepa a question in respect of the intervention that he has just made now, the example that he has just given the House. Would the Hon Member not agree that it would be consistent with the policy he has just explained that it is possible to either employ 39 people for 40 hours or 40 people for 39 hours? Would that not be a clear example of the application of the Government's policy as explained by him just now?

HON A J CANEPA:

As an arithmetical exercise, yes, but whether in practical terms that can actually be implemented is another matter.

HON J BOSSANO:

Then, Mr Speaker, the Government would support that policy if it was practical to do it because in fact, is the Government aware that when we are talking about.....

MR SPEAKER:

Order, that is hypothetical. Whether it is going to be practical or not is another matter, let us leave it at that.

HON J BOSSANO:

Is the Government aware then, Mr Speaker, that the reference to a 39-hour week in Question No.111 is precisely a reference to the number of hours that people will work without necessarily involving any extra payment? Is the Government aware that there is no extra payment involved?

MR SPEAKER:

Yes, they must be so aware. Next question.

THE HON J E PILCHER

Does the Chief Minister still maintain that all that is being asked of workers in the Government-owned Commercial Dockyard is a fair day's work and that in exchange employees will be paid parity or even more?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, that is not what I said. The actual words I used, in a Ministerial statement on 1 December 1983, were as follows:

"The same Trade Union leader is also reported as saying that all the efforts that went into achieving parity will have been wasted. This is not the case. The Ministry of Defence have already agreed that parity should continue, under the usual annual arrangements for review, in respect of all other employees of the Ministry of Defence in Gibraltar. In so far as Dockyard employees are concerned, the question of parity will depend on the efforts which all concerned are prepared to make in order to ensure the success of a commercial Dockyard. Parity will apply on 1 January 1985. The pay that workers in the commercial Dockyard will get thereafter will depend on their efforts, and the efforts of all concerned, in making a commercial Dockyard a success. It is possible, given the will, to make a commercial Dockyard such a success that pay might even exceed parity levels. Is not this an opportunity to be pursued rather than thrown away?

A commercial Dockyard would become part of the private sector. In the private sector, workers rely for their level of earnings - and indeed for their jobs - on the success or otherwise of the firm with which they are employed. They are not protected - and they cannot be protected - artificially by a formula. Their earnings depend on the commercial success of the business which employs them.

Much has been said about work practices. In my view what this really boils down to is that, if those employed in a commercial Dockyard give a fair day's work, with enthusiasm and determination, the commercial Dockyard will succeed. All that is being asked is an honest day's work, no more."

SUPPLEMENTARY TO QUESTION NO. 112 OF 1984

HON J E PILCHER:

Mr Speaker, does the Chief Minister consider that a fair day's wage is having to work without a tea break? Having to work Saturdays without getting paid overtime? Having to do a shift work without getting paid a premium? It follows, Mr Speaker, that if this is a fair day's work, an honest day's work for the Chief Minister, he would expect all his employees in the public sector to do exactly the same.

HON CHIEF MINISTER:

As I understand it, Mr Speaker, the basic rates, generally, are more or less the same as those paid by official employers or even higher. The rest are matters of ancillary conditions of service.

HON J BOSSANO:

Mr Speaker, would the Hon Member not agree that, in fact, he has stated categorically that people will be paid parity on the 1st January, 1985, and that it follows from that that if people are expected to work longer hours for the same money or unsocial hours for the same money, that is not parity because it is not comparing like with like?

HON CHIEF MINISTER:

I said that in December, 1983. That is what I said, that in 1985, yes, and it may well be that that is the case. In fact, I understand and I don't want to intervene, that there will be a revision of the present salaries in April, if it is not made in January it may be in April, that is not the point. The point is that I did not say what the question suggests I said.

HON J E PILCHER:

Mr Speaker, can the Hon and Learned Chief Minister then accept that the system introduced by Appledore is one where the basic rate of the lowest grade of worker in Appledore is below the equivalent in the MOD and, in fact, in the private sector Shiprepair Limited?

HON CHIEF MINISTER:

I had a long discussion about this yesterday, I am not an expert in industrial matters, and I am assured by those who are expert in this matter that the basic rates, generally, are more or less the same, that is, there are some people who are getting more and some people who are getting less by the official employers or even higher. I am not passing any judgement, I am being asked whether I said something and I am just clearing up what I said and making whatever explanation is required.

HON J E PILCHER:

Mr Speaker, the Hon and Learned Chief Minister might not be making a judgement but I am. He is talking of an average wage but for the person who is getting.....

MR SPEAKER:

I am going to start being very firm. What are you asking?

HON J E PILCHER:

I am asking, Mr Speaker, is in fact the wage that a labourer will get with GSL not below the wage that a labourer gets with the UK Departments?

HON CHIEF MINISTER:

My advice, Mr Speaker, is that the basic rates, generally, are more or less the same.

HON J E PILCHER:

Mr Speaker, I know that you want me to ask questions but I have got the Hansard of the 13th March, 1984, where the Chief Minister said when the Hon Leader of the Opposition asked him whether if parity was not paid on the 1st January, 1985, he would then be a liar. He said, no, that he would have mis-stated the truth and he went on to say that he would expect his statement to be honoured by the company. What I am saying is that his statement has not been honoured by the company.

MR SPEAKER:

With respect, the Hon Member is debating now. If the statement has been honoured or not is a matter of opinion. You must ask for information and nothing else. If you feel you should debate then you can bring it up on the adjournment or as a substantial motion.

HON J E PILCHER:

Is the Chief Minister aware that his word given to this House on the 13th March, 1984, has not been honoured?

HON CHIEF MINISTER:

No, because we haven't reached the 1st January, 1985.

HON J. C. PEREZ:

Does the Hon Member consider that it would be unfair that workers in the commercial dockyard should be earning less than

the rest of Gibraltar notwithstanding that they are doing a fair day's work and does the Hon Member consider that the situation today is not hypothetical as he said a few months ago in answer to the same question to me?

HON CHIEF MINISTER:

First of all, I pass no judgement at all on what is happening now, it would be improper for me to do so. I would say, generally, that what I would ensure is that there is work reasonably remunerated if people are able to get that kind of employment reasonably remunerated and that we should not, I think, tie ourselves completely to parity or nothing else. I think that would be ruinous in many ways particularly in the private sector. What happened when the shiprepair yard of Bland was closed? There was never a word from the unions about that.

HON J BOSSANO:

Mr Speaker, is the Hon Member in his capacity as Chief Minister not concerned that a 100% Government-owned company should be precisely under-cutting by paying lower rates of pay than the company that he has just mentioned, so that it can be put completely out of business?

HON CHIEF MINISTER:

This is not under-cutting, that word is absolutely ridiculous. A private company is trying to compete to enter into business for the benefit of Gibraltar and it offers the conditions of employment that it thinks it can make the enterprise a success and that is all that there is to it. I don't think that the Government has got a duty to police employers to see that they pay parity.

HON J C PEREZ:

Is the Hon and Learned Member then suggesting that the rest of the private sector should follow suit and can he explain to the workers in the private sector how is it that he can defend that their conditions of service and that their pay should be lower because every firm in the private sector has become more competitive.

MR SPEAKER:

With respect, I will now be completely and utterly ruthless. If the Hon Members of the Opposition are going to abuse the liberal manner in which I apply the rules then I must apply then strictly. I will not have any more question other than questions seeking information and nothing else.

HON J C PEREZ:

Mr Speaker, it was directly related to the last answer of the Hon and Learned Member.

MR SPEAKER:

And the answer is related to the fact that I was very liberal and I allowed questions to be asked which should not have been asked, so I have got to draw the line somewhere. Next question.

NO. 113 OF 1984

ORAL

THE HON J E PILCHER

Can Government confirm that contracts in connection with the refurbishment of the Dockyard for commercial operation are funded from public funds and therefore subject to the "Fair Wages Clause"?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, I can only confirm that the dockyard refurbishment contracts are being financed from ODA funds. The application of a "Fair Wages Clause" is a matter to be decided by the company.

SUPPLEMENTARY TO QUESTION NO. 113 OF 1984

HON J BOSSANO:

Mr Speaker, hasn't the Hon Financial and Development Secretary said that he is going to eventually regularise the position so that he complies with Section 6(4) of the Gibraltar Shiprepair Limited Ordinance which makes the Government of Gibraltar responsible for the expenditure on the refurbishment of the assets and doesn't that mean that it is a public sector contract exactly the same as the desalination plant or anything else financed by the ODA which is subject to the Fair Wages Clause?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker.

HON J BOSSANO:

Mr Speaker, can the Government say whether they are, in fact, committed to the concept of the Fair Wages Clause, or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon Leader of the Opposition's question asks me whether the Government are committed to the Fair Wages Clause. I think the truth of the matter is that as far as Government contracts are concerned, yes, the Fair Wages Clause operates but we are not here talking about Government contracts vice the construction put upon the situation by the Hon Member. I would like to make it quite clear that the Fair Wages Clause as it applies to the Government contracts should not apply to GSL contracts nor do Government tender procedures apply literally to GSL although, in fact, it observes, broadly speaking, similar arrangements for tenders. Likewise accounting instructions and other aspects

of Government do not apply to GSL otherwise it would be a Government Department and not a private company run on commercial lines.

HON J E PILCHER:

Mr Speaker, can the Hon Member not confirm that if the payment paid on the refurbishment of the Dockyard, on the assets which are wholly owned by the Gibraltar Government and therefore should be paid by the Gibraltar Government as the Attorney-General has said, these would be part of the Fair Wages Clause?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I think I made it clear that I do not accept the link which the Hon Member and his Colleague, the Leader of the Opposition, invited me to accept.

HON J BOSSANO:

Could I ask the Financial and Development Secretary, Mr Speaker, whether the assets after they have been refurbished will be owned by the Government or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The assets will be owned by the Government, Mr Speaker, and leased to GSL.

HON J BOSSANO:

And any work done on those assets will not be to the account of the Government notwithstanding that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

They will be in aid of the establishment of Gibraltar Shiprepair Limited as a commercial company?

HON J BOSSANO:

Mr Speaker, can I ask the Financial and Development Secretary whether the requirement that contractors should be on the approved list of Government contractors, is that a requirement that is consistent with the application of the Fair Wages Clause or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I would like to be helpful to the Hon Member, Mr Speaker, I am not sure that the comments which I am about to make will be

helpful but the Gibraltar Shiprepair Limited operates a system of pre-qualification which is similar to that operated by the Government for Government contracts, it is a similar procedure.

HON J BOSSANO:

Is the Hon Member aware that a contractor that tenders for Government work can be removed from the list of approved contractors if it is demonstrated that he is in breach of the Fair Wages Clause, is he aware of that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am aware of that, Mr Speaker.

HON J BOSSANO:

Then, Mr Speaker, can the Hon Member explain how it is that GSL contracts are subject to the requirements that contractors should be on the approved list when in fact they can be removed from that approved list if they are not in compliance with the Fair Wages Clause although he says that the Fair Wages Clause does not apply in their case?

MR SPEAKER:

We are going round in circles. Next question.

NO. 114 OF 1984

ORAL

THE HON J E PILCHER

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

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as I explained to the Honourable Member in answer to Question No. 36 of 1984, discussions are taking place with the Ministry of Defence on this matter and it is still not possible to say precisely how many RFA's will be repaired by GSL in 1985.

SUPPLEMENTARY TO QUESTION NO. 114 OF 1984

HON J E PILCHER:

Mr Speaker, is it not true, in fact, that in May, 1983, there was already provision for the inclusion of a programme of RFA's, which I have here in front of me, for 1984, 1985 and 1986 and has this now changed?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, as I think I said in the answer that I gave during an earlier exchange, I was made aware of the information which the Hon Member has now repeated. I can only add that what is unchanged is the value of RFA work which GSL expects to get from MOD. The translation of this into numbers of ships is something on which it is not possible to be precise. RFA's vary in size, capacity and quantum of work.

HON J E PILCHER:

Mr Speaker, wasn't this an agreement to have four Royal Fleet Auxiliaries in 1985, are they coming or are they not coming?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not sure whether I am entitled to ask a supplementary question, Mr Speaker, but I would like to ask the Hon Member whether he is more concerned about the number of ships than the value of the work to be done?

MR SPEAKER:

In other words you have asked a specific question and the answer is they don't know how many are coming in 1985. Next question.

30.10.84

NO. 115 OF 1984

ORAL

THE HON M A FEETHAM

Can Government confirm that Spanish and Portuguese residents of Gibraltar will acquire full EEC rights on the day of accession to the Common Market and that the proposed 7 years transitional period would not apply in each case?

ANSWER

THE HON THE ATTORNEY GENERAL

Answered together with Question Nos. 116 and 136 of 1984.

NO. 116 OF 1984

ORAL

THE HON M A FEETHAM

Can Government confirm that the families of Spanish and Portuguese Nationals who are resident in Gibraltar on the day of accession of these two countries will be eligible to take up residence and acquire full EEC rights without being subject to any transitional provisions?

ANSWER

THE HON THE ATTORNEY GENERAL

Answered together with Question Nos. 115 and 136 of 1984.

NO. 117 OF 1984

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, can Government explain why it does not consider student nurses as supernumerary to the Establishment whilst in other grades in the Public Service this is the case?

ANSWERTHE HON THE ATTORNEY GENERAL

The question as to whether student nurses should be supernumerary to the establishment of the Medical and Health Services Department has been under consideration for some time. The possibility of offering training in basic nursing techniques to students, who would then remain in the sidelines waiting to be called as and when vacancies occur, will be referred to the Government's Job Creation Committee.

SUPPLEMENTARY TO QUESTION NO. 117 OF 1984

HON MISS M I MONTEGRIFFO:

Will the Hon and Learned Attorney-General please keep me informed?

HON ATTORNEY GENERAL:

I will keep you informed, most certainly.

MR SPEAKER:

Next question.

30.10.84

NO. 118 OF 1984

ORAL

THE HON J BOSSANO

Can Government confirm that Colonial Regulations continue to apply to public servants and if so would it further state whether these can be selectively ignored by Government as an employer?

ANSWER

THE HON THE ATTORNEY GENERAL

Answered together with Question No. 119 of 1984.

THE HON J BOSSANO

Can Government confirm that industrial workers in the employment of the Gibraltar Government are public officers?

ANSWERTHE HON THE ATTORNEY GENERAL

Sir, to begin it would be useful to define the terms "public servant" and "public officer".

A public officer or a public servant is a person in the service of or holding office under the Crown in right of the Government of Gibraltar whether such service or office be permanent or temporary, paid or unpaid.

It is clear from the provisions of the House of Assembly (Public Offices) Ordinance 1976 that any office of emolument under the Government the terms and conditions of which are decided after negotiation in the Official Employers Joint Industrial Council is a public office and that industrial employees of the Government holding such offices are public officers.

Part 1 of Colonial Regulations applies to public officers serving in Gibraltar so far as is consistent with the Constitution and the laws of Gibraltar.

The law of Gibraltar recognises agreements entered into by the Government with its employees.

Mr Speaker, as I understand the situation, General Orders contain the terms and conditions of the employment of Government's non-industrial employees.

The terms and conditions of employment of Government's industrial employees are those agreed to in the Official Employers Joint Industrial Council.

The terms and conditions of employment of Government's contract officers are those contained in the individual contracts entered into by Government.

Consequently Part 1 of Colonial Regulations apply to all public officers/public servants as defined subject in the appropriate case to General Orders, JIC Agreements and Contract Officers contracts.

The terms and conditions of any agreement entered into by Government cannot be unilaterally ignored or broken by Government as an employer. I am prepared to look into any such case which the Honourable Leader of the Opposition may care to refer to me.

SUPPLEMENTARY TO QUESTION NOS. 118 AND 119 OF 1984

HON J BOSSANO:

Mr Speaker, would I be right in saying from the answer the Hon and Learned Attorney-General has given that in fact Colonial Regulations can therefore be amended locally by agreement between the Government and the employees of the Government?

HON ATTORNEY-GENERAL:

Colonial Regulations, Mr Speaker, are specific in this. These Regulations are directions to Governors for general guidance given by the Crown through the Secretary of State for Foreign and Commonwealth Affairs. This part of the Regulations apply so far as consistent with the Constitution or any other law of the territory to public officers serving in the territories. Therefore, Colonial Regulations must be read subject to the laws of Gibraltar, that is to say, agreements entered into between Government and their employees are part of the law of Gibraltar because they are enforced by the Courts of Gibraltar.

HON J BOSSANO:

So, in fact, it means, am I right in saying, Mr Speaker, that there is nothing sacrosanct about any of the provisions of the Colonial Regulations because they can be made not applicable to Gibraltar if the Government agrees with its employees or the Associations representing those employees in an agreement which embodies a provision that is contrary to Colonial Regulations, that is the case?

HON ATTORNEY-GENERAL:

Yes, because that contract is recognised by the laws of Gibraltar and enforced by the laws of Gibraltar.

HON J BOSSANO:

Can the Hon Member say what is the status in that context of General Orders which he mentioned. Do General Orders represent an agreement between the employees and the Government as an employer or do they have the force of the law, is it something that is laid down by statute or is it something that is simply decided by the Government?

HON ATTORNEY-GENERAL:

They are part of the terms and conditions of employment for particular employees. The employees to whom General Orders refer are specifically told when they join Government: "your appointment is subject to the provisions of General Orders".

HON J BOSSANO:

I accept that, Mr Speaker. When a non-industrial civil servant is employed he is given a letter of appointment which is, I assume, what the Hon and Learned Member is referring to, which says that he is subject to Colonial Regulations and General Orders. What I am asking the Hon Member is, is in fact General Orders an agreement as he has defined it or a statutory instrument, as he has defined it, which can modify or qualify Colonial Regulations or, on the contrary, if there is a conflict between the two, do Colonial Regulations prevail?

MR SPEAKER:

You are asking for legal advice, I think.

HON J BOSSANO:

Can he answer that, Mr Speaker?

MR SPEAKER:

If he wishes to he is quite free to do so.

HON CHIEF MINISTER:

We hate the words "Colonial Regulations" and they can note things which I think are long past but it is quite clear that Colonial Regulations were sent in the old days of the Empire to every territory to apply and they are there until something else has substituted it. We haven't made the progress we would have liked to do away with all of them in a study that was being made in respect of General Orders that would be locally made for local circumstances.

HON J BOSSANO:

But I am afraid, Mr Speaker, I am not satisfied because in fact I am genuinely seeking information, Mr Speaker.

MR SPEAKER:

But you are not satisfied with the situation, not with the information.

HON J BOSSANO:

No, I think it is with the information that I am not satisfied. I am still not clear and I am grateful to the Hon and Learned Member for his very comprehensive answer but I am still not clear from what he has said whether it is the case that General Orders take precedence over Colonial Regulations or Colonial Regulations take precedence over General Orders if there are conflicting provisions. Which of the two prevails?

HON ATTORNEY-GENERAL:

A contract entered into with an employee on the basis of General Orders is a contract which is recognised by the law of Gibraltar and the content of that contract concerning the terms and conditions of General Orders then supersedes the provisions of Colonial Regulations.

HON J BOSSANO:

Can the Hon and Learned Member not confirm that the contract to which he refers is a contract which makes reference to both, that is, the contract says that the appointment is subject to General Orders and Colonial Regulations? I am saying, if an officer of the Government appointed on those terms finds that General Orders say one thing and Colonial Regulations say something different, which of the two is paramount since his appointment is subjected to the two?

HON ATTORNEY-GENERAL:

General Orders.

MR SPEAKER:

Next question.

NO. 120 OF 1984

ORAL

THE HON J BOSSANO

Can Government confirm that public officers who are promoted have to be paid the salary of the new scale from the date the vacancy occurs?

ANSWERTHE HON THE ATTORNEY GENERAL

Mr Speaker, I regret that I shall need further time in order to answer this question.

I have spoken to the Honourable Leader of the Opposition and I undertake to give an ORAL ANSWER to the QUESTION either at the next House of Assembly or a WRITTEN ANSWER between this House and the next House whichever is the earlier.

SUPPLEMENTARY TO QUESTION NO. 120 OF 1984

HON J BOSSANO:

Mr Speaker, I would be grateful if the information could be made available when the Hon Member is able to obtain it.

HON ATTORNEY-GENERAL:

Thank you, I am obliged.

NO. 121 OF 1984

ORAL

THE HON R MOR

Mr Speaker, can Government state whether the proposal to limit pension increases for retired civil servants to half the rate of inflation, announced at Budget time, was agreed with the Secretary of State?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the decision to amend the pensions legislation to provide that pensions payable to public officers, their widows and to members of the House of Assembly be increased by only one-half of the increase in the cost of living was referred to the Foreign and Commonwealth Office. There was no objection to the proposed measure but as the Hon Member is aware the Government did not proceed with this measure.

SUPPLEMENTARY TO QUESTION NO. 121 OF 1984

HON R MOR:

Mr Speaker, was the Secretary of State consulted as to the withdrawal of the measure?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Foreign and Commonwealth Office was certainly informed of the intention to withdraw.

HON A J CANEPA:

We are sufficiently autonomous to be able to decide as we did here on that occasion in Committee Stage that we should withdraw the measure and then the Foreign and Commonwealth Office were told about the Government's decision.

HON R MOR:

But, Mr Speaker, hasn't the Hon Member said at one time in the House that the question of pensions of Government employees is not a matter for which Ministers of the Gibraltar Government are responsible?

HON A J CANEPA:

Yes, but nevertheless we have got to vote and when it comes to taking a view the Government has got to make up its mind here in

the House and it does so very often but we are not directly responsible, ultimately, it is not a defined domestic matter.

MR SPEAKER:

Next question.

NO. 122 OF 1984

ORAL

THE HON R MOR

Mr Speaker, can Government state why there is still no provision being made to introduce pensions for part-time Government employees?

ANSWERTHE HON THE ATTORNEY GENERAL

Mr Speaker, I am conscious of the personal undertaking which I gave to the Honourable Member when answering Question No. 4 of 1984.

Agreement was reached with the Staff Side on the 5th September last and I received my instructions on the 7th September last.

I have already prepared draft amendments to Regulations 2, 7A and 15 (4) of the Pensions Regulations and now it is just a question of having the time to sit down and carefully consider both the Ordinance and the Regulations to see what other amendments (if any) have to be made. I will do this Mr Speaker as quickly as I possibly can but at the moment life is not easy in my Chambers. I will do it when I can, Mr Speaker.

NO. 123 OF 1984

ORAL

THE HON R MOR

Mr Speaker, is Government satisfied that pupils with special educational needs are receiving enough individual attention?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 123 OF 1984

HON R MOR:

Mr Speaker, what is the consultative machinery which determines this?

HON G MASCARENHAS:

Mr Speaker, the resources made available by the Government for pupils with special educational needs and the quality and commitment of the staff dealing with these children are such that Government is satisfied with the individual attention given. Government's continuing concern for these pupils is reflected by the creation of a post of educational psychologist in 1983 with the crucial role to play with assessing and diagnosing pupils with special needs and advising on individual problems of learning. This post is currently filled by a contract officer whilst the local teacher completes a specialist two-year training course in July, 1985. A First School special unit at Notre Dame has been created to cater for children for whom St Martin's is inappropriate but who cannot cope with the normal classroom situation. A similar unit is being set up at Bishop Fitzgerald for Middle School children and this will become operational in January, 1985. The two-year specialist training course being undertaken by the Education Welfare Officer is due to finish in July, 1985. The top priority given is training for special and remedial education in the teacher training and the in-service training programme. The maintenance of an appropriate level of specialist staff at St Martin's School for contract appointment from UK. The deliberately generous staffing complement and resources made available to St Martin's Special School for a school population of 19 children is - 5 teachers, 6 part-time classroom aids, 1 welfare assistant and vehicle escort, 1 enrolled nurse, 1 school attendant and cleaners, their own mini bus and three meal service. As a matter of information for the Hon Member of the Opposition, only two weeks ago Government agreed to sponsor a child with severe needs to attend at a special institution in the United Kingdom at an annual cost of £15,000.

I think this can amply demonstrate the Government's concern in this field.

HON R MOR:

Yes, Mr Speaker, but I think the Hon Member is referring specifically to handicapped children and my questions are not necessarily on that line. We believe on this side that there are children with special educational needs and not entirely because they are handicapped but because they are backward or whatever. Could the Hon Minister tell us what is the ratio of teacher/pupil in that respect?

HON G MASCARENHAS:

No, Mr Speaker, I cannot say what the teacher/pupil ratio is but I have already mentioned in my supplementary information the creation of a special unit at Notre Dame which caters for these children and also where we were lacking which was in the Middle School area, we are earmarking that for the 1st January 1985, in Bishop Fitzgerald's School.

HON R MOR:

Mr Speaker, does the Government agree that they have the same duty to offer education to handicapped and other children in need of special education, that they have this same duty as they have to other 16 to 18 year old children?

HON G MASCARENHAS:

Is the Hon Member referring to younger children?

HON R MOR:

No, to the older children.

HON G MASCARENHAS:

Mr Speaker, yes, we cater for them in the St Bernadette's Adult Education Therapy Centre. Their ages range from 18 to 36 years and these are different, of course, to St Martin's. The Government has already agreed in principle to the transfer of the Centre to the Department of Labour and Social Security. A Committee of Senior Officials from my Department, from the Labour and Social Security Department and from the Medical Department will be meeting in the near future to discuss exactly when that transfer should take place and under what circumstances.

MR SPEAKER:

Next question.

THE HON R MOR

Mr Speaker, is Government satisfied that the curriculum in secondary schools is in tune with the present needs of Gibraltar?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORTS AND POSTAL SERVICES

Mr Speaker, education is a continuous process constantly adapting itself to changing needs as reflected in demands made by the community and as perceived by teachers and educationalists. Schools do not stand still.

A school has the dual function of passing on to its pupils that part of the existing culture considered worthwhile and to equip its children with the necessary skills, attitudes, and knowledge which will enable them to be a positive part of society. A school has functions, therefore, beyond the purely vocational.

In terms of the aforementioned, Government is satisfied with the current curriculum in both secondary schools. It is also conscious and supportive of the continuous and considerable efforts of the teaching profession in evaluating, assessing and up-dating those aspects of the curriculum that need change.

SUPPLEMENTARY TO QUESTION NO. 124 OF 1984

HON R MOR:

Mr Speaker, does the Government not agree that what is taught and how it is taught is dictated by GCE's and CSE examinations and not by the needs of Gibraltar?

HON G MASCARENHAS:

Mr Speaker, I believe that question No. 125 will touch on that as well. I have got some supplementary information which perhaps I could explain to the Hon Member and that is that the introduction of computers into secondary schools is indicative of the sensibility to the needs and demands of the community. The function and the role the General Education Adviser, a post established in September, 1983, is inter alia that of assessing the relevance of curricula. The Teachers' Centre, as well, has a major area in his brief. The function of actively supporting the review of curricula and providing resources of structure innovations. Apart from that we have fifteen curriculum groups

who meet frequently at the Teachers' Centre to assess the effectiveness of what is taught in schools within their curriculum areas. These are voluntary groups made up of teacher specialists in the different subjects taught. The in-service training programme for teachers also has an aim, the review and up-dating of curricula skills in the different specialist areas. Expertise is obtained locally and from the UK and teachers also attend short courses in the United Kingdom.

HON R MOR:

Mr Speaker, since it is Government's policy to base the future economy of Gibraltar on tourism, commercial shiprepairing and offshore banking, does the Hon Member not feel that there is a need to adapt some of the teachings at school to this?

HON G MASCARENHAS:

I have already mentioned, Mr Speaker, that schools are beyond the purely vocational. You cannot have carpentry and plumbing being taught in school, they have a much wider sphere and I think your next question I will be able to answer partly.

MR SPEAKER:

Next question.

NO. 125 OF 1984

ORAL

THE HON R MOR

Mr Speaker, does Government agree that with respect to 16-18 year olds, there are too few appropriate education courses for those wishing to stay in full-time study and that existing courses tend to be tied to GCE academic courses which are unsuitable for many young people?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, as I said before this question has already in part been answered in the reply to No.124. The curriculum on offer to the 16-18 age group has always been an area of particular on-going concern to Government, the Department and the teaching profession. The increase in the staying-on rates of young adults experienced over recent years has sharpened this awareness, hence Government's declared intention to set up a College of Further Education, for 16-18 year olds.

Whilst Government does not agree that too few appropriate courses are offered by the schools, the new College together with other initiatives taken in respect of Youth Training are geared to widening the options available to the 16 to 18 age group.

SUPPLEMENTARY TO QUESTION NO. 125 OF 1984

HON R MOR:

Mr Speaker, the only new element introduced in the College of Further Education - and I am referring to a statement given some time ago in this House - was Business Studies, the remainder of the courses are already available. Does the Hon Member feel that this is enough?

HON G MASCARENHAS:

Mr Speaker, I honestly do. I think we are very sadly lacking in the business commercial studies area, yes.

MR SPEAKER:

Next question.

NO. 126 OF 1984

ORAL

THE HON R MOR

Mr Speaker, are fire alarms installed in all schools?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, all schools are provided with the means of raising a fire alarm to the satisfaction of the City Fire Brigade who carry out regular inspections and report any deficiencies to the Department.

SUPPLEMENTARY TO QUESTION NO. 126 OF 1984

HON R MOR:

Mr Speaker, what sort of fire alarms are these?

HON G MASCARENHAS:

Mr Speaker, I have a list here of all the fire alarms in the schools, with the indulgence of the House I am prepared to read it.

MR SPEAKER:

You are not going to read it, no.

HON G MASCARENHAS:

Perhaps, Mr Speaker, I can make this available to the Hon Member.

HON J L BALDACHINO:

Mr Speaker, what kind of alarms are they, are they electrical or manual ones?

HON G MASCARENHAS:

Mr Speaker, some are electrically and manually operated, some are hand bells, we even have a rotation hand bell, whatever that may be.

HON R MOR:

Mr Speaker, is there a fire alarm at St Mary's Middle School in Johnstone's Passage?

HON G MASCARENHAS:

The system being employed at St Mary's is a hand bell.

HON R MOR:

Does the Hon Member consider that that is enough.

MR SPEAKER:

No, it is not for the Hon Member to consider whether that is adequate or not, it is for the Fire Brigade who inspect the place. I don't think he can be made responsible for the system of alarms, provided he is satisfied that the system works according to the requirements of the Fire Brigade and I don't think we can go beyond that.

HON J L BALDACHINO:

Could the sound of such a bell be mistaken for something else because a similar sound is being used for the change of periods, for example?

HON G MASCARENHAS:

Mr Speaker, I am not an expert on fire alarms, I am sure the Fire Brigade is and the information that I have is that that is to the satisfaction of the City Fire Brigade who are the experts, I am not.

HON J L BALDACHINO:

Mr Speaker, I am not disputing that the alarm is to the satisfaction of the Fire Brigade but what the Fire Brigade might not know is that a similar sound is used for a change of period which the Fire Brigade does not know. Could that be so?

HON A J CANEPA:

Mr Speaker, from my days as a school teacher in the Grammar School we were obviously sufficiently careful there to use two different types of bell. One was used to indicate a change of period and there was another one quite distinct to it which has a much deeper sound, which was used to sound the fire alarm.

MR SPEAKER:

Anyway, we will leave it at that. Next question.

NO. 127 OF 1984

ORAL

THE HON R MOR

Mr Speaker, are Government schools ever inspected by a Safety Officer?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, schools are regularly inspected by the City Fire Brigade and Environmental Health Officers. Head Teachers are responsible for general safety and frequently requisition minor works to improve this aspect. The Department is currently preparing a second course for teachers on safety in school laboratories.

It has only been recently that Government has obtained the services of a Safety Officer. Prior to that appointment the Department of Labour and Social Security used to employ a Factory Inspector. My Department has been taking steps for a programme of inspections of certain specialist areas on which the expert advice of the Safety Officer would be welcomed.

NO. 128 OF 1984

ORAL

THE HON R MOR

Mr Speaker, is the Gibraltar & Dockyard Technical College charging Gibraltar Shiprepair Limited for the training of apprentices who will be taking up employment with the Company?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, the Gibraltar and Dockyard Technical College is administered by the Ministry of Defence (Navy). No fees are currently being charged in respect of full-time or part-time students attending the College.

NO. 129 OF 1984

ORAL

THE HON R MOR

Mr Speaker, how many teachers are specifically earmarked to take up duty in the College of Further Education and what are their specialisations?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, the professional staff complement of the proposed college of Further Education has been one of the subjects of evaluation and recommendation by a sub-committee of Council of Ministers.

As the Hon Member is aware it is proposed to structure the new College into three departments covering Technology, General and Adult, and Business/Commercial courses. The Department will be seeking experience/qualifications in the areas appropriate to each department. Experienced and suitably qualified staff exists within the Education service to meet these needs.

SUPPLEMENTARY TO QUESTION NO. 129 OF 1984

HON R MOR:

Mr Speaker, could I have an idea as to the number?

HON G MASCARENHAS:

Mr Speaker, I am afraid I cannot provide this information at this present moment because the sub-committee of Council of Ministers has just finalised its report and that will be going to Council of Ministers in the near future.

HON R MOR:

Would the Hon Member make it available to me?

HON G MASCARENHAS:

I shall consider that with my colleagues at Council of Ministers, yes.

HON J C PEREZ:

Mr Speaker, the Hon Member in one of the previous questions of Mr Mor said that the question of training for jobs was to be

tackled by the College of Further Education and then we have got a situation where only Business and Commercial Studies is a new subject in the College of Further Education. Is that the only field in which we are looking towards training for the jobs that are going to come up in relation to what the Government foresees are going to be the future pillars of the economy?

HON G MASCARENHAS:

Mr Speaker, the whole philosophy behind the College of Further Education is to have it there and if there is demand for specialist needs, for example, chefs, somebody available in Gibraltar with the expertise can give the course and therefore there is no limit to what we can do in the College of Further Education, it is unlimited.

HON J C PEREZ:

Does the Government not have priorities already on what is going to be needed apart from Business and Commercial Studies because of the new trends that are there already and what provisions are you making whether you are going to employ specialists in different fields other than the one that you have mentioned or if we are going to, for example, train cooks we are going to employ someone specialising in cookery for a short period of time and that's it?

HON G MASCARENHAS:

Mr Speaker, the concept of the College of Further Education, I repeat, is to make available the courses for which there are demands. It does not mean that specialists will be employed full-time to be able to carry out that, the course will take three weeks. As regards to the specialists in the technological side, those are there in post already.

MR SPEAKER:

Next question.

THE HON R MOR

Mr Speaker, can Government now say when the Gibraltar and Dockyard Technical College will be handed over to the Government of Gibraltar?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, negotiations between Government and the Ministry of Defence on the question of the transfer of the land and buildings of the Gibraltar and Dockyard Technical College are nearing finality.

A sub-committee of Council of Ministers has at the same time been assessing all areas concerned with this transfer and the setting up of a College of Further Education. Their recommendations will shortly be placed before Council of Ministers.

NO. 131 OF 1984

ORAL

THE HON J C PEREZ

Mr Speaker, can Government state what the British Teleconsult contract consisted of?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, the contract with British Teleconsult consists of an agreement whereby British Teleconsult makes itself available to the Gibraltar Government Telephone Department should advice on any matter to do with Telecommunications be required.

SUPPLEMENTARY TO QUESTION NO. 131 OF 1984

HON J C PEREZ:

Is that on a continuing basis or has that contract finalised, or was it for a limited period of time or is it a running thing?

HON J B PEREZ:

It is a sort of standing agreement, we do not have to pay any money or any retainer or any fees except that if and when we need advice we call upon them to do so.

MR SPEAKER:

Next question.

NO. 132 OF 1984

ORAL

THE HON J C PEREZ

Mr Speaker, will Government explain why they expect to use £110,000 less of fuel in each of the two power stations than was provided for in this year's Estimates?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, during the course of the first six months of the financial year, the Hon the Financial and Development Secretary authorised the re-allocation of £220,000 from sub-heads 4 and 8, being the fuel votes for King's Bastion and Waterport Power Stations, to sub-head 85 for the Running of Waterport Power Station by Hawker Siddeley.

This was done for two reasons:-

- (a) Funds were required in Sub-Head 85 to meet the cost of Hawker Siddeley up to the end of contract. These funds had not been provided as it was hoped that the station might be taken over at an earlier date; and
- (b) It was considered that it was administratively simpler to meet these accounts by re-allocation as an interim measure, and to come to the House for Supplementary provision once final accounts were available and the exact additional sum was known. The £220,000 would then be re-allocated back into sub-heads 4 and 8.

Mr Speaker, regrettably we are under no false illusion that we might be able to save such a tidy sum from the amount originally voted to meet the cost of fuels for the two stations.

As a matter of fact, the opposite will turn out to be the case.

SUPPLEMENTARY TO QUESTION NO. 132 OF 1984

HON J C PEREZ:

Does Government not think that the explanation provided in the statement of re-allocations is a bit misleading in that sufficient explanation is not given and is the Hon Member aware that further to his answer the Opposition will be voting against supplementary estimates for this particular vote when it comes not because we are against fuel for the Generating Station but because of our general standing policy of voting against the continuing presence of Hawker Siddeley since we thought that they should have gone from Gibraltar a long time ago?

HON J BOSSANO:

Could I ask the Government in respect of this, what is the position as regards the comments made by the Principal Auditor that payments of this nature should have been subject to income tax in the hands of the recipients and that, in fact, the City Electrical Engineer.....

MR SPEAKER:

What is the connection between what?

HON J BOSSANO:

The connection is that the money that is being used from the fuel vote is being used to pay Hawker Siddeley.

MR SPEAKER:

Whether that attracts income tax or not has nothing to do with it.

HON J BOSSANO:

It does, Mr Speaker, if you will allow me to explain. The amount that was paid originally in the initial payments to Hawker Siddeley the Principal Auditor pointed out was an amount net of tax and in fact the amount should have been gross. I am asking whether the £110,000.....

MR SPEAKER:

Whether it should have been gross and whether the amount has been taken from one vote or another I don't think is relevant. Do you follow what I am trying to say?

HON J BOSSANO:

It is relevant, Mr Speaker, because if in fact the answer to the question put by my Hon Colleague is regarding the amount voted by the House for fuel having been used for another purpose and we are now told that it is still required for fuel, I am asking as a supplementary to the information that has been provided, has the payment to Hawker Siddeley of this amount, the £220,000, has that payment been made net of tax or gross given the comments made by the Principal Auditor the last time a payment of this nature was made?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I said, Mr Speaker, that the question of the tax payable by the

employees of Hawker Siddeley who are in Gibraltar in connection with the running of the Waterport Power Station was also being pursued by the Commissioner of Income Tax.

HON J BOSSANO:

Am I to understand from that answer that, in fact, what the Hon Member is saying is that this particular issue which was raised by the Principal Auditor in his comments to the 1982/83 Report is still under consideration, it has not been finalised?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have said it has been pursued but, of course, the Hon Member would not expect me to say what tax they have paid for reasons of the secrecy of the Ordinance.

HON J BOSSANO:

No, Mr Speaker, I am not asking the Hon Member to give me a breakdown of the tax paid by the individuals employed by Hawker Siddeley. The comments made by the Auditor was that the last time we paid money to Hawker Siddeley that money was paid net of tax and should have been gross and the gross amount should have been the charge appearing against that particular vote and sub-head. I am asking whether that has been done in respect of the £220,000 or not or whether the payment in this case is on the same basis as it was done previously which attracted that comment from the Principal Auditor?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not quite sure I understand the Hon Member's question in all its intricacies, Mr Speaker, I thought that in saying that the Commissioner of Income Tax has pursued the question of tax liability I was giving an honest answer to the question.

MR SPEAKER:

I think the question you are being asked is whether tax was deducted at source, it cannot be anything else, on the payment by Government from this vote to Hawker Siddeley of the amount paid. That is the way I understand the question.

HON J BOSSANO:

Mr Speaker, the Principal Auditor commented in the 1982/83 Report that the payments that were made to Hawker Siddeley were exempt from tax because that was the nature of the contract and he went on to say that in his view the City Electrical Engineer did not have the statutory authority to make agreements net of tax, that

the agreement should have been gross, the gross amount charged to this particular Head and then, if necessary, the Government credited with the tax under the relevant revenue Head. I am asking whether this fresh payment has been made since it is subsequent to those comments, taking into account those comments or whether we are still doing it on the basis that was criticised by the Auditor?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

My understanding is, Mr Speaker, that the Government has paid itself the difference between the net and the gross in tax as there is no other way because of the terms of the contract in which this particular arrangement could have been made.

MR SPEAKER:

Next question.

NO. 133 OF 1984

ORAL

THE HON R MOR

Mr Speaker, can Government confirm that they will be introducing legislation before the end of the year to provide for increases in old age pensions on 1 January 1985?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, as will be seen from the circulated Agenda I have already given notice that I will be introducing motions at a later stage in the proceedings dealing with the review of the Social Security Scheme for 1985. The rates of Old Age Pensions will be dealt with in the context of those motions.

NO. 134 OF 1984

ORAL

THE HON R MOR

Mr Speaker, does Government accept that in investing the money in the Social Insurance Fund they are required to act as trustees to obtain the highest possible return?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as is the policy for all Government managed funds the Crown Agents are instructed to obtain the best possible return commensurate with the needs of a particular Fund regarding the required spread of the investments into short, medium and long-dated stocks. This policy is also applicable to the Social Insurance Fund.

SUPPLEMENTARY TO QUESTION NO. 134 OF 1984

HON R MOR:

Mr Speaker, does that mean that the interest of 12½% paid by the Government on the loans they have obtained to issue Gibraltar Government debentures, the loan they have obtained from the Fund, is the interest a reasonable amount?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think the Hon Member will be referring to the 12½% Government debentures which the Social Insurance Fund subscribed in 1980, if my understanding is correct, then that was the rate which was then available in the London market for 15-year loans.

HON R MOR:

Is Government aware that if you isolate the interest earned on the Government loans and you isolate the loan itself from the whole Fund, that the remainder of the Fund earned an interest of over 20% at least during the financial year 1982/83 and that this has also been the case in previous years?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I must confess that I haven't done the arithmetic as the Hon Member invites me to but I will certainly check on his arithmetic after the House and I will get in touch with him if I think there is anything extraordinary in the way in which the Funds have been managed.

HON J BOSSANO:

Would the Hon Member agree that if it can be demonstrated that prior to the money being invested in the Government debenture in 1980 and since the Social Insurance Fund has been obtaining a much more favourable return on its other investments, that it can be argued that the Fund has been badly invested by lending the Government money? That is, it would have been done better for its beneficiaries by investing in the gilt edged market over that period if it can be demonstrated that the return was higher prior and post the time of that debenture being taken out?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I don't think I would venture to assent to that hypothetical question, Mr Speaker, without having studied the matter in rather closer detail but I will certainly look into the matter in the light of the Hon Member's comments.

MR SPEAKER:

Next question.

THE HON R MOR

Mr Speaker, following the introduction of the Social Insurance Contributions credit system for unemployed persons over 60, will Government state:

- (a) What is the administrative cost of operating the system
- (b) How many successful applicants have there been to date, and
- (c) What is the total number of applicants to date

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, the introduction of the credit system for unemployed persons over 60 has not added to the administrative costs of the Labour and Social Security Department. There have only been 8 applications to date and of these 3 have been successful.

SUPPLEMENTARY TO QUESTION NO. 135 OF 1984

HON J BOSSANO:

Mr Speaker, does the Government not agree that in the light of experience their reservations about the potential cost of the scheme do not appear to have materialised and would they not agree that there is now sufficient evidence to suggest to them that they should review the question of means testing this benefit.

HON DR R G VALARINO:

Mr Speaker, Sir, in view of the limited response received the matter is being kept actually under review.

HON J BOSSANO:

Does that mean yes, Mr Speaker, to my question or not? Does the fact that the matter is being kept under review mean that they are now convinced that Government can afford to make available the opportunity of free credits to unemployed over 60's, is the answer yes to that or not?

HON DR R G VALARINO:

Mr Speaker, Sir, the answer is neither yes or no. The matter is being kept under review.

HON J BOSSANO:

What is it that is being kept under review? Is the Minister telling the House, Mr Speaker, that there have been eight people who have applied, five of them have been rejected and that he needs to keep under review, what, to see whether Government can afford to allow the five people concerned to obtain free credits, that is what is being reviewed, is it?

HON DR R G VALARINO:

Mr Speaker, Sir, what is kept under review, in fact, if the Hon Leader of the Opposition remembers rightly, are the various points they were brought up at the last meeting of the House by himself and the Hon Member sitting on my right, Sir.

MR SPEAKER:

Next question.

THE HON R MOR

Can Government confirm that once Spain joins the EEC, frontier workers residing in Spain and working in Gibraltar will become entitled to Family Allowance?

ANSWERTHE HON THE ATTORNEY GENERAL

Mr Speaker, the negotiations on Spanish and Portuguese accession to the EEC have not been concluded.

The terms of accession derogations and transitional periods have not yet been decided.

Consequently, it is not possible to give the confirmations requested.

SUPPLEMENTARY TO QUESTION NOS. 115, 116  
AND 136 OF 1984

HON M A FEETHAM:

Mr Speaker, is Government aware that, in fact, the answer to these questions are already embodied in Articles 48, 49, 50 and 51 of the EEC Treaty?

HON ATTORNEY-GENERAL:

The whole subject is under negotiation. The derogations, the transitional provisions are all under negotiation. Indeed, one of the local newspapers yesterday has suggested some information that one of the proposals made to Spain by the EEC is that Spanish residents in an EEC country will have equality upon Spanish entry although other Spaniards will be subject to a seven year transitional period. As I understand it from what my instructions are, the whole question of Spanish and Portuguese entry and the accession to the EEC is under discussion and the derogations which are being sought and the transitional provisions which are being sought are all in the melting pot. Those are my instructions and therefore I cannot confirm what the position is as of today.

HON M A FEETHAM:

Mr Speaker, can the Hon and Learned Attorney-General state as regards his visit with regard to Spanish entry, were these matters discussed and what advice has he given in relation to Spanish entry?

HON ATTORNEY-GENERAL:

No, I am not prepared to answer that question, Mr Speaker.

HON M A FEETHAM:

Mr Speaker, do not Articles 48 and 49 of the EEC Treaty stipulate "that all wage earners and salary earners in the Community may apply for job vacancies whatever their nationality, reside in another state for that purpose settle there in order to take up employment and being joined there by their families, they are eligible for the same rights as nationals as regards working conditions and terms of employment"?

MR SPEAKER:

You have been given a clear answer. Whatever the Treaty of Rome says for particular circumstances, I think the answer that you have been given is a clear one. Whatever the Treaty of Rome may state the matter is still under negotiation.

HON CHIEF MINISTER:

Despite all the things that the Hon Member has read, Greece's entry into the Common Market was subject to a seven year transitional period for workers, they haven't got the right that is mentioned there for seven years.

MR SPEAKER:

What I am trying to tell you because we are going on and on endlessly is that whatever the Treaty of Rome may say on any particular set of circumstances, the Hon and Learned Attorney-General has said the matter on which you have questioned him is now under negotiation and he is not prepared to disclose any further matter, I don't think we can go further than that. I know what you are trying to say, the Treaty of Rome is clear on these matters. Perhaps the Treaty of Rome is clear, but the matter is still sub judice, it is being negotiated as far as it applies to Gibraltar and Spain and he is not prepared to go any further.

HON M A FEETHAM:

But, Mr Speaker, in relation to the question can the Hon and Learned Attorney-General please state what he defines as a resident?

HON ATTORNEY-GENERAL:

No, not in this forum, not at this stage. If you are talking about a person resident fully in Gibraltar as the Hon Member is, that, of

course, is a resident but what is a resident if a person has a flat in La Linea.....

MR SPEAKER:

Let us not open the parameters of the question.

HON M A FEETHAM:

Mr Speaker, is Government aware that as far as residence is concerned it is clearly defined in legislation in the different Ordinance and, in fact, what we do mean is that ordinarily resident is defined as, 'an individual who irrespective of his domicile, resides in Gibraltar except for temporary absences which are reasonable and not inconsistent with the claim of the individual and includes an individual who is a British Subject or a Citizen of the Republic of Ireland who is employed or self-employed in Gibraltar and who resides in.....

MR SPEAKER:

With respect, what are you asking?

HON M A FEETHAM:

I am asking, Mr Speaker, for the Hon and Learned Attorney-General to define to me clearly.....

MR SPEAKER:

He has said he is not prepared to do so in this forum. It is as simple as that. He has given you a straight answer.

HON M A FEETHAM:

Mr Speaker, can he please define the difference between one who is 'ordinarily resident' and one who is not?

HON ATTORNEY-GENERAL:

For what purpose, Mr Speaker?

HON M A FEETHAM:

For the purpose of obtaining equality of rights.

HON ATTORNEY-GENERAL:

No, Mr Speaker.

HON J C PEREZ:

Mr Speaker, can the Hon Member state whether the question of the definition of residence is subject to negotiation at present in the EEC in relation to Spain's accession?

HON ATTORNEY-GENERAL:

I am not prepared to answer that.

HON J BOSSANO:

Could I ask the Government or the Hon and Learned Attorney-General, if, in fact, the situation is as stated one that is today under negotiation, can he say first of all whether the result of that negotiation will apply to Gibraltar?

HON ATTORNEY-GENERAL:

I cannot say that. The matter is being negotiated. We will learn of the outcome of those negotiations, we will know then what the position is.

HON J BOSSANO:

If he cannot say that it will apply to Gibraltar can he then say the converse of that, that it is possible for Gibraltar to be exempted from anything that is negotiated currently because it must be one or the other, Mr Speaker. Either we can be exempted or it will apply to us, which of the two is it?

HON ATTORNEY-GENERAL:

Isn't this surely, Mr Speaker, a question of the discussions and the negotiations as to what applies to Gibraltar or will not apply to Gibraltar, what applies to Spain and what is not applied to Spain and Portugal similarly.

MR SPEAKER:

We are leaving it there because, with respect, again you are being told "the matter is under negotiation and I will not give you any information". Basically that is what has been said. Whether the Hon and Learned Attorney-General is right in his attitude, whether he is going to be criticised for his attitude is another matter but this is question time and we are not getting any further.

HON J BOSSANO:

I am, in fact, trying to elicit information. The Hon and Learned Attorney-General has said that he is not able to give the information

required of him because the matter has still not been decided under the negotiations that are taking place between the EEC and the applicant countries, Spain and Portugal, which is what the questions are about. My question to that is can he confirm that whatever is agreed in those negotiations between the applicants and the Commission will apply to Gibraltar, yes or no?

HON ATTORNEY-GENERAL:

It is a hypothetical question, anyway, but surely the subject matter of the discussions are related to Spanish and Portuguese entry into the EEC. Part of those discussions, no doubt, will concern Gibraltar.

HON J BOSSANO:

I am not asking that, Mr Speaker. I am not concerned about any special deals that may be involved. I am asking, if you will allow me to give an example by way of illustration, if the Commission agrees with Spain and Portugal that Spanish and Portuguese citizens acquire the right to family allowance in respect of their families, will the Hon and Learned Member confirm that that would apply to Gibraltar in the same degree as it would apply to the rest of the Common Market, that is, that there isn't a question of Gibraltar being exempted, that whatever is being negotiated, is across the board. Can he confirm that that is the case?

HON ATTORNEY-GENERAL:

No, Mr Speaker, I cannot.

HON J BOSSANO:

You cannot? Well, then can he confirm that the opposite is true, that it is possible for Gibraltar to be exempted?

HON ATTORNEY-GENERAL:

No.

HON J BOSSANO:

Well, it must be one or the other, Mr Speaker, which of the two is it?

HON CHIEF MINISTER:

We are not the Common Market.

HON J BOSSANO:

But, Mr Speaker, do we have a say? Can we influence those negotiations as a member of the Common Market?

HON CHIEF MINISTER:

We are trying.

HON J BOSSANO:

To what extent?

MR SPEAKER:

Next question.

THE HON R MOR

Mr Speaker, can Government state whether Spanish nationals working in Gibraltar will qualify for supplementary benefits on equal terms with Gibraltarians when relations with Spain are normalised?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

No, Sir. The Supplementary Benefits Scheme, which is not statutory, is only applicable to the following categories:-

- (a) Gibraltarians as defined in the Gibraltarian Status Ordinance resident either in Gibraltar or the Campo Area;
- (b) Non-Gibraltarian British Subjects who have resided in Gibraltar continuously for not less than three years prior to the date of application;
- (c) The dependent child or children of parents eligible under (a) or (b) above.

SUPPLEMENTARY TO QUESTION NO. 137 OF 1984

HON J BOSSANO:

Mr Speaker, can I ask the Government whether they have sought advice as to whether the Scheme as described by the Minister complies with the requirement of Gibraltar's terms of membership of the EEC?

HON DR R G VALARINO:

Mr Speaker, Sir, as far as I know the terms at present comply with the requirements of EEC Regulations.

HON J BOSSANO:

And specifically, Mr Speaker, the fact that Gibraltarians are eligible even if they reside in the neighbouring territory and commute to Gibraltar and no one else is, that is not considered to be discriminatory under EEC law?

HON DR R G VALARINO:

No, Sir, this is present law.

HON J BOSSANO:

I am aware that it is the present law in Gibraltar, Mr Speaker, I am asking whether the Government is in a position to say that the law that we have in Gibraltar complies with Gibraltar's requirements under the EEC law, that is the question I want answered?

HON DR R G VALARINO:

No, Sir, as far as I am informed we are not in breach of any EEC Regulation at the moment

MR SPEAKER:

Next question.

NO. 138 OF 1984

ORAL

THE HON R MOR

Mr Speaker, can Government confirm that once Spain joins the EEC, Spanish nationals who are entitled to an Old Age Pension because of their pre-1969 contributions record, will have to be paid at the current rates and not a frozen pension as at present?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, under the current provisions of EEC legislation, Spanish nationals entitled to Gibraltar Old Age Pensions because of their pre-1969 contribution record, would become entitled to be paid at the current rates.

SUPPLEMENTARY TO QUESTION NO. 138 OF 1984

HON R MOR:

Mr Speaker, is the Government in possession of sufficient funds to meet this additional demand on pensions?

HON DR R G VALARINO:

Mr Speaker, Sir, we do not know the funds available because one of the factors is that Government has not information of how many of these pensioners are still alive.

HON R MOR:

Mr Speaker, how does the Government propose to produce funds to meet this overload on the pension bill in the future?

HON DR R G VALARINO:

Mr Speaker, this is the subject of discussion between the UK and Gibraltar Government.

MR SPEAKER:

Next question.

NO. 159 OF 1984

ORAL

THE HON J BOSSANO

Can Government state whether the unloading of ships in the dockyard area is "dock work" as defined in the Regulation of Dock Work Ordinance?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

No, Sir.

SUPPLEMENTARY TO QUESTION NO. 159 OF 1984

HON J BOSSANO:

Does Government propose to do anything to alter this situation between now and the 1st January, 1985?

HON DR R G VALARINO:

No, Sir.

HON J BOSSANO:

Can the Minister state whether the implications of the fact that it is not 'dock work' as defined in the Ordinance, whether the implications are that ships can be unloaded in the dock area without using registered dock workers?

HON DR R G VALARINO:

Mr Speaker, as far as I can see from the Ordinance, dock work only covers loading and unloading ships within the Port area.

HON J BOSSANO:

I am well aware of that, Mr Speaker. My question to the Hon Member is that since the Ordinance says that only registered dock workers can engage in dock work, does it mean that a ship can be unloaded in the Dockyard without using registered dock workers?

HON DR R G VALARINO:

Yes, Sir.

HON J BOSSANO:

And what is the Government's policy in this respect?

MR SPEAKER:

Is there a reply coming or not?

HON DR R G VALARINO:

Mr Speaker, Sir, I don't think that the problem will arise but in view of the Hon Member's statement I will certainly look into it.

HON J BOSSANO:

I am not making statements, I am asking questions, Mr Speaker. My question is does the Government have a policy either to permit or to prevent ships being loaded or unloaded in the Dockyard by people who are not registered as dock workers which the Hon Member has said is perfectly legal within the terms of the existing law?

HON DR R G VALARINO:

Mr Speaker, with due respect, this has not arisen as yet, I believe.

HON J BOSSANO:

Mr Speaker, there are ships arriving in the Dockyard and there have been ships arriving in the Dockyard in the last three or four weeks with materials and equipment for the commercial operator. Can the Government say what is their policy in respect of who is entitled to unload such ships?

HON DR R G VALARINO:

Mr Speaker, Sir, this will have to be considered with the question of the Regulations of Dock Workers Ordinance, 1978, but, certainly, as far as I can see dock work certainly refers to that part of work carried out at the North Mole and does not include anything else anywhere else within the Port.

HON J BOSSANO:

I am aware of that, Mr Speaker. What I am saying is that if the Hon Member has confirmed that there is nothing to stop ships being unloaded today by persons who are not registered dock workers, what is the Government's policy? Is it the Government's policy that that should not be allowed and that therefore they propose to amend the Ordinance or is it the Government's policy that it should be allowed in which case they do not intend to amend the Ordinance?

HON DR R G VALARINO:

Mr Speaker, Sir, I think the Ordinance will have to be amended

so that the position is regularised and dock work and dock workers just refer to the north area of the Port.

HON J BOSSANO:

I agree entirely that in order to regularise it, as the Minister says, the Ordinance requires amendment. My question is, is it the Government's policy to prevent ships being unloaded in the Dockyard area using labour that is not registered dock workers which at present on the existing law is permissible?

HON DR R G VALARINO:

Mr Speaker, Sir, obviously it is permissible because it is for their own use.

MR SPEAKER:

You are being asked what is going to be Government's policy in the future?

HON DR R G VALARINO:

The policy in the future is that dock work as defined in the Ordinance, and the Ordinance may have to be re-defined, will be kept strictly to the North area of the Port and will not include the South area or any Admiralty waters in that area.

MR SPEAKER:

Next question.

NO. 140 OF 1984

ORAL

THE HON M A FEETHAM

Sir, can Government state in what industries the 11 employer based trainee posts have been created and under which of the three conditions specified in the Minister's statement to the House on this subject?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, 14 trainee posts have in fact been created in the following industries:-

Retail Distributive	-	2
Hotel and Catering	-	1
Colour Laboratory Technician	-	1
Insurance	-	1
Printing	-	2
Secretarial	-	2
Wholesale Distributive	-	1
Hairdressing	-	3
Marble Mason	-	1

1 post comes under Condition (ii)

ie to replace a 'non-resident' of Gibraltar.

13 come under condition (iii) - new posts.

SUPPLEMENTARY TO QUESTION NO. 140 OF 1984

HON M A FEETHAM:

Can the Minister clarify whether the other six remaining opportunities are still open to employers to take advantage of because originally it was for twenty, as I understood it?

HON DR R G VALARINO:

The original suggestion had a limited number of twenty but obviously it was considered in the package of the three training schemes, (a), (b) and (c). So far in this one we have received various applications and we have chosen fourteen of them as coming under the scheme so that for this year we shall have fourteen. We shall, as soon as possible, start advertising the same sort of system for next year so that we are ahead of time next year instead of this year when we have had to do it a little bit later.

HON M A FEETHAM:

Then what the Minister is saying is that as far as this scheme is concerned applications have now closed?

HON DR R G VALARINO:

The closing date has passed.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

Can Government state how many men between the ages of 19 and 25 are unemployed and of these how many have passed the official apprentice entry examinations?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, fifty men between the ages of 19 and 25 are registered as unemployed.

The Department has no information at present as to which of these have passed the official apprentice entry examination.

SUPPLEMENTARY TO QUESTION NO. 141 OF 1984

HON M A FEETHAM:

Can the Minister state why he should therefore insist on a condition which doesn't actually exist amongst the people eligible to apply for the scheme?

HON DR R G VALARINO:

Mr Speaker, Sir, if the Hon Member goes back in time, the first time we put out the scheme this was put in. The second time we put out the scheme and if I may read it to you, Sir, part of it: "Government is again offering training facilities for young unemployed people between 18 and 25 years" - in fact, we brought down the age to 18 - "who wish to learn a trade. Emphasis will be placed on the training of painters and masons. Accelerated courses of 44 weeks duration will be held at the Construction Training Centre and on completion trainees will be trade tested on craft operative standards. After 4 years full employment as a craft operative in the trade they then apply for up-grading to craftsman status. Under this scheme an extra allowance of £20 per week will be paid to each trainee over and above any money that they could be receiving from supplementary benefits", this was also new, Sir - "It should be noted that the previous requirements that applicants should have passed the apprentice entry examination no longer applies. Interested persons may collect applications...." Therefore, Sir, in the re-advertisement of the scheme we did away with the apprentices entry examination.

HON M A FEETHAM:

Why was the Minister therefore so surprised when he didn't have any applications if he didn't know how many people could actually apply originally? Can he answer that?

HON DR R G VALARINO:

Originally we had one application which didn't turn out to fit the requirements of the scheme so therefore when we re-advertised the scheme we included three very important points. First of all, we lowered the age to 18; secondly, we took into account that any money received from supplementary benefits could still be received; and, thirdly, that the previous requirement that applicants should have passed the apprentices entry examination no longer applied. I must say that even though these three carrots were put before the people we had no applications.

HON M A FEETHAM:

In fact, the Minister is confirming that no individual approach was made by the Department to the fifty individuals concerned whether they would be interested in applying and it was left to the individual to decide and nobody applied?

HON DR R G VALARINO:

No, Sir.

HON M A FEETHAM:

In view of the importance of unemployment amongst youth, can the Minister state whether the Department approached the individuals concerned with regard to the scheme?.

HON DR R G VALARINO:

No, Sir. Mr Speaker, people were not approached individually but there was ample coverage both in radio and television.

MR SPEAKER:

I am afraid you may not be satisfied but the answer is he did not approach personally, it was advertised.

HON M A FEETHAM:

In fact, what the Minister is saying is that the figures which he quoted or his Department quoted in the press as 115 juveniles unemployed, none of them could have applied?

HON DR R G VALARINO:

That none of them could have applied?

HON M A FEETHAM:

Yes.

HON DR R G VALARINO:

If their ages were from 18 to 25 of course they could have applied, there is no reason why they shouldn't have applied.

HON J BOSSANO:

The point is that when the Minister and the Department reacted with disappointment to the fact that there had been no response to the scheme, the figure quoted to the press was that it was disappointing because there were 115 juveniles. Can the Minister confirm that all these 115 juveniles are by definition under the age of 18 and therefore it isn't disappointing that they didn't apply, it is disappointing that the Minister produces a scheme for juveniles which excludes all juveniles, can he confirm that that is the case?

HON DR R G VALARINO:

No, Sir, he talks about 115 juveniles, I don't know how many juveniles have been employed from then until now but I have said fifty young men between the ages of 19 and 25, so the word 'all' is totally erroneous. It is fifty at least out of 115, so it cannot be all.

HON J BOSSANO:

Mr Speaker, can the Minister confirm that when the date of application was past and his Department made some statements to the press about the disappointing response, the figure quoted by his Department was that there were 115 juveniles out of work, registered unemployed juveniles, and it was disappointing that there had been no applications because of that and can he confirm that, in fact, none of the 115 juveniles could apply for the scheme because the scheme excludes juveniles?

HON DR R G VALARINO:

Mr Speaker, Sir, the Hon Member tends to confuse two schemes. There is this scheme which is 18 to 25 which is the 44-week course but there is also the Construction Training Centre Scheme which deals with juveniles even younger than 18, Sir, so therefore I do not honestly see what the Hon Member.....

MR SPEAKER:

Your press release was related to which, to the juveniles or to the 18 to 25?

HON DR R G VALARINO:

The press release included all three, Sir, and then the second one, this one, was re-done, Sir, and advertised in better terms

to see whether we could get some people between the ages of 18 and 25 applying for the jobs but we had no applications for those jobs, Sir.

MR SPEAKER:

We are not going to get any further.

HON J BOSSANO:

I don't know whether it is that the Minister is suffering a temporary bout of amnesia or that he doesn't want to give the information, Mr Speaker. Can the Minister confirm that a scheme was announced inviting applications for people who were between 19 and 25, that there were no such applications and that in a statement to the press following that particular scheme and its failure to attract applicants, the Department said that it was disappointing that there were 115 juveniles and that there had been no response? Can he confirm that that is fact, Mr Speaker?

HON DR R G VALARINO:

That was fact at the time, Sir, but subsequent events have led on to the .....

HON J BOSSANO:

If the Hon Member will allow me now to ask him another question.

HON DR R G VALARINO:

I haven't finished. I would like to assure the Hon Member that as a medical man I am not suffering from amnesia, I wonder what he is suffering from?

HON J BOSSANO:

Having established that that is fact, Mr Speaker, will the Hon Member not agree that it isn't disappointing that none of the 115 did not apply, I think it is misleading for the Department to say that the 115 did not apply because it gives the impression that those youths were not interested in taking up the offer made by the Government when, in fact, the 115 in question are all under 18, registered unemployed with the Youth and Careers Office and are precluded from applying for this scheme, this scheme is not for youths, it is for adults?

HON DR R G VALARINO:

Mr Speaker, Sir, if I remember rightly, and there was an article in one of the journals, the 115 that they were talking about

were from 19 downwards and not 18 downwards. This is why we changed the age to 18 and, in fact, they have got the other scheme that they can go for. I do not see honestly what the Hon Member is getting at. What I would like to see certainly is some union help in trying to convince some of these people to be able to take up these sort of jobs which, I am afraid, is sadly lacking in the union because they don't seem to be interested in Gibraltarians getting jobs.

HON J BOSSANO:

Mr Speaker, can I ask.....

MR SPEAKER:

With respect, if you are going to ask for information do so by all means. We cannot go on in the hope that you are going to get the answer or the admission that you expect because it seems you are not and it is no use flogging a dead horse.

HON J BOSSANO:

I think the admission is there by inference, Mr Speaker, but I would like to ask the Hon Member, isn't the figure of 115 the figure produced by his Department for June for people under the age of 18, he says that it is 19, I think, factually, can the Minister state categorically whether it is 18 or 19, the figure produced by his Department for juveniles out of work in June this year, 115?

HON DR R G VALARINO:

Mr Speaker, I will check whether the figure is 18 or 19 and let him know at a later meeting.

HON J BOSSANO:

The Minister doesn't know whether juveniles are under 18 or under 19?

MR SPEAKER:

No, he does not accept that.

HON J BOSSANO:

Can I ask him, in respect of the last point that he has made, can the Minister say the answer that he gave to Question No.11 which was that the schemes for dealing with the problem of youth unemployment, he said in answer to Question No.11:

"This will subsequently be the subject of consultation with the Unions and private employers". In fact, were the schemes that he produced the result of consultations and agreement with the Unions or were they in fact the result of the Government's own ideas on the subject?

HON DR R G VALARINO:

Mr Speaker, Sir, I do not see how this can arise from this question. Anyway, I do believe that the answer to Question No.11 was not given by me but was given by my predecessor.

HON J BOSSANO:

But, Mr Speaker, hasn't the Hon Member made a side remark about the lack of help from the Unions and whether it was his predecessor it is the same Government that said in answer to Question No.11 earlier this year that they were going to have consultations with the Unions and private employers before the schemes were produced. I am asking him, did that consultation take place?

HON DR R G VALARINO:

Mr Speaker, Sir, I think there is a substantive motion on the Agenda and I don't think we ought to go into these details.

MR SPEAKER:

We will call the next question.

NO. 142 OF 1984

ORAL

THE HON M A FEETHAM

Can Government explain what steps are being taken to ensure that illegal employment of frontier workers is prevented?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, the Department's inspectorate carries out regular inspections of work places to ensure compliance with the Labour and Social Security laws, and cases of illegal employment can be detected in the course of such inspections. So far 189 inspections have been carried out this year. In addition 101 investigations have been carried out as a result of information received.

The inspectorate have no power of entry into private dwellings and there is no machinery for preventing illegal employment in that area.

SUPPLEMENTARY TO QUESTION NO. 142 1984

HON M A FEETHAM:

Can the Minister say whether any of the investigations have led to any legal proceedings?

HON DR R G VALARINO:

Mr Speaker, Sir, I imagine he means prosecutions. As far as I know there have been a very small number of cases which have been found. I do not exactly know whether they have led to prosecutions but I will certainly find out and let the Hon Member know.

HON M A FEETHAM:

Isn't there legislation which was introduced by Government whereby they announced last year that they would be fined £500 in cases of illegal employment of labour?

MR SPEAKER:

That is a matter which you can see for yourself. It is a question of enforcement.

HON M A FEETHAM:

Can I ask the Minister then, what happens when a case has been detected, as far as he knows?

HON DR R G VALARINO:

Mr Speaker, I cannot see how this can arise out of this question but, anyway.....

MR SPEAKER:

It does, most certainly.

HON DR R G VALARINO:

Let me say that the usual steps are taken and I am sure that if there is proof the case will go forward but I have said that I will find out what are the exact numbers, whether any prosecution has taken place and I will let the Hon Member know before tomorrow at the very latest.

HON M A FEETHAM:

Isn't it a fact that what is happening is that they are getting a warning and that, by implication, is encouraging people to continue doing what they are doing?

HON DR R G VALARINO:

Mr Speaker, Sir, I reiterate what I said before about letting him know and I also reiterate that we have done 189 inspections and 101 investigations so it is very difficult because we always make sure that we double check all cases of this kind.

HON J BOSSANO:

Mr Speaker, would the Minister not agree that when the matter was last debated in the House of Assembly and the legislation was changed, it was because it was a political commitment to introduce penalties which would serve as an example to discourage this practice? The Minister subscribes to that view which is the view of the Government at the time. Can I have confirmation that that is still the case?

HON DR R G VALARINO:

Yes, I subscribe to that view entirely.

HON J BOSSANO:

And, therefore, would he not agree then that if, as we have been lead to understand and which he is going to investigate, if in fact all that is happening is that people get warned when and if they get caught, that is no kind of disincentive at all to discourage the practice if people know that if they can get away with it, when and if they get caught by which time they may have made a lot of money in the process by not declaring the workers

concerned, to get a warning is not enough. Would he agree with that?

HON DR R G VALARINO:

Mr Speaker, Sir, I think we are pre-judging the issue. I have said that I will produce the figures tomorrow to the Hon Member and indeed I will.

HON J BOSSANO:

Is the Hon Member aware that there have been instances of cases where there have been suspected illegal use of frontier workers and the Department has said that they could not send somebody along for two or three days because they have insufficient resources, and if that is the case would he not agree that it is essential to provide the resources to ensure that the law is enforced?

HON DR R G VALARINO:

I am not aware, Mr Speaker, that this has happened but I fully agree with the Hon Member that if this has, in fact, happened, I totally agree with him.

MR SPEAKER:

Next question.

30.10.84

NO. 143 OF 1984

ORAL

THE HON M A FEETHAM

When does Government envisage that the new Customs/Immigration Offices will be ready for occupation?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

Sir, practical completion took effect on October 26th and the handing over of the building will take place in the next few days.

NO. 144 OF 1984

ORAL

THE HON J C PEREZ

Mr Speaker, can Government state what approximate quantities of gravel will need to be imported (a) for the No.1 Dock refurbishment (b) for the viaduct causeway?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Sir, with regard to No. 1 Dock refurbishment the Government is not involved with works being carried out by Gibrepair.

With regard to the Viaduct Causeway gravel will not be used and aggregate will only be used for the making of concrete. The quantity involved is insignificant.

If the Hon Member is referring to rockfill, the estimated requirements are as follows:

Rockfill - 44,290m<sup>3</sup>

Rock Armour (larger boulders) - 6,540m<sup>3</sup>

SUPPLEMENTARY TO QUESTION NO. 144 OF 1984

HON J C PEREZ:

Has the Government not considered it necessary to be able to produce or to tap one of the few natural resources that we have in terms of rock to be able to comply with that contract and is the Hon Member not in a position to do likewise in terms of the No.1 Dock refurbishment which is, after all, a contract for a publicly owned company?

HON MAJOR F J DELLIPIANI:.

Mr Speaker, I gather that that is a two part question. I will deal with the last one first. The Ministry I am responsible for has nothing to do with the refurbishment of No. 1 Dock so I am not in a position to reply to that answer. With regard to other means of using the natural resources that Gibraltar has to offer and obviously, we have a lot of rock, the question of quarrying in Gibraltar has been the subject of a long investigation, I think it took almost a year, some time ago. It was found that the quarrying within our rock face can be quite dangerous because of the nature of the rock formation. The only way we could really produce rock in substantial quantities which would be used for reclamation would be in the same way as the runway was built

and that is by using the fill of the tunnels to create a runway. If there was a project where we would need to dig into the rock for further tunnelling or reservoirs and then it would have two objects: we would be producing something and what comes out from that would be used for the natural reclamation using our own resources but there is no scheme of that magnitude which would require the tunnelling to provide this bulk of fill that is needed for the Viaduct Causeway and, indeed, needed for the East side reclamation.

HON J BOSSANO:

Mr Speaker, is it not a fact that the sand quarrying can as a by-product produce rocks which can then be used as the raw material for producing gravel and has that possibility been looked at by the Government?

HON MAJOR F J DELLIPIANI:

Sir, as I said, the question of gravel which is the smaller aggregate which is bigger than the sand aggregate, the quantities that are required are quite minimal. The bulk of the rock needed is of a larger nature, and I am not a chairman or a director of the Sand Quarry Company though I have a great interest in the matter, the rocks which would be of use to this reclamation are right at the top of the catchments and the only way we could really bring them down in an economical manner is by crushing them to produce aggregate but not to bring them down in their present size from the top of the catchments.

MR SPEAKER:

Next question.

NO. 145 OF 1984

ORAL

THE HON J C PEREZ

What is Government's policy as regards the application by the Gibraltar Quarry Company Ltd for a licence to trade in cement?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, Government has decided that the Quarry Co should not trade in cement. The application for a licence to trade in this commodity has therefore been withdrawn.

SUPPLEMENTARY TO QUESTION NO. 145 OF 1984

HON J C PEREZ:

Can the Hon Member explain why the Government has adopted that policy?

HON M K FEATHERSTONE:

Yes, Sir, it is felt that the Quarry Company was set up to trade in the natural resources available to it by quarrying and not by import and retail trade thereon.

HON J C PEREZ:

Does the Hon Member not consider that if something ancillary to the activities of the Company such as trading in cement will allow the Quarry Company to expand and to sell the sand much better, that the the Government should have gone through with the application?

HON M K FEATHERSTONE:

I don't think that that follows necessarily, Sir.

HON J C PEREZ:

If it is seen that there is a loss of trade by the company because Government is, in fact, limiting the activities of the company by not allowing it to trade in cement, will the Government consider compensating the company for their losses?

HON M K FEATHERSTONE:

I think it is a very hypothetical question what the profits might have been. I think Government is giving its support to the

company quite adequately without it necessarily having to trade in an external product which is not really the basis of a quarry company's normal type of business.

HON J C PEREZ:

I accept that it is not the normal type of business of a quarry company if not it wouldn't have had to apply for a licence, it was expanding its activities. What I am saying is that if because it now cannot expand its activities because the Government has decided that it is against their policy to trade in cement, whether because of that if it can be seen that the company suffers losses because of the policy of the Government in not allowing the Quarry Company to trade in cement, would the Government cover the losses incurred as a result?

HON M K FEATHERSTONE:

Since these losses are hypothetical then hypothetically the Government would give them some assistance.

HON J C PEREZ:

And if the Government is in a position to interfere with the management of a publicly owned company like the Quarry Company, is that also true of the Gibraltar Shiprepair Limited which is a publicly owned company set up in the same way as the Quarry Company?

HON M K FEATHERSTONE:

I wouldn't know anything about the working of Gibraltar Shiprepair Limited and the way in which the Government will "interfere with its running".

HON J E PILCHER:

Mr Speaker, we are not asking the Minister, we are asking the Government. Is anybody in the Government prepared to say whether if they have the right to interfere with this 100% owned company they have the same right to do it with the Gibraltar Shiprepair Limited?

HON CHIEF MINISTER:

So long as it was outside the terms of the purpose for which the Gibraltar Shiprepair Company was made, yes.

HON M A FEETHAM:

Can the Minister inform the House that in reaching the decision not to support the application, whether due consideration was given that by allowing the application to have gone through it

may have helped Government themselves in cutting down costs in the building industry by allowing more competition into the market?

HON M K FEATHERSTONE:

Yes, consideration was given, in fact, the whole idea of the Sand Quarry Company was partly to keep down building costs but it is not felt, as I have said before, that one should go into extraneous matters which have nothing to do with quarrying.

HON J C PEREZ:

Is the Government in a position to state whether the activities of the Quarry Company are to be expanded, for example, in relation to the production of aggregate like the Hon Member referred to in the last question in terms of aggregate from loose rocks in the upper catchments?

HON M K FEATHERSTONE:

That is something under active consideration at the moment.

HON J C PEREZ:

If the Government is considering that at the moment and since we are dealing in hypotheses this afternoon, hypothetically let us say that it approves this, why is it that it is prepared to expand on it on aggregate and not on cement?

HON M K FEATHERSTONE:

Because aggregate is a raw material which is obtained by quarrying, cement is something which is actually imported from another firm and is not in the same line of operation.

HON J C PEREZ:

So what the Hon Member is telling me is that the Government is only prepared to allow the expansion of the Quarry Company in terms of the natural resources that there are to exploit and in nothing else, is that the policy of the Government?

HON M K FEATHERSTONE:

That is the main idea. If possibly one day we start crushing the rock and we obtain also the necessary clay we may go into the production of cement but that is a different matter to the importation of cement.

HON J BOSSANO:

Could I ask the Hon and Learned Chief Minister in the light of what he has said about the Government's right to interfere in commercial decisions applying equally to Gibraltar Shiprepair Limited, what is the Government's policy as regards the application for a trading licence by Bond Instrumentation?

HON CHIEF MINISTER:

I said that so long as it is within the Memorandum and Articles of the Company, that the Government would not interfere if it was outside the Memorandum and Articles of the Company, yes, but this question of Bond Instrumentation has nothing whatever to do with the question.

HON J BOSSANO:

No, Mr Speaker, surely, the Government has not revoked the decision of the Gibraltar Quarry Company because it is against its Memorandum and Articles of Association, the Government have said that it is their policy to interfere with something that goes beyond the purpose for which the company was set up and that the same applies to Gibraltar Shiprepair Limited. I am asking the Chief Minister since he is the one who said so, what is the Government's policy in respect of the application for a licence by Bond Instrumentation which is a subsidiary of Gibraltar Shiprepair Limited who has applied for a licence for electrical contracting, what is the policy?

HON CHIEF MINISTER:

Well, I think that the two things are completely different.

HON J BOSSANO:

Why?

HON CHIEF MINISTER:

Because one is a subsidiary and the other one is a substantive.

HON J BOSSANO:

Mr Speaker, does the Government approve of the policy adopted by GSL to set up a subsidiary that has capital put there by the company the Government owns which is applying, that subsidiary company is applying, for a licence for electrical contracting which is not what GSL was set up for. What is the Government's policy or is it that you are not allowed by the British Government to interfere with GSL?

HON CHIEF MINISTER:

But it is ancillary to the work of the GSL.

HON J BOSSANO:

Mr Speaker, the licence is for electrical contracting in Gibraltar and not necessarily or exclusively on ships to be repaired in the dockyard, that is the application.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, perhaps I might add a word because I am perhaps a little bit more familiar with the intentions of Bond Instrumentation Limited Gibraltar. Just to acquaint the House with the purpose of this, this is work on RFA's which would otherwise be done in the UK and it was felt sensible that this should be done in Gibraltar, it was a way of attracting work to Gibraltar but it is the intention that the work of this company should be in connection with the repair of ships which are coming to the commercial yard and that is what Bond Instrumentation Gibraltar is all about.

HON J BOSSANO:

It may be what it is all about but is it not a fact, Mr Speaker, that there has been a request for the issue of a trading licence as electrical contractor by this company which is a subsidiary of GSL and which consequently is making a request for a licence to enter into a field of business other than the one for which GSL was set up? These are facts, are they not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I cannot really accept that this is business other than the business for which GSL was set up because it is ancillary to ship repair.

HON J BOSSANO:

Is the Hon Financial and Development Secretary then saying and holding himself accountable for what he is saying, that the licence application by Bond Instrumentation is not for a licence to trade as an electrical contractor.

MR SPEAKER:

No, other than for the purposes which he has explained.

HON J BOSSANO:

So the licence application, notwithstanding the fact that it doesn't say so, is intended to be limited to work on ships?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the licence is for electrical contracting work and that will be put forward or the application will be made.....

MR SPEAKER:

No, I think we are now speaking at cross purposes. It is accepted that the application is for electrical contracting, that is accepted. What the Opposition would like to know is whether the licence will be limited to work to be carried out on ship repair, or is it a general licence to be able to carry out electrical contracting.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I can say that the intention is that the work shall be in connection with the repair of ships, I cannot go beyond that.

HON J BOSSANO:

Mr Speaker, but is it not a fact that there has been a request for this licence and that if the licence is granted unless the request is for a licence to do electrical contracting on ships, it is a licence which will enable the holder to engage in electrical contracting in Gibraltar? Is that a fact or is it not a fact?

MR SPEAKER:

With respect to the Hon Leader of the Opposition, I know what you are trying to say and it is a question of applying commonsense. If the licence is not limited to ship repair it is a general licence.

HON CHIEF MINISTER:

One thing that has to be remembered is that they are going before an independent Trade Licensing Committee and they will have to satisfy them and there will be objections from people who object if they are going to work outside and all that criteria will be taken into account.

HON J C PEREZ:

Mr Speaker, coming back to the Quarry Company itself, why is it that in one case we are being told that it goes in front of an independent Trade Licensing Committee and in the other case the licence was withdrawn and let me ask as well, whether in the first instance the Government was aware that an application to trade in cement had been forwarded and, if so, why is it that they took a decision not to go ahead with it at a later date?

HON CHIEF MINISTER:

Because it was not an application of the Government, it was an application of the company and when the Government saw the advertisement it drew attention to the company of it, it is very simple.

HON J C PEREZ:

So the Government, in fact, interfered with the management of the company?

HON CHIEF MINISTER:

It did not interfere, it stopped it.

MR SPEAKER:

Next question.

NO. 146 OF 1984

ORAL

THE HON J C PEREZ

Mr Speaker, can Government state how much of the £700,000 provided in the estimates for maintenance of Government buildings has been spent in the six months to September, and on what projects?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Sir, of the £700,000 provided under Head 20, Item 2, - maintenance of Government Buildings - the sum of £310,387 was spent up to the end of September, 1984. This has been on day-to-day repairs as required on all Government Offices, Schools, Hospitals and other Government Institutions, and, on minor works of conversions, external and internal painting and renewal of electrical installations.

SUPPLEMENTARY TO QUESTION NO. 146 OF 1984

HON J C PEREZ:

Mr Speaker, can the Hon Member commit himself to give me a breakdown of what has been spent on what projects as the Hon Mr Featherstone did at Budget time except that we were talking then of allocations and now we are talking of how much money has actually been spent and could the Hon Member say whether the rest of the £700,000 on the 'Maintenance of Government Buildings has already been allocated to other projects or not?

HON MAJOR F J DELLIPIANI:

Sir, I have, in fact, prepared a list of all the projects that have been mentioned under £310,387 but it is quite an extensive list and I would not like to read it out, I will hand it over to the Hon Member. I think what is important to realise, Mr Speaker, on the second part of the Hon Member's question is that the £700,000 or the balance of it, we are really dealing on a day-to-day basis with some of the repairs that are required as they come about but also there are some allocated to the different departments which they, in fact, tell us how to best use it. But if the Hon Member requires any further information I am quite happy to meet him in my office and discuss the remaining balance.

MR SPEAKER:

Next question.

NO. 147 OF 1984

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government now state if the external cladding of the Tower Blocks is going to be amortized for a period of 60 years?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes Sir. As I have stated in my previous replies the Government's policy since 1981 has been to amortise over 60 years all local expenditure on housing charged to the Improvement and Development Fund.

SUPPLEMENTARY TO QUESTION NO. 147 OF 1984

HON J L BALDACHINO:

Mr Speaker, 60 years from the period of the time of construction of the Blocks or from the start of the cladding?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, in this particular case, Mr Speaker, it will be from the time of the cladding.

HON J L BALDACHINO:

Mr Speaker, which also includes the aluminium windows on the balconies?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Sir, I would imagine that is part of the cladding.

HON J L BALDACHINO:

Would the Hon Member agree with me that for accounting purposes it would be better to amortize such things for the remaining life of the building?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I don't agree with the Hon Member. I think it should be 60 years from the installation of the particular increment of capital expenditure.

HON J L BALDACHINO:

What he is actually saying, Mr Speaker, is that the building

will not exist and the aluminium windows will be there?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As the Hon Member will remember from what I said to him this morning, at the end of 60 years we assume that buildings still have a value and if they have a value that assumes that they still have a life so it is not quite as absurd as his suggestion would imply.

HON J L BALDACHINO:

I agree with the Hon Member, Mr Speaker. If we work out that the building has a 60 year life nothing is stopping the Hon Member saying that it could be extended to 70 years and therefore you could work out the amortization of this thing up to 70 years of the life of the building, it doesn't necessarily mean 60 years, it could mean 50 years because if the building is already 20 years old and you add another 10 to the life of the building and when you amortize things like the external cladding and the aluminium windows you could be amortizing over a 50 year period, not necessarily 60 years.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, the convention adopted, Mr Speaker, is that one takes 60 years and one applies it in a fairly uniform way, that is the policy.

HON J BOSSANO:

Mr Speaker, can the Hon Member explain why this policy was adopted in 1981 and why it was not done in respect of buildings before 1981, if it is such a sacrosanct principle what is the explanation for it?

MR SPEAKER:

There is no way that that can be a supplementary to the original question.

HON J BOSSANO:

Well, then can I ask the Hon Member if the explanation that he has given in an earlier answer to a question in today's Order Paper was that the 60-year figure produced in 1981 was related to new buildings, why is he insisting now on extending it to other things other than new buildings?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I have already given an answer to that, Mr Speaker, that 60 years is the amortization period assumed for capital expenditure in connection with buildings and whether it is the Varyl Begg roofs or the cladding of the Tower Blocks it is 60 years.

MR SPEAKER:

Next question.

THE HON J E PILCHER

Can Government confirm that they have received representations regarding the need for better signposting of areas of the Upper Rock and especially the fact that there is no exit via Green Lane, in the context of improving the tourist product?

ANSWERTHE HON THE MINISTER FOR TOURISM

Yes, Sir. The Upper Rock has been surveyed and the areas in which improved signposting is required have been identified. The design of signposting, which should be of an attractive nature, is now being considered. I confirm that particular attention will be paid to the point about Green Lane referred to in the question. I should add that the Department is also dealing with signposting requirements in other parts of Gibraltar, such as the Europa Shrine and the town area.

SUPPLEMENTARY TO QUESTION NO. 148 OF 1984

HON J E PILCHER:

Mr Speaker, does not the Hon Minister accept that the conditions which tourists have to endure when they get to the Devil's Gap area is particularly hazardous, that the footpaths are in very bad condition and having got to that stage it is not only dangerous if it is getting late in the day because they find themselves in an area where they cannot get out of unless they walk back and the footpaths are particularly dangerous and shouldn't the signposting here be given top priority?

HON H Z ZAMMITT:

As I have said, Mr Speaker, in reply to the general question, the whole Upper Rock has been surveyed and the whole question is being looked at with regard to decent signposting.

HON J E PILCHER:

Mr Speaker, can the Hon Minister give me some explanation why Green Lane is closed?

HON H J ZAMMITT:

The information I can give the Hon Member and the House, Mr Speaker, is that Green Lane happens to be a private road owned by the Rock Hotel and is open, I am told, if request is made to the Manager of the Rock Hotel but of course, it is not open to the general public.

HON J E PILCHER:

Have the management or the owners of this property been approached by the Government in order to have this road opened throughout the day and if so what is the reason for no agreement?

HON H J ZAMMITT:

There are a number of reasons. The management and the owners of Rock Hotel have been approached on several occasions but there are a number of problems arising as a result of people not necessarily going on Rock tours behind the Rock Hotel but they are going there for other reasons which, obviously, molests the residents of the Hotel.

HON J E PILCHER:

Mr Speaker, does the Hon Minister realise that the situation as it exists at the moment does not stop that? There is only one gate operational and that is the one at the Casino so anybody wanting to go there to do anything else but have an Upper Rock walk, like the Minister is saying, can do it anyway, so why have the bottom gate closed only?

HON H J ZAMMITT:

The only way he can get in, Mr Speaker, is by going back down Green Lane from the Upper Rock or going through the private grounds of the Rock Hotel whereupon they can be stopped by the Rock Hotel.

MR SPEAKER:

We are not going to get involved as to the reasons why, in other words, it is a question as to why Green Lane is not being used, the answer has been given, it is simple, it is a private road and the owners of the road will not condone the opening of Green Lane, it is as simple as that.

HON J C PEREZ:

May I ask whether Green Lane is actually a private road or is it leased to the owners of the Rock Hotel by the Government of Gibraltar?

HON H J ZAMMITT:

As I understand it, Sir, it forms part of the lease of the Rock Hotel Gardens.

HON J C PEREZ:

Does that lease not come up from time to time for renewal?

HON H J ZAMMITT:

I am sure it comes up for renewal but I tend to think that something like the Rock Hotel lease, I think none of us here will be around to see its expiry.

HON J C PEREZ:

Mr Speaker, if the Rock Hotel has been amortized for 60 years I would certainly see it.

MR SPEAKER:

Next question.

NO. 149 OF 1984

ORAL

THE HON J E PILCHER

Can Government state how it proposes to finance the additional expenditure on Tourist Promotion announced at the last House of Assembly?

ANSWERTHE HON THE MINISTER FOR TOURISM

Sir, although it was originally intended, as announced by the Chief Minister in his statement to the House on 26 June, to finance the additional expenditure from the Improvement and Development Fund, this expenditure is entirely of a recurrent nature and will be financed from the recurrent budget. A Supplementary Appropriation Bill is now before this House.

SUPPLEMENTARY TO QUESTION NO. 149 OF 1984

HON J E PILCHER:

What the Hon Minister is saying is that the Government now confirms that the way it was initially intended to be done by re-allocating money from the I & D Fund, is contrary to the legislation governing the I & D Fund.

HON H J ZAMMITT:

Well, Mr Speaker, it would be wrong because it is of a recurrent nature. One doesn't think that one will be using this amount of money just for this particular year and nothing else, it is a recurrent requirement and therefore it should not come from the I & D Fund.

HON J E PILCHER:

But can the Minister confirm that it is prohibited by the legislation on the I & D Fund?

HON H J ZAMMITT:

I suppose it is, Mr Speaker; I am afraid I do not know the details. The Financial and Development Secretary knows much more about the details of the finances than I do but I think the intention was originally to get money from somewhere and that is all we are really worried about.

HON J E PILCHER:

Mr Speaker, so in reality the Government is now going to use

part of the money and at the end of the financial year the £300,000 will be less in the actual reserves that the Government has?

MR SPEAKER:

That we can discuss when we do the Supplementary Appropriation, I am sure.

HON J BOSSANO:

We are not questioning the expenditure side, what we are saying is that if originally the Government's plans were based on an incorrect assumption that they would be able to use money in the I & D Fund and now they accept that they cannot do that, where is the money coming from?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The money, Mr Speaker, is of course coming from the recurrent budget and I think there are two points we have here. First, while I wouldn't use the word 'prohibited', the expenditure was perhaps not proper to be met from the I & D Fund, I accept that point, as the Hon Minister has already pointed out. As to how it is being financed, well, in my answer to the Hon Leader of the Opposition's question this morning I intended to say that we discovered that there was an under-spending in the recurrent budget last year so the reserves in the Consolidated Fund were better by the amount of about £0.6m and fortunately £0.6m is the amount, roughly speaking, of the Supplementary Appropriation Bill before the House now so it balances out.

MR SPEAKER:

Next question.

THE HON J E PILCHER

Can Government state whether a decision has been taken on the creation of a Monkey Park in Gibraltar and if not what is the reason for the delay?

ANSWERTHE HON THE MINISTER FOR TOURISM

No Sir. The present situation is that proposals for a Monkey Park submitted to the Government in April were referred to the Gibraltar Ornithological and Natural History Society. The Society has submitted its own report to the History and Heritage Committee which is studying both the original proposals and the Society's report and which will be making a recommendation shortly. The Society's report is also being sent to the person who submitted the Monkey Park proposals.

SUPPLEMENTARY TO QUESTION NO. 150 OF 1984

HON J E PILCHER:

Mr Speaker, does the Government realise that any future delay might seriously hamper any possibility of this project getting off the ground and the loss of an investment to Gibraltar of something in the region of £100,000?

HON H J ZAMMITT:

Mr Speaker, I think the Hon Member will agree that particularly when it comes to the conservation of animals there is much more than a rushed job required by the Ornithological Society not just in Gibraltar but elsewhere and therefore one must tread with great caution as to the requirements. If we made a mess of it, Mr Speaker, or we rushed into something without giving it adequate and proper consideration, I think it would be much more damaging than possibly the loss of £100,000.

HON J E PILCHER:

Mr Speaker, does not the Hon Member realise that the Conservation Projects intended to be built around the Monkey Park was, in fact, a comprehensive policy by the Primates Society of Great Britain, an International Society, are we now asking the local branch of the Ornithological Society to make comments on an assessment made by an International Society?

HON H J ZAMMITT:

I think the local Branch is as qualified as any other Branch

anywhere else in the world. We have people in Gibraltar qualified with as high qualifications on zoology as elsewhere and I think that if we were not to take the views of our own society the Opposition would be criticising us for not doing so and when we do we are criticised but I think the Hon Member, no doubt, has been reading various reports in the Chronicle, in particular, of various views expressed about this particular project and, as I say, in Government one has to tread with caution.

HON J E PILCHER:

I wish that the Hon Member would not tell me what I have done and what I haven't done, I haven't read the Chronicle. When I prepare a question I make an entire assessment myself. I met Mr Rosen who is the person who put the assessment forward but just as a matter of information. How long have the Government had this project in hand and is it not true that three different proposals have already been submitted by the persons who are trying to appease the Government every time a situation arises by which some fault is found in the project?

HON H J ZAMMITT:

Mr Speaker, I agree that we have had this project since April, in fact, we have had probably an intimation before that but it is a question that requires very serious consideration. When we talk of a Monkey Park, Mr Speaker, let us say that we are the only place in the world that has wild roaming apes and we have to take a decision as to whether we are going to have a Monkey Park or allow our Rock apes to be what they have been for the last 280 years, free roaming. I am not judging on this one, there are very many views and I think we have to take the views of everybody that has expressed an interest in this matter and I insist, Mr Speaker, I certainly am not prepared to rush into this project without giving everything very careful consideration and take my time if need be.

HON J E PILCHER:

Can I just ask the Minister whether he has some idea of when a decision will be taken so that these people can be told what the decision is either way?

HON H J ZAMMITT:

Mr Speaker, I said in my answer that the History and Heritage Committee have been asked to comment on this and that proposals from the History and Heritage Committee will be put to the Consultative Board, I think, by the end of November.

HON J C PEREZ:

Mr Speaker, can the Hon Member confirm that the fact that our apes might not be considered to be a defined domestic matter is not a major obstacle in the approval or otherwise of the scheme?

HON H J ZAMMITT:

Maybe we can change the Constitution if they were not a defined domestic matter.

MR SPEAKER:

Next question.

NO. 151 OF 1984

ORAL

THE HON J C PEREZ

Can Government state whether they intend to adopt a new policy on motor vehicle licensing following representations from motor-cycle owners?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, Government had a meeting with representatives of the Gibraltar Motor Cycle Club and are now considering their proposals.

SUPPLEMENTARY TO QUESTION 151 OF 1984

HON J C PEREZ:

Mr Speaker, will those proposals be ready in time for implementation in next year's Budget?

HON M K FEATHERSTONE:

Yes, Sir.

MR SPEAKER:

Next question.

NO. 152 OF 1984

ORAL

THE HON J C PEREZ

Is the Government now in a position to state when it is intended that the Vehicle Testing Centre in Eastern Beach will be fully operational?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, a firm date cannot be given at this stage. The Centre is currently being used to test goods vehicles. It should be fully operational as soon as the necessary legislation is promulgated and the staff recruited and trained.

SUPPLEMENTARY TO QUESTION NO. 152 OF 1984

HON J C PEREZ:

Mr Speaker, since the Hon Member replied the same thing as far back, I think it was last June and last March, and since he committed himself to inform me on the scale of fees that according to him had already been worked out, could he commit himself to inform me before the next meeting of the House and could he tell me whether there are new obstacles to the full operation of the Vehicle Testing Centre since there doesn't seem to be a different position to the one in March and in June?

HON M K FEATHERSTONE:

No, Sir, there are no new obstacles, it is basically that the legislation is taking a little longer to draft than had originally been thought. I will, of course, send you the scale of fees.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

Mr Speaker, can Government confirm that Government dwellings left vacant by the successful applicants in the recent tenders for home ownership occupation are earmarked for the decanting of Government pensioners?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Mr Speaker, it is not Government policy to generally earmark for pensioners Government dwellings that become available as a result of tenders awarded.

However, three post-war flats that will become available as a result of the last sale of properties by tender have been earmarked for the decanting of Government Pensioners from Government Quarters to make up for the loss of two such Quarters which were included in that specific batch of properties.

SUPPLEMENTARY TO QUESTION NO. 153 OF 1984

HON J L BALDACHINO:

Mr Speaker, can the Hon Minister say how many rooms there are in these dwellings that he is allocating for the decanting of Government pensioners?

HON M K FEATHERSTONE:

I don't quite follow that question, Sir, if I could have it again.

HON J L BALDACHINO:

He said that three post-war houses have been earmarked for the decanting of pensioners. What I want to know is the number of rooms involved.

HON M K FEATHERSTONE:

I think one is a five roomed flat, one is a four roomed flat and one is a three roomed flat.

HON J L BALDACHINO:

Mr Speaker, I think it was the Hon Mr Canepa in the 1981 Budget, who said this putting out tender was one of the ways

to give people the chance to buy houses which they would normally not get in the Housing waiting list and another thing is that those applicants who were in Government houses could then leave vacant their houses so that the Housing waiting list could be reduced.

HON M K FEATHERSTONE:

Yes, that is quite correct, Sir, and that is the usual policy. But in the last batch of tenders two of the actual houses that were put out to tender were either Government Quarters or intended for Government Quarters and the Government Quarter Housing Committee said: "Since we are giving up two of our own Quarters can we have the houses left vacant by the successful tenderers to compensate", and this has been agreed.

HON J L BALDACHINO:

So there has been a change of Government policy in relation to that?

HON M K FEATHERSTONE:

No, it is not a change of policy, it is a question of accommodating a situation otherwise, possibly, the Government would not have given up those Quarters themselves but would have hung on to them and refurbished them at rather heavy expense to the Government.

HON J L BALDACHINO:

Then what actually happened is that there is a pensioner that requires a five roomed house which is scarce in the Housing waiting list?

HON M K FEATHERSTONE:

Yes, Sir.

MR SPEAKER:

Next question.

NO. 154 OF 1984

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state when will tenants of Town Range be re-accommodated?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, tenants at Town Range will be re-accommodated either into pre-war accommodation of a higher standard on the recommendation of the Housing Advisory Committee, when such accommodation is available, or into post-war accommodation when the pointage value of their applications qualifies them for such allocation.

SUPPLEMENTARY TO QUESTION NO. 154 OF 1984

HON J L BALDACHINO:

Mr Speaker, how many tenants are we talking about?

HON M K FEATHERSTONE:

I think there are about fifteen.

HON J L BALDACHINO:

Mr Speaker, how can they make provision for these fifteen tenants to be allocated in pre-war accommodation when they cannot allocate it now to social cases?

HON M K FEATHERSTONE:

The pre-war accommodation that is usually offered to social cases is of an even lower standard than the Town Range accommodation. The better quality pre-war accommodation when it does become available is offered to the Town Range persons so that they can improve their status and then perhaps one of the social cases that is available can move into Town Range.

HON J L BALDACHINO:

Mr Speaker, this could take a long time.

HON M K FEATHERSTONE:

Yes, it takes a very considerable time, I am afraid, Sir.

HON J L BALDACHINO:

From the answer that the Hon Member has given, I am sure that he is not satisfied with the conditions that people in Town Range are living in.

HON M K FEATHERSTONE:

I am never satisfied when anybody is living under conditions that are not as good as they possibly could be. I agree that Town Range is only a palliative, unfortunately it is a rather long palliative and I would like to see as much new housing as the finances of Government will permit to be built in the quickest time possible so that people can have decent housing but until that is available then we have to put up with such places as Town Range.

HON J L BALDACHINO:

Mr Speaker, I quite understand the position that the Minister finds himself in. Taking into consideration that it will take a fairly long time to re-accommodate these tenants, doesn't the Hon Member agree with me that at least what the Government can do is carry out the necessary repairs which are needed within that building, for example, the railings, toilets and things like that?

HON M K FEATHERSTONE:

Yes, Sir, if there are any instances where there are repairs required I will pass it on immediately to my Colleague at the Public Works Department.

HON J L BALDACHINO:

Then what the Minister is saying is that he will look into it. Mr Speaker, wouldn't the Hon Member agree with me that the external state of the building is an eyesore especially when the Government is giving the impetus that it is trying to give to tourism?

HON M K FEATHERSTONE:

It is not the best of sights, I admit, but I don't see how it can be very easily improved.

HON J L BALDACHINO:

Mr Speaker, the building I am talking about is right in between two MOD buildings which are almost the same age as the building which are in an immaculate condition. Could the Government do something about our building?

HON M K FEATHERSTONE:

Well, if I can prevail on the Hon Minister for Public Works to allocate part of his £700,000 then I will do so.

HON J L BALDACHINO:

Mr Speaker, I think it is more tourism and I think the money that you already allocated tourism should at least go to paint the external walls of those buildings.

HON M K FEATHERSTONE:

That is not quite the case, Sir.

MR SPEAKER:

Next question.

NO. 155 OF 1984

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state if they consider White Rock Camp as temporary accommodation?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the tenants at White Rock Camp were required to sign the same form of Tenancy Agreement as other tenants elsewhere and the term temporary was not incorporated into their agreements. They will be reaccommodated whenever alternative accommodation at Catalan Bay becomes available.

There is, however, an exception to the above in the case of a tenant who is not, indigenous to the Village.

SUPPLEMENTARY TO QUESTION NO. 155 OF 1984

HON J L BALDACHINO:

I understand that the tenancy agreements they signed were not on a temporary basis but surely, the Hon Member will agree with me that White Rock Camp can only be considered to be temporary accommodation.

HON M K FEATHERSTONE:

The buildings of White Rock Camp are not in the best of conditions I agree, Sir.

HON J L BALDACHINO:

They are a temporary measure?

HON M K FEATHERSTONE:

They are something that it is the Government's intention sooner or later to get rid of. If it is possible in the next two years to do the last phase of the housing complex at the seaview site at Catalan Bay then of course the people at White Rock will be re-accommodated.

HON J L BALDACHINO:

And how long will this take?

HON M K FEATHERSTONE:

I don't know how long it will be, I wouldn't like to commit myself at this stage, Sir.

HON J L BALDACHINO:

Will it be more than 20 years?

HON M K FEATHERSTONE:

No, I should hope it will be less than that, Sir.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

Mr Speaker, can Government state how many applicants are there in the Housing Waiting List?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the number of applicants is at present 1,898.

SUPPLEMENTARY TO QUESTION NO. 156 OF 1984

HON J L BALDACHINO:

That is a slight increase from last year's total, is it?

HON M K FEATHERSTONE:

Yes, Sir, one of the reasons why we think there has been an increase is that if you wish to tender for these Government houses that are now being made available, certain points are allocated to you if you are already an applicant on the housing list and we think that a number of people who previously did not apply on the housing list are now applying so that they get into the housing list and get the extra points for when such a tender comes up.

HON J L BALDACHINO:

I have done a quick subtraction here, Mr Speaker, and it comes out as a total of 66 more applicants than last year. Would the Hon Member not agree with me that even though the reflection of the total of applicants which comes out is 66 but in fact there are more than 66 families now in Gibraltar living worse off, going by the housing application scheme?

HON M K FEATHERSTONE:

I think that depends on whichever way you care to look at it, Sir. The question, as my Hon Colleague the present Minister for Tourism has stated on many occasions, is that you often get two or three applicants from the same family, from the same household, onto the housing list and this is what makes the number as inflated as it is. The situation has been said, and I think I can concur with it, that it is not 1,898 houses that are required to solve the problem but 700 houses which would probably solve the problem completely by a process of musical chairs.

HON J L BALDACHINO:

Mr Speaker, so in actual fact the Hon Member is agreeing with me, the only thing is I have used this formula in reverse.

HON M K FEATHERSTONE:

I can take it that way.

HON J L BALDACHINO:

Doesn't the Hon Member agree with me - and I am not saying that the Government has not tried - that the policy of the Government in the past has not only been unable to contain the number of people wanting houses that they have not been able to solve it.

HON M K FEATHERSTONE:

I wouldn't say that, Sir, the Government's record over the last ten years has been to build several hundred houses and to alleviate the conditions of several hundred people. I think that they have a very good record in this line, it is simply that at the present moment with the financial constraints that are upon us, the housing building rate has slowed down somewhat but if in a year or two year's time the out-turn of events improves once again, housing will once again be of considerable import in our building efforts.

HON J L BALDACHINO:

Mr Speaker, just one final question and I don't think it will be any hardship to the Minister because I think he has that information. Could we have a breakdown of the applicants requiring accommodation, for example, bedsitters, six rooms, four rooms, etc?

HON M K FEATHERSTONE:

If it can be done I will furnish it to you.

HON J L BALDACHINO:

Thank you, Mr Speaker.

HON J C PEREZ:

Does the Hon Member not consider that a couple of hundred houses in relation to a waiting list of 1,898 is not adequate?

HON M K FEATHERSTONE:

I didn't say a couple of hundred, I said 700.

HON J C PEREZ:

Does the Hon Member not consider that 700 in relation to the waiting list is not adequate?

HON M K FEATHERSTONE:

No, because very often you get a household in which there is a mother and father, a daughter who is married with two children, they both make an application. If one of the applications succeed the other person stays in the house and you have solved two applications with one house. Sometimes you get three applications from one house and it can all be solved by one. So it is not necessarily 1,898 houses that are needed, we think with 700 it would break the back of it completely.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, what are Government's plans for expanding geriatric care in the light of the population trends of the last 20 years?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, it is Government policy that, as far as possible, elderly persons should be looked after in their own homes and the hospital only used as a last resort. Government is moving towards an improvement in the Domiciliary Nursing Service to help with geriatric patients in their homes and would prefer to see expansion in this field rather than increased pressure on the geriatric wards in the hospitals.

SUPPLEMENTARY TO QUESTION NO. 157 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, in view that the previous Minister for Health undertook to review the situation and nothing seems to have been done since then, we now find ourselves with a very long waiting list. Does the Minister not agree that not enough attention is being given to this matter as a consequence.

HON M K FEATHERSTONE:

As I have said, as far as possible Government would like to see these persons kept in their own homes and assisted by the Domiciliary Nursing Service. It is a fact of life that people today don't seem to wish to look after their elderly relations to the same extent that they used to in the past and we have found that the more you expand the geriatric service in the hospital the more demand there is upon it.

HON MISS M I MONTEGRIFFO:

But, Mr Speaker, does the Minister not agree that there is an increased demand for geriatric care?

HON M K FEATHERSTONE:

Already there is a considerable amount of assistance given by Government. There are two wards in St Bernard's Hospital, there is the Government subsidy to Mount Alvernia, I think they are doing quite a lot already.

HON MISS M I MONTEGRIFFO:

Mr Speaker, the Minister is saying then that the Government have

no plans to expand the geriatric care, is that what he is saying?

HON M K FEATHERSTONE:

Not specifically, no, Sir.

HON J BOSSANO:

Is it not a fact, Mr Speaker, that like other populations in Western Europe, the trends revealed in the last two censuses show that the proportion of people over the age of 60 is expanding relative to the rest of the community and that therefore it is reasonable to deduce from that that the demand for the services will be increasing per head of population because there are more elderly people in our population now than there were ten years ago and more than there were twenty years ago. I think the increase in the twenty years to which the question refers was of the order of 60% according to the figures provided by the Government in the House. Doesn't the Minister accept that if it is true that the number of elderly people is on the increase and has been, that unless we are providing increasing resources in that area the services are going to be overstretched with the passage of time?

HON M K FEATHERSTONE:

Yes, I agree that there is some increased demand but the demand at the moment seems to be far more than is really necessary on the Hospital basically because people are reluctant to look after elderly persons in their own homes and wish to shovel them off into the Hospital as far as possible. There is room for expansion in Mount Alvernia if one is willing to pay the money for it.

HON J BOSSANO:

The point is, Mr Speaker, that if the Government accepts that there are more elderly people then isn't it natural that if there are more elderly people there will be a demand for more elderly care and therefore what is the Government going to do about it? If they accept that it is happening and will continue to happen, are they going to cater for that and didn't the previous Minister for Medical Services indicate in the House that, in fact, the Government was considering expansion of the Domiciliary Service?

HON M K FEATHERSTONE:

Yes, I have said that, I have said that we are expanding it, I have said that in the answer to the question.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, can Government explain why there is a reciprocal agreement with UK because of the medical service provided to British tourists, yet no such arrangement applies for other EEC Nationals?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the provision of medical services to Community Nationals who visit other Community Countries is governed by the relevant EEC Regulations.

Gibraltar is a member of the Community as a dependent territory of the United Kingdom, in Europe, and therefore is not considered under Community Regulations a separate Country.

In order therefore to define the rights of visitors from the UK to Gibraltar and vice versa it was decided that this could best be covered by a reciprocal agreement, the conditions of which are similar to those covered under Community Regulations.

SUPPLEMENTARY TO QUESTION NO. 158 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, does the Minister accept that the implications of our membership with the EEC are such that if we were to agree with the rest of Europe any agreement in this case in connection with medical services, that same arrangement would automatically apply in Gibraltar and we would have no control over the matter if Britain were to agree with the rest of Europe?

HON M K FEATHERSTONE:

No, I don't follow that that is the case. The case with the UK is a reciprocal agreement, the case with the EEC is that they would have to apply with the relevant form, I think it is called an EE111.

HON MISS M I MONTEGRIFFO:

Mr Speaker, my question is, does the Minister accept that if Britain were to agree with the rest of Europe any arrangement, in this case in connection with medical services, that same arrangement would apply automatically in Gibraltar without us having any control over the matter?

HON M K FEATHERSTONE:

I don't see how that follows.

HON MISS M I MONTEGRIFFO:

Because, Mr Speaker, we are considered as part of the UK.

HON M K FEATHERSTONE:

As far as the reciprocal agreement with the UK that is one thing, the services with the EEC Nationals would be the same service as a Gibraltarian going to the rest of Europe obtains, that is, that he gets medical care if he should fall ill or have an accident in the EEC country on production of the form E111, they would have to do exactly the same here.

HON MISS M I MONTEGRIFFO:

Mr Speaker, he hasn't answered my question.

MR SPEAKER:

In other words, we would be responsible for EEC Nationals in Gibraltar.

HON M K FEATHERSTONE:

No, only if they actually fall ill while in Gibraltar or have an accident, not if they are ill in their own country and wish to come here to be treated.

HON J C PEREZ:

Mr Speaker, the point my Hon Colleague is trying to make is that since in answer to the question the Hon Member has said that Gibraltar has to have a reciprocal agreement with Britain because in the context of the EEC it is considered as part of Britain, that any agreement relating to medical services that is done by Britain with any other EEC country, that should apply to Gibraltar automatically with no control whatsoever on our part.

HON M K FEATHERSTONE:

Yes, I think that would follow.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Can Government state what is the latest position regarding recognition of Gibraltar nursing qualifications in relation to the Briggs Report?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, a comprehensive study of the remaining outstanding matters is nearing completion and will shortly be referred to Council of Ministers for consideration.

THE HON MISS M I MONTEGRIFFO

Does Government accept that once the frontier restrictions are removed any EEC National visiting Gibraltar from Spain will be entitled to free medical attention?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir. In accordance with EEC Regulations, Community Nationals who travel as visitors to another Community Country are only entitled to medical treatment if they are taken ill or have an accident during such visits.

SUPPLEMENTARY TO QUESTION NO. 160 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister say whether under these circumstances once Spain joins the EEC, dependents of Gibraltarians residing in Spain and working in Gibraltar will be continued to be denied free medical attention even if they carry on visiting Gibraltar?

HON M K FEATHERSTONE:

I would think, Sir, that Gibraltarians residing in Spain would no longer be eligible for the benefits of the medical services in Gibraltar once the EEC Regulations came into force otherwise we would be discriminating in their favour against the rest of the EEC Nationals in Spain.

HON MISS M I MONTEGRIFFO:

So therefore they will be having to use the same form as EEC Nationals, is that correct?

HON M K FEATHERSTONE:

Yes, Sir.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Is it Government's intention to provide additional resources to the Medical Department to equip it for the extra demand that could materialise if the Government's intended expansion of tourism is successful?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, one would hope that the vast majority of the tourists visiting Gibraltar would not need to have recourse to our medical services. The matter of any increase in this demand will naturally be monitored and adjustments made as necessary.

SUPPLEMENTARY TO QUESTION NO. 161 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, is the Minister committed to expand our medical services should tourist arrivals increase?

HON M K FEATHERSTONE:

The amount of demand that the tourists have made up to the moment on our medical services have only been about 1.2% of the total services given. If the amount of tourism increased on a medium term basis then I think we would have to look for some increase but for day visitors it will probably not be very necessary.

MR SPEAKER:

Next question.

NO. 162 OF 1984

ORAL

THE HON MISS M I MONTEGRIFFO

Can Government state what they consider to be a sufficient number of GP's to run the Group Practice Medical Scheme efficiently, on the basis of current demands on the Health Centre?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, this matter is currently under discussion with the Health Centre doctors, under the aegis of the BMA (Gibraltar Branch) and any statement at this stage could be in breach of normal management/staff side negotiations.

SUPPLEMENTARY TO QUESTION NO. 162 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, in April of this year the Government knew that a doctor would be leaving the Centre in June, can the Minister explain why it has taken them such a long time to replace him?

HON M K FEATHERSTONE:

These things do have a habit of taking longer than one perhaps would like them to take.

HON MISS M I MONTEGRIFFO:

Mr Speaker, the press release which was issued on the 10th of this month by the Gibraltar Branch of the BMA called as a matter of urgency for an appropriate increase to meet the needs of the community. Does the Minister then not accept the figure put out by the doctors that eleven are required to give an adequate service?

HON M K FEATHERSTONE:

The position is that when you have to recruit a doctor it takes a certain time to recruit the doctor himself and then he often has to give a certain amount of notice before he can leave his present place of employment and that is why it does take a considerably longer time than we would wish in recruiting somebody. The optimum number of patients that a doctor should see at any session is something under discussion at the moment with the Association and I wouldn't like to butt into those discussions at the present moment by saying anything here which afterwards might be in prejudice to what we are discussing.

HON MISS M I MONTEGRIFFO:

So therefore, Mr Speaker, the Minister is not willing to accept whether eleven is an adequate number at the moment?

HON M K FEATHERSTONE:

No, I will not accept that. I am saying that we are discussing the situation with the doctors at the moment and when we come to what we consider a reasonable optimum number then I will make an announcement in the House.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, what steps has Government taken to follow up the question of nursing qualifications from Spanish institutions raised in Question No. 61 of 1984 in order to protect the position of Gibraltar?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, advice is being sought from the Department of Health and Social Security in London on which Spanish nursing qualifications will need to be recognised once Spain joins the Community. We are awaiting a reply.

SUPPLEMENTARY TO QUESTION NO. 163 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, since I raised this matter in June and it is still being pursued, could the Minister provide me with more details, for example, could he give me a progress report on the matter?

HON M K FEATHERSTONE:

We have asked what qualifications will be necessary to accept once Spain joins the EEC and as I said we are awaiting a reply. This is something I am sure is being discussed in the whole of the joining of the EEC by Spain and Portugal not only in the field of nursing but in the field of medicine, dentistry, etc and it is still to some extent, as far as we understand, in the melting pot.

HON MISS M I MONTEGRIFFO:

Mr Speaker, will he keep me informed?

HON M K FEATHERSTONE:

Yes, I shall be happy to do so.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Does Government keep any statistics of the percentage of tourists visiting Gibraltar that make use of the medical services?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Yes, Sir, 2.76% of all patients treated at our hospitals can be attributed, on average, to tourists visiting Gibraltar. This includes, of course, yachts visiting here and staying for a reasonable period of time but they are classed as tourists.

THE HON M A FEETHAM

Can Government confirm that companies based in neighbouring Spain will be able to trade in Gibraltar without a trade license under the EEC requirement of freedom for the provision of cross-frontier services once Spain joins the EEC, and such rights are not subject to any transitional provisions?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, all companies based in EEC Member States require a Trade Licence if they wish to trade in Gibraltar if a Trade Licence is required at all.

Spanish Companies based in Spain would not be exempted irrespective of whatever transitional provisions are agreed to between the EEC and Spain.

SUPPLEMENTARY TO QUESTION NO. 165 OF 1984

HON M A FEETHAM:

Will the Minister clarify the difference between trading and providing a service across the frontier?

HON A J CANEPA:

The Minister is not able to do that but he would gladly ask the Attorney-General if he is able to help.

HON ATTORNEY-GENERAL:

I think trading is defined in the Trade Licensing Ordinance as buying and selling, it is a very long definition of trading, that is what I understand by trading for the purposes of the Trade Licensing Ordinance. The provision of services; dry cleaners, tailors, businesses as such, as it were, where a service is provided to the community, that is the provision of services. Some of them are probably covered in the Schedule of businesses, electrical contracting work, that would be the provision of a service. Trade as defined in the Trade Licensing Ordinance and the provision of services whatever provision of services is, tailors, joiners, carpenters, etc who would be providing a service to the community. That would be the distinction.

HON M A FEETHAM:

Mr Speaker, can Government state - because I am not quite happy with the answers I am getting - can Government state what criteria would be used in defining such services? What situation is envisaged, for example, will the activity be limited in time? Will it be normally taken up for remuneration and will it involve some form of trans-frontier movement?

HON ATTORNEY-GENERAL:

Do you mean a Spaniard living in Spain with a dry cleaners shop, is that what you have in mind? A person who sets up a dry cleaning shop here, for example, would be providing a service.

HON M A FEETHAM:

What would be Government's attitude, what would Government do or are they not prepared to do anything about, for example, a situation where, not a dry cleaners, but a wholesaler in Spain who is now providing a service to outlets in Algeciras, for example, in La Linea, in San Roque, will be able to provide that service across the frontier to outlets in Gibraltar and therefore create problems for existing businesses in Gibraltar? Will there be limitations in this?

HON A J CANEPA:

He requires a trade licence.

HON ATTORNEY-GENERAL:

Because he would be selling in Gibraltar, as I understand it, and therefore he would need a trade licence under the Trade Licensing Ordinance.

MR SPEAKER:

We are beginning to get involved on the interpretation of legislation and nothing else.

HON J BOSSANO:

Mr Speaker, if I can ask the Hon and Learned Attorney-General a question because essentially what we are trying to establish is whether, in fact, a supplier operating from a base across the frontier under the EEC requirement of the freedom to provide cross frontier services can have limitations put on his ability to do so in Gibraltar under our existing legislation which says: "a licence can be refused because the needs of the community are adequately met". Can that, in fact, be done to a supplier from

across the frontier because our information is that it cannot and if our information is correct then it would seem that the law can only stop the Gibraltarian company operating in Gibraltar but not the competition from across the frontier, that is what we are trying to establish.

HON A J CANEPA:

I don't see how goods can be imported into Gibraltar in what would be classed as wholesale quantities without that coming under the definition of trade as amended by legislation here in the House about a year ago. Secondly, in respect of certain goods where conditions are based on an import licence from local traders the same condition, surely, must apply to Spaniards. Therefore, any Spanish wholesaler wishing to import to supply bread to Gibraltar would have to comply with the same conditions for the granting of an import licence as we do to any trader. I don't see how they can be exempted.

HON J C PEREZ:

Mr Speaker, is it not the case that if it can be shown that the contract, for example, as the Hon Member was saying on the distribution of bread, if you have got a wholesaler in Spain selling bread, that the contract is effected in Spain, that the distribution of that bread can take place in Gibraltar from a lorry, for example, from the firm in Spain without the need for a trade licence for the lorry for a work permit for the driver and for a trade licence for the bakery itself?

HON A J CANEPA:

I don't think so and I hope that the Hon Member is not being guided by the incident of a lorry coming here to take away personal effects such as furniture. That should not be used as an example of the kind of thing that can happen.

HON M A FEETHAM:

Can the Minister give an assurance that he will apply the laws to the person providing the service on the same basis as it does to Gibraltarians so that no loopholes are left open for the persons providing that service, can the Minister give that undertaking?

HON A J CANEPA:

Can I give that undertaking, Mr Speaker? I would like to but if I do and I am wrong of what value is it? I don't mind confessing, Mr Speaker, that I am neither omniscient nor infallible, if I were to be the former I would be God, if the latter I would be Pope and I am neither.

MR SPEAKER:

I think we are talking at cross purposes. I think the Opposition is asking Government whether they will give them an undertaking to go into the matter to protect local trade engaged in this particular kind of competition, is that right?

HON A J CANEPA:

I can give an undertaking that we will protect local traders as far as it possible, naturally.

HON J BOSSANO:

But, Mr Speaker, what we are trying to establish is how far it is possible to do it?

MR SPEAKER:

That is not a matter to be dealt with at question time.

HON J BOSSANO:

If we are saying whether the Government can confirm that it will be possible to provide services in Gibraltar from a trading base in Spain once Spain joins the EEC, what we are asking is, in fact, has the Government obtained information from authoritative sources, one way or the other, we are not asking for the personal view of the individual Ministers, we want to know what is the effective advice that has been given to the Government as to whether it will be permissible within EEC law to apply the requirements of the Trade Licensing Ordinance to anybody that wants to operate in Gibraltar from a base in Spain? Our information is that it will not be possible. If our information is incorrect we want the Government to tell us.

MR SPEAKER:

With respect, that is asking Government for an interpretation of existing legislation in Gibraltar. I think the Opposition is not entitled to ask those questions, what the Opposition is entitled to ask from Government is whether they are prepared to study the position and legislate for the purposes of protecting local trade.

HON J BOSSANO:

Surely, Mr Speaker, it is legitimate to ask the Government what is, as far as they are informed, what is the position that Gibraltar will find itself in as a consequence of the enlargement of the community as regards the ability of Spanish firms to trade

in Gibraltar in competition with local firms. They are responsible for the legislation, I think it is legitimate to ask them whether the advice that they have is that they will be able to prevent competition from across the frontier by requiring anybody wanting to do that to apply to the Trading Licensing Committee and obtain a licence. Our information is that that cannot be enforced. If they have got different advice let them say that they are satisfied that it can be enforced on the official advice they have been given.

HON CHIEF MINISTER:

We are satisfied except for one or two very minor exceptions, in fact, in The Economist of this week I see that the Commission has taken four nations of the Community to the European Court about one or two of their activities not being in compliance with the EEC. We can say, except with one or two minor exceptions, we can say that we feel that the Trade Licensing Ordinance is valid and exercises a considerable amount of protection as it is doing now unless, of course, it were to be found, and that until the decision is taken you cannot decide, it were to be found by the European Court that that is not the case. We cannot go further than that.

HON J BOSSANO:

Mr Speaker, would the Hon and Learned Chief Minister not agree with me that under current circumstances the application of the Trade Licensing Ordinance is limited to businesses established in Gibraltar. The new situation envisaged is whether we can extend that to businesses established in the neighbouring territory but selling to customers in Gibraltar, would a trade licence be required for that? Our understanding is that to attempt to limit competition from across the frontier would be in contravention of the requirement under EEC law for the free provision of cross frontier services. In fact, if that is not the case, if we have been misinformed, then fine, if we are told that we have been misinformed we are satisfied with that, presumably the Government have been given the correct information.

HON CHIEF MINISTER:

At the best of times all EEC Regulations and directives and so on are subject to a considerable amount of conflict in interpretation. In England they first of all go to the High Court and if they are not satisfied they go to the Court of European Rights. What I think would be certainly contrary to the EEC would be to legislate now against any rights that the Spaniards are likely to acquire as a result of becoming a member. That, I think, would be contrary to the EEC and would not be valid. We are sticking to what we have which we have had for a long time

and not precisely because of Spain joining the EEC, trade licensing was done for other reasons. We cannot go further than that.

HON J BOSSANO:

Mr Speaker, I don't want the Hon Member to go very far. All I want to be told is whether the advice that the Gibraltar Government has is that they can require a company established in Spain and selling from a Spanish base in Gibraltar, to have to obtain a licence under the Trade Licensing Ordinance, yes or no?

HON A J CANEPA:

The answer is that if a trade licence is required at all in Gibraltar, then such a company based in Spain would require a trade licence if they wish to trade in Gibraltar.

HON J BOSSANO:

Notwithstanding that they didn't have a subsidiary in Gibraltar and were selling from a Gibraltar outlet?

HON A J CANEPA:

That is the information that I have, that is the legal advice that I have.

HON M A FEETHAM:

Mr Speaker, is it then envisaged in relation to what the Hon the Minister for Economic Development and Trade has just said, that the person providing the service himself crosses the frontier or just the service that he is providing?

HON A J CANEPA:

We are talking about a company. The last question from the Hon Leader of the Opposition was about a Spanish company and the original question is about a company.

MR SPEAKER:

I am afraid we have got as far as we can get at question time on this one. Next question.

NO. 166 OF 1984

ORAL

THE HON M A FEETHAM

Sir, when does Government expect to award the Viaduct Causeway contract?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Sir, the closing date for tenders was 29 August, 1984. These are now being evaluated.

SUPPLEMENTARY TO QUESTION NO. 166 OF 1984

HON M A FEETHAM:

Can the Minister say what is the delay? How long have they had to consider the tenders?

HON MAJOR F J DELLIPIANI:

The Minister cannot say, Sir, because the Minister does not get involved in tender procedures. What I can say is that according to the terms of the tender, the winning tenderer must be notified unless there is an extension with previous agreement with the successful tenderer, within three months of the 29 August which means that by the 28 November the successful tenderer must be notified of the award of the tender. With regard to what is going on as to the evaluation, the Minister does not get involved.

HON M A FEETHAM:

Could the Minister confirm or otherwise that the tender has been found to be too expensive and there is some reconsideration whether to go ahead or not?

HON MAJOR F J DELLIPIANI:

I certainly know that the tender was far above the figure that the Public Works Department had estimated so, obviously whatever is going on between the people involved, with the Quantity Surveyors, etc and our consultants, must be ways and means of bringing the price down to the figure that the Public Works Department estimated it should have cost.

HON M A FEETHAM:

We are not saying that it should not be done, what we are asking is whether this delay could result in it being more expensive in the end?

HON MAJOR F J DELLIPIANI:

I do not think so, Mr Speaker, because as I said previously, the tender is valid for three months from the date of submission so if the tenderer insists and it is always the prerogative of the Government Tender Board either to accept or not accept the tender, but if the tender has been accepted and the tenderer insists that that is the price he will keep only till the 28 November and that any delays later will result in increases then it is his prerogative but we are trying, at least the people involved are trying, to solve the question of the tender price to a more equitable figure as per the Public Works Department estimate before the actual tender contract expires on the 28 November. At the moment it is not increasing the cost because the tender price holds good three months after the date that the tender was received by the Tender Board.

HON M A FEETHAM:

Could the Minister state whether, in fact, agreement has now been reached with the MCD on the question of apportionment of the cost?

HON A J CANEPA:

I do not have the details with me but I am aware of the fact that agreement has been reached on the apportionment. I have not got the details with me because I did not expect that information would be required by me.

HON M A FEETHAM:

Will you make those details available to me?

HON A J CANEPA:

Yes.

MR SPEAKER:

Next question.

HON A J CANEPA:

Mr Speaker, in the course of supplementaries arising from Question No. 166 the Hon Mr Michael Feetham asked about the apportionment of costs on the Viaduct Causeway Project. Based on the latest figures available, the apportionment is the following - the Government will meet 69.31% of the cost and the PSA will meet 30.69% of the cost. In addition to that Shell are making a contribution of £30,000 towards the cost of re-routing their own pipeline.

NO. 167 OF 1984

ORAL

THE HON M A FEETHAM

Has agreement now been reached with the MOD, the developer and A & P Appledore regarding alternative accommodation which will allow the commencement of work on the multi-storey car park at Casemates to proceed?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir. Agreement has been reached in principle with the Ministry of Defence, the developer and A & P Appledore regarding alternative accommodation to accelerate the development of the multi-storey car park at Casemates.

As stated publicly, last May, the arrangement entails the conversion by the developer of a derelict building at South Barracks known as North Pavilion into six quarters at an estimated cost of £160,000. The seventh flat would be made available by the developer. The tender sum of £105,000 would be put towards the cost of conversion, with the developer meeting the difference from his own resources.

The Ministry of Defence have lowered their reprovisioning requirements to three Type III quarters in lieu of the seven Type V's now existing and have also agreed that the alternative accommodation would only need to meet A & P Appledore's requirements provided the Government underwrites the agreement.

The stage has now been reached where Public Works Department are completing the detailed plans for the conversion of North Pavilion and a Specification of Works for the developer.

SUPPLEMENTARY TO QUESTION NO. 167 OF 1984

HON M A FEETHAM:

Will the Minister confirm that the first stage will be the conversion and can he give an indication when this will be started?

HON A J CANEPA:

The first stage of?

HON M A FEETHAM:

Of the development.

HON A J CANEPA:

Will be the conversion of North Pavilion, yes, I can confirm that.

HON M A FEETHAM:

Can he please state when this will be started?

HON A J CANEPA:

No, I do not know when Public Works will have completed the Specification of Works.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

Mr Speaker, will Government be now giving all other Government tenants the option of purchasing their dwellings on the same terms and conditions as has recently been agreed with tenants of Shorthorn Estate?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, in 1979 the Government gave all Government tenants the option of purchasing their dwellings on the same terms and conditions as recently agreed with seventeen tenants at Shorthorn Estate.

The Government has already decided to reactivate its home ownership policy more vigorously, in the light of the limited success enjoyed to date. It will therefore be proceeding to a selective sale of its housing stock on more favourable terms than those available to the tenants of Shorthorn Estate.

SUPPLEMENTARY TO QUESTION NO. 168 OF 1984

HON J L BALDACHINO:

Mr Speaker, if I have understood the Hon Member correctly what he is saying is that this will be done in stages in the different Estates?

HON A J CANEPA:

I don't know what the Hon Member means by in stages. Yes, we are contemplating the sale of about 250 units, we do not have in the Crown Lands Department or in the Housing Department for that matter, a very large administration so it will have to be taken in stages. It is envisaged to concentrate on Estates such as Rosia Dale, St Jago's, St Joseph's, Medview Terrace and the Town Range maisonettes comprising, as I say, about 250 units because it is thought by the Government that these are Estates which having regard to a number of factors, not the least of which is the very high rent paid by people, have a better chance of being sold. Also they are manageable Estates, they are not too large and we think the prospects of successful sale on a home ownership basis are rather better than, say, Moorish Castle Estate or Laguna Estate.

HON J L BALDACHINO:

Mr Speaker, if it is done in stages as the Hon Member has said, won't the last options given to any Estate be paying more than the others?

HON A J CANEPA:

No, we will set a price at the time when the offer is made to everybody. For instance, if we were to select Rosia Dale first, that will be the baseline and the same price will be calculated for all the others at the same time and will be maintained.

HON J L BALDACHINO:

Mr Speaker, is the selling price of any Government owned house based on the rent that they are actually paying now?

HON A J CANEPA:

Not necessarily. I think that a number of factors go into setting the selling price. For instance, when the Government in 1979 launched the scheme, the prices were relatively low for accommodation which was comparable to what later on in 1980 was also offered at the time when Rosia Dale was completed and the selling price for Rosia Dale was of the order of £27,000 to £30,000, it obviously reflected a higher rent but not necessarily proportional. What I am saying is that if the rent at Rosia Dale was, say, five times the rent for a similar flat in Laguna, that does not mean that the selling price was also five times higher, the selling price for Laguna was £3,000 so rent is not the sole criterion, the cost of building, the age of the accommodation are also factors that are taken into account in arriving at a selling price.

HON J L BALDACHINO:

This will also reduce the housing stock of the Government?

HON A J CANEPA:

If the Government sells 250 flats then the housing stock is reduced by that number.

HON J L BALDACHINO:

I think Rosia Dale has cost the Government £40,000 per unit, am I correct?

HON A J CANEPA:

The initial ones rather less, £27,000 for three rooms; £30,000 for four rooms and I think the latest are probably nearer to £40,000, the last building is probably nearer to £40,000, between £35,000 and £40,000 I would imagine.

MR SPEAKER:

We are now expanding. I have been very patient and I have not interrupted you until now. We are not going to go into the whole operation of the scheme and how much is going to be charged for each particular house or for each particular Estate because that goes beyond the scope of the question.

HON J L BALDACHINO:

I am only giving Rosia Dale as an example, Rosia Dale houses which cost them £40,000. Isn't that money going back into housing and if that money is going back into building houses, to sell Rosia Dale which cost £40,000 for, say, £20,000 then, obviously, they need to sell two houses to build one which in turn will not put the same number of houses into the housing stock that they already have.

HON A J CANEPA:

That can well happen, yes, the fact that we sell 250 units does not mean that we are going to be able with that money to reprovide 250 units, it just won't be the case. If you are selling some of the older accommodation at £20,000 which is a fair price and might be a fair price in all the circumstances because there are certain restrictions on the sale, then, obviously, for £20,000 you cannot provide a unit other than a bedsitter at today's building prices.

HON J L BALDACHINO:

In actual fact, Mr Speaker, the policy of the Government is one of building less houses and going into home ownership.

MR SPEAKER:

No, we are not going to go into the general policy of Government housing.

HON J BOSSANO:

Mr Speaker, can I ask, when the Government has finally made up its mind to go ahead with this project, will they make details of it available to Members on this side so that we know exactly what is going on?

HON A J CANEPA:

Of course, it has to be made public.

HON J BOSSANO:

Well, so far there is very little public information about the sale of the Shorthorn Estate.

HON A J CANEPA:

The Hon Member who was a Member of the House here in 1979 has, I am sure, all the information that he wants at his disposal because Shorthorn has been sold on the terms which in 1979 the Government offered the bulk of its housing stock to all its tenants, virtually.

HON J BOSSANO:

Mr Speaker, my recollection of what happened then was, in fact, that the Government sent out a questionnaire and one of the problems was that the people were being invited to apply for the purchase of their houses had a lot of unanswered questions about its implication as to whether they would be able to sell it or whether they would be able to pass it on to their descendants and all sorts of questions and the scheme never got off the ground because, if I recall correctly, there were 1,800 questionnaires sent out and something like 60 returned.

HON A J CANEPA:

I remember, Mr Speaker, quite distinctly, that there was a lot of debate and discussion in this House about the terms which the Government was offering, it went on ad nauseam and the Hon Member should not forget that the other Members of the Opposition in those days used to question the Government very, very closely and my Hon Colleague who was then Minister for Housing, Mr Horace Zammit, was subjected to a great deal of detailed questioning. I would refer him to the Hansard, they are available.

MR SPEAKER:

So the answer is that the information will be available.

HON A J CANEPA:

The information is already available, Mr Speaker.

HON J L BALDACHINO:

Mr Speaker, if I may.

MR SPEAKER:

With respect, only if it is completely and utterly relevant and is seeking information. We have been a long time on this question and we have expanded the orbit but go ahead by all means.

HON J L BALDACHINO:

Mr Speaker, I want to clarify one point. I wrote to the Minister for Housing asking for certain information in this sale and I was able to read that at the Housing Department but I was not able to get a copy of what I wanted because it was considered to be "commercial in confidence".

HON J BOSSANO:

Will we be able to obtain the information or not, Mr Speaker, because if my Colleague has been told that information about the prices of the houses and how they were arrived at are commercial in confidence, then it cannot be readily available in a Hansard?

HON A J CANEPA:

I understand that what the Hon Member was actually after was a copy of the leases. We have not seen copies of the leases because they are not available.

HON J L BALDACHINO:

I raised a number of points in my letter so if a copy of the leases could not have been provided because it was confidential they could have given me the other information I asked for.

MR SPEAKER:

We are now debating why information was retained. Next question.

THE HON J L BALDACHINO

Mr Speaker, can Government confirm that the leasing of properties needing refurbishment recently put to tender for owner occupation requires the successful tenderer to take out comprehensive insurance cover for the property?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir. There is a standard Clause to that effect in all Government leases, and indeed in most private leases.

SUPPLEMENTARY TO QUESTION NO. 169 OF 1984

HON J L BALDACHINO:

And this will also apply to similar Government schemes?

HON A J CANEPA:

It is standard practice, whenever the Government gives a lease in respect of a dwelling, it is a requirement that comprehensive insurance cover be taken out.

HON J L BALDACHINO:

Does the Hon Member also consider that the Government funds for this type of comprehensive cover for their houses is equally covered?

MR SPEAKER:

The insurance would be by the purchaser.

HON J L BALDACHINO:

I understand that, Mr Speaker, what I am saying is has the Government got a Fund for the insurance of their buildings and I am saying if they are satisfied that they will also have an equal cover as those in this scheme?

HON A J CANEPA:

There is a Government Insurance Fund. I think the matter was being discussed this morning.

HON J BOSSANO:

Mr Speaker, if the Government is requiring people to whom they sell leases of properties to take out insurance cover, are they satisfied that for the properties that they are renting they are applying equally sufficient insurance cover with the Government Insurance Fund?

HON A J CANEPA:

No, we do not have to. We do not have to take out insurance for properties that we are renting.

HON J BOSSANO:

But then why does the Government think it is necessary that the tenants of these other properties should do so?

HON A J CANEPA:

It is standard practice everywhere. The private sector does the same and all we are talking about is a pittance, we are talking of a premium of about £60 a year if the value of a dwelling is £50,000 or £55,000, that is all we are talking about. People do not seem to have any hesitation in paying increasing premia every year for a car which is only worth £5,000 and they pay three or four times more if the car is in Spain, so why should there be a hesitation? What are we asking of people, £50 a year to insure their house against destruction by fire, is that what we are debating?

HON J BOSSANO:

Mr Speaker, but we are not censuring the Minister, we are asking for information and we are saying if the Minister thinks that people to whom they sell houses should take out insurance cover, are they satisfied that the houses that they own are equally well covered?

HON A J CANEPA:

The houses that we own are covered differently, we do not have an insurance with an insurance company, we do not do that but we have a Government Insurance Fund and in any case it is our own property. If it were to be lost and if we are not sufficiently covered it is a risk which the Government is taking.

MR SPEAKER:

Next question.

NO. 170 OF 1984

ORAL

THE HON J L BALDACHINO

Can Government state if there is any limit on the price at which a Government flat can be resold with vacant possession after five years under the Government Home Ownership Scheme?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, under the present scheme, ie the one that was advertised in 1979, the Government retains the option to buy back after the first five years if the purchaser wishes to sell. If the Government exercises the option then the selling price is limited to the price the person paid plus a percentage increase by reference to the cost of living index calculated on a cumulative basis but reduced at the rate of 2% per annum subject to a maximum reduction of 60%.

If Government does not exercise the option then it can be sold at open market value but only to an entitled person under the scheme, ie either a person registered as a Gibraltarian under the provisions of the Gibraltarian Status Ordinance, or an EEC National who has a valid permit of residence issued under Part IX of the Immigration Control Ordinance. In such a case the open market will be dictated by the price an entitled willing purchaser is prepared to pay to a willing vendor.

As indicated in the answer to Question No. 168 the Government has agreed to relax the option of first refusal by Government after the first five years and in so doing hopes to make the scheme more attractive.

SUPPLEMENTARY TO QUESTION NO. 170 OF 1984

HON J BOSSANO:

Mr Speaker, is there a similar provision in respect of any resale of the other properties, the pre-war properties that have been sold on the basis of the owner occupiers actually bringing them up to a reasonable standard? Is there any limitation on the resale of those?

HON A J CANEPA:

No, we have only had one case where for rather compelling personal reasons a resale was involved. The matter went back to the Land Board because an assignment was required and the Land Board dealt with the assignment on the same basis as it would for any other request to have an assignment. It is a separate situation altogether.

HON J BOSSANO:

Does the Government in those cases have an option that it can buy or not?

HON A J CANEPA:

I do not think so, no, I do not think we have.

MR SPEAKER:

Next question.

THE HON J E PILCHER

Can Government state what is being done to combat oil pollution given the adverse effects that this can have on tourism?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, oil pollution is one of the banes of life in the 1980's the world over and has led to international agreements, which are reflected in Gibraltar laws, to deal with those responsible, once they have been caught. The problem arises from the inability of authorities in most countries to pin-point the source of spillages.

In order to detect offenders, the Port Department collaborates with the Naval Authorities in keeping a sharp look-out in the seas around Gibraltar. Port Department personnel on duty at the look-out tower and the Port launch report any slicks and their location is passed on to the Admiralty, the only authority in Gibraltar possessing vessels fitted with dispersant spray and other equipment. Naval helicopters and Gibraltar Airways aircraft flying in the area as well as harbour launches, the Windmill Hill look-out and the Europa Point Lighthouse also report sightings. Both the Admiralty and the Port Department have oil booms, in the latter's case primarily for the protection of the yacht basin.

The Naval Authorities have used thousands of litres of dispersants at sea in the past few months. Once the oil reaches the foreshore the City Fire Brigade, who stock 10,000 litres of this expensive fluid, has been able to spray the oil and remove it with its powerful hoses.

The Public Works Department also assists, particularly on the beaches, although the good work has been largely negated by the persistency of the pollutant.

All commercial ships must have insurance cover for oil pollution and when entering the Port they are warned of the consequences of allowing spillages to occur. On two occasions in the recent past ships have been found liable and have had to reimburse the costs of cleaning and other private claims.

The Joint Working Party on Oil Pollution has recommended the siting of various look-outs at vantage points from which slicks can be reported on sighting so that immediate action can be taken. The request has been taken up officially.

Garages and associated industries, as well as the general public, have been asked by means of Press Releases, which have been given prominence in the press, radio and TV, to use the services of the PSTO(N) oil sullage plant to dispose of their waste oil.

SUPPLEMENTARY TO QUESTION NO. 171 OF 1984

HON J E PILCHER:

Mr Speaker, is it really enough to say that the Port Department is equipped with only one oil boom to protect the two yacht marinas, what about the rest of the sea front, Mr Speaker, most especially areas which we advertise in our tourist brochures as swimming facilities like the Montagu Basin?

HON A J CANEPA:

Mr Speaker, Montagu Basin is an area definitely where swimming takes place but the cost that is involved as a result of the pollution to the yacht marinas is, surely, much greater than what it would be in the case of Montagu Sea Bathing Pavilion, that is a sea bathing pavilion which if it is polluted, is a matter for concern but if you have a few hundred yachts which you are also trying to attract to Gibraltar because yachts are one of the greatest money spinners, one of the greatest sources of revenue then, obviously, you have to consider priorities, ultimately it is a question of cost. You could have five, six, seven, eight oil booms, it is a question of what you can afford in the circumstances.

HON J E PILCHER:

Mr Speaker, is the Hon Minister saying that we cannot afford an extra oil boom for the Montagu Basin?

HON A J CANEPA:

What I am saying is that you have got constraints in Government as regards expenditure, you do have constraints, and you have to have priorities and if you have two yacht marinas, one of them built recently, you have to protect the yachts there because if you do not protect them then either you will drive yachts away from Gibraltar or you can have some of the local authorities or other being, perhaps, the subject of claims for compensation.

HON J E PILCHER:

Mr Speaker, I am not saying that we should not protect the yacht marinas. What I am saying is does the Government have any plans to buy another oil boom in order to protect other areas especially the Montagu Bathing Pavilion which is a tourist attraction as far as swimming is concerned?

MR SPEAKER:

Fair enough, have you got plans to buy another boom?

HON A J CANEPA:

I think we have to look at this in the context of expenditure next year. We have had a particularly bad summer as far as oil pollution is concerned. I think, if the nature of the problem is going to be of a recurring nature, if the present difficulties in locating the sources of the leakages continues, I think the Government will have to consider taking some steps but, as I say, ultimately it is a question of the cost, how much can you afford to spend on any given item.

HON J E PILCHER:

Mr Speaker, is it not true that because the equipment used is, in fact, oil dispersants and what oil dispersant does is that it pushes the oil to the bottom of the sea, is that not causing long term damage to marine life, again another aspect which, if I remember correctly, the consultants highlighted in their lecture, is another part of tourism that we want to highlight, fishing, underwater operations, etc? Is the use of oil dispersants, in fact, causing a long term damage to this?

HON A J CANEPA:

Mr Speaker, I am not technically equipped to answer that question.

HON J E PILCHER:

Mr Speaker, I won't pursue that other than by asking the Government to look into the matter because there are other ways of dispersing oil with separators and things like that which do not cause long term damage and, of course, they are expensive but obviously that is something that has to be looked at. I have another question. Should an enquiry be carried out publicly as to the reasons behind the continued pollution at Montagu Basin?

HON A J CANEPA:

Is he asking whether it should, I do not think so. I do not know what such a public enquiry is going to achieve when all sorts of people in the Government and in the Ministry of Defence, including a Naval expert was brought over recently, are dealing with the matter actively.

HON J E PILCHER:

But is it not true, Mr Speaker, that the responsibility for taking action against offenders lies with the Gibraltar Government?

HON A J CANEPA:

Of course it is not true that the responsibility lies with the Gibraltar Government, it lies with the Gibraltar Government in respect of Port waters but it does not lie with the Gibraltar Government outside Port waters.

HON J E PILCHER:

But is the Montagu Basin a Port water or is it not?

HON A J CANEPA:

The Montagu Basin is, yes.

HON J E PILCHER:

Is the Government responsible for the oil pollution at the Montagu Basin?

HON A J CANEPA:

Is the Government responsible for the oil pollution at Montagu Basin?

MR SPEAKER:

With respect, we are getting out of control and I am not going to have it. The Government, and I can say that, there is no need to ask them, the Government is not responsible for the oil pollution. The Government may be responsible for doing something about the oil pollution but not for the fact that it is polluted.

HON J E PILCHER:

That is what I am getting at. I have a letter sent by the Admiral to the Oil Pollution Pressure Group which states that the Gibraltar Government is responsible for taking action against offenders. What I am asking is if this is true, which I take it it is true, how can the Minister say to the Pressure Group: "I understand that samples have been forwarded to the UK for analysis". If the Gibraltar Government is responsible, surely, they should be submitting the samples to UK or do they expect the Shell Company to tell them: "I am responsible for it"? The samples and the analysis should be undertaken by the person responsible.

MR SPEAKER:

Let us leave it at that because we are making statements. What are you asking?

HON J E PILCHER:

I am asking whether the Government should, in fact, be the one taking the samples and submitting them so that they can establish who is behind the cause?

HON A J CANEPA:

Why, if we can get help from UK in order to analyse the samples?

HON J E PILCHER:

I will tell you why, if I may, the reason being if the leakages are in fact emanating from within Gibraltar then, obviously . . . . .

MR SPEAKER:

No, we are not going to get involved as to where the leakages come from, this is not part of the question.

HON J E PILCHER:

I think, Mr Speaker, if the question is what the Government is doing about oil pollution and the idea is that . . . . .

MR SPEAKER:

We are not going to have an enquiry here, that is what I am saying.

HON J E PILCHER:

There can be a situation where the leaks are emanating from inside and then, obviously, it is the Government's responsibility to make sure that this is not the case.

MR SPEAKER:

And with respect to you the question is: "Can Government state what is being done to combat oil pollution given the adverse effects that this can have on tourism?"

HON J E PILCHER:

Mr Speaker, what is being done to establish the source of the oil leaks?

HON MAJOR F J DELLIPIANI:

Sir, maybe I can clear part of the question.

HON CHIEF MINISTER:

Clear the pollution, too.

HON MAJOR F J DELLIPIANI:

I wish I could clear the pollution. Mr Speaker, what the Hon Member has been trying to imply and there is a basis that justice must appear to be done and I think this is what he is getting at, is that we asked the MOD to take the oil samples and we have got to take their word that what they are saying is true. I have been in correspondence with the Deputy Governor and though I am satisfied with the answer of the Flag Officer when he says that it is not due to any ships, I think that the public at large must be convinced

also and I have suggested to the Deputy Governor that whenever there is an oil slick that samples should be taken both by the Ministry of Defence and ourselves and sent to separate establishments for analysis in order to satisfy the public at large that the source is not MOD or that the source is not Shell. I accept when they say it isn't but the public want to be satisfied that there is no suspicion on this question. I come into the picture because once the oil comes to the shores it is the responsibility, certainly in the few bits of shoreline that we still have on the West side, it is the responsibility of the Public Works Department to clear the mess up whoever is responsible and later if we can establish who is responsible we can bill but at the moment we are not tackling the oil slick that exists there because, certainly in my experience, whatever oil slick has come into Gibraltar depending on the wind conditions the oil slick has disappeared. I am convinced though I cannot prove it, that an oil leak existed within Gibraltar and this is why the oil is still there. Where the oil is coming from we still have not been able to analyse.

HON J E PILCHER:

In fact, the words of the Hon Member are the same as the words of the Oil Pollution Pressure Group who insist that the oil leakage is coming from an area within the Montagu Basin. Is the Government prepared to carry out a simple test to prove whether this is true or not by putting the oil boom which they have across the Montagu Basin after having cleared the Basin and if at the end of two weeks the Basin is full of oil it means that the leak is coming from within the Basin? That is a simple test, Mr Speaker, that can be carried out quite easily if at the same time Shell and the MOD are seen to be pumping at the same site.

HON MAJOR F J DELLIPIANI:

Mr Speaker, there is some logic in what the Hon Member has said and I used that logic before. The worst area within the Montagu Basin itself is the slipway of the Calpe Rowing Club where they have a boom and inside the boom they have oil already and I suggested that a member of my Department should get in touch with the Club and remove the boom to see whether the oil would go away. The reaction of the Club is, no, they are going to keep the boom to see if the oil inside the boom increases which I think is pretty difficult to measure. I think it would have been more logical to have removed the boom and see if the oil goes away and then if any new oil comes in we know that the source could be in that area. We have conducted, and I invited a representative from the Ministry of Defence to accompany us in our investigation, we have lifted all the manholes in that area to see if there is any oil leakage from any pipes draining into our own system and then going out to sea and we did not discover any oil in our manholes. We are now carrying out some drilling around the area to see if we can detect any oil coming in from the Rock itself though, of course, this would be a very cautious operation because whilst we are doing the digging and the trenching we do not want to dig into one pipe and break the pipe and really cause an oil spill but, certainly, these are

the measures that my Department is pursuing purely because at the end of the day the damage that has been done already will have to be tackled by the Gibraltar Government in our shoreline and of course if we can establish the source then we will charge whoever caused the oil pollution. But I am convinced myself though I cannot prove it as I am a layman, that there is a leakage somewhere within Gibraltar because the oil just does not go away.

HON J E PILCHER:

I take it, just a final point, that if we get the cooperation of all the Associations, the Calpe, the Small Boat Owners Association, we can carry out the tests which I think the Hon Member is happy with, to put the oil boom and see what happens after that.

MR SPEAKER:

Next question.

THE HON J BOSSANO

Can Government state whether problems are being experienced by non-British spouses of Gibraltarians in obtaining British Nationality?

ANSWERTHE HON THE CHIEF MINISTER

Sir, the British Nationality Act, 1981, to which we contributed so much, prescribes a number of requirements which must be satisfied for a person to become eligible to apply for the discretionary grant of a certificate of naturalisation as a British Dependent Territories citizen. Freedom from immigration restrictions is one of them. In the case of a spouse of a British Dependent Territories citizen who wishes to acquire British Nationality in Gibraltar, this means that, in addition to satisfying all the other prescribed requirements (including a 3-year period of residence in Gibraltar), he or she must also be free from immigration restrictions when the application for British Nationality is submitted.

Persons holding certificates of permanent residence issued under the provisions of the Immigration Control Ordinance are considered to be free from immigration control for these purposes. However, these certificates are only available to the children and husbands of registered Gibraltarian women provided certain conditions are met. In order to enable other persons who would otherwise meet all the statutory requirements for naturalisation to satisfy the freedom from immigration restriction requirement and so apply for naturalisation, an amendment to the Immigration Control Ordinance was enacted, in December last year, which provides for the Governor-in-Council in his absolute discretion to exempt persons from immigration control. The exemption process was set in motion immediately but in the course of considering applications it became clear that the amendment as enacted was technically inadequate and that many of the applications could not be considered. In view of this, new provisions have been drafted and referred to London to ensure that no further technical difficulties are encountered. Nevertheless, it is hoped to bring the proposed revised legislation before the House when it next meets.

30.10.84

NO. 173 OF 1984

ORAL

THE HON J BOSSANO

Can Government confirm that the Acting Director of Tourism will need to be paid for these duties in addition to his emoluments as Administrative Secretary?

ANSWER

THE HON THE CHIEF MINISTER

Yes, Sir. This is covered by Colonial Regulation 26 which states that, in this kind of case, the officer concerned shall receive half the minimum pay of the office in which he is acting and the whole of the pay of his own job.

I was waiting for a supplementary but it has not come. I should say that the amount, after tax, amounts to something like £286 per month or £66 per week.

30.10.84

NO. 174 OF 1984

ORAL

THE HON M A FRETHAM

Has Government now made a decision regarding the Chamber of Commerce Memorandum on customs arrangements at the frontier?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, there has been continuing consultation between the Government and the Chamber of Commerce on this matter. No decisions have been taken because it was mutually agreed to await developments on possible early normalisation at the frontier.

NO. 175 OF 1984

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government give a fixed date when they propose to put into effect the 1983 Landlord and Tenant Ordinance?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

At the last meeting of the House, I stated that a Rent Assessor had already been appointed and that the necessary administrative work had been put in hand with a view to implementation in early autumn.

I regret that there are still a number of arrangements to be completed before the Ordinance can be properly put into effect. For a start there are a number of amendments which have come to light that have to be brought before the House. There is also the question of office accommodation for the Rent Assessor and his assistant which I am told will be ready before the end of December. Finally, but not least, there is the appointment of the Rent Tribunal which is also receiving consideration.

A realistic date would therefore appear to be January next year although I would have preferred an earlier date.

SUPPLEMENTARY TO QUESTION NO. 175 OF 1984

HON J BOSSANO:

Mr Speaker, is there any precedent for legislation that has been through all its stages in one meeting of the House last December because of the urgency of its implementation not being in effect a year later?

HON A J CANEPA:

Mr Speaker, I have only been a Member of this House since 1972 at the same time as the Hon Member came in and I do not know whether there are precedents before that.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, does Government support that the MOD property adjoining the Museum should be given for accommodation to the Gibraltar Ship-repair Limited rather than it being used to extend the Museum?

ANSWERTHE HON THE CHIEF MINISTER

The Government is very conscious of the need to expand the Museum and we are at present considering a possible solution.

SUPPLEMENTARY TO QUESTION NO. 176 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, is the Hon and Learned Chief Minister saying then that the Museum will be getting the property?

HON CHIEF MINISTER:

I say that we are looking for a possible solution and the solution would be that the Museum would get the property otherwise it is no solution.

NO. 177 OF 1984

ORAL

THE HON J C PEREZ

Mr Speaker, can Government state when they expect to be in a position to make available the Coopers and Lybrand Report on water and electricity as promised in answer to Question No. 85 of June this year?

ANSWERTHE HON THE CHIEF MINISTER

Sir, as it was I who undertook that the Report would be made available, and as I wrote to the Hon Member on this matter on 10 October, I must express regret that, owing to an administrative misunderstanding, there has been a delay. The report, as far as I am concerned, was, I hope, safely delivered yesterday on a confidential basis.

SUPPLEMENTARY TO QUESTION NO. 177 OF 1984

HON J C PEREZ:

Mr Speaker, notwithstanding the fact that I have got the Report, I do have a supplementary for the Hon and Learned Gentleman, in fact, I was thinking that perhaps since I was asking for the Report since last April he would be making a public presentation in the House or something but notwithstanding that, he said in answers to supplementaries of Question No. 85, and I quote: "I did not say that it would be made available on a confidential basis, what I said was that there would not be enough copies to go round but, certainly, the first choice would be to the Opposition". Since the Hon and Learned Minister for Municipal Services has in a letter to me this morning said that he is giving me the copy on a confidential basis, does that mean that the confidence is initially and that later on when the Government has copies available it will be made available to the press for publication?

HON CHIEF MINISTER:

No, not exactly that. Certainly it is in the first place confidential and we have not got more copies to go round but, of course, it is available to all Members of the House. When the Hon Member has had an opportunity of studying the Report I am prepared to discuss with him whether we should lift the confidentiality.

NO. 178 OF 1984

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, has Government now studied the Victoria Stadium Report and if so, what conclusions have they reached?

ANSWERTHE HON THE CHIEF MINISTER

Sir, preliminary discussion has taken place in Council of Ministers and it is expected that a conclusion will be reached in the meeting after the next of Council of Ministers.

SUPPLEMENTARY TO QUESTION NO. 178 OF 1984

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister responsible not agree at this stage that most of the criticism contained in the Report is directed at him at his handling of the situation?

HON CHIEF MINISTER:

I am sorry, I did not hear the question.

HON MISS M I MONTEGRIFFO:

Can the Minister responsible, the Minister for Sport, not agree at this stage that most of the criticism contained in the Report is directed at him at his handling of the situation?

HON CHIEF MINISTER:

No, the answer is no.

MR SPEAKER:

Next question.

NO. 179 OF 1984

ORAL

THE HON J BOSSANO

Does the Chief Minister accept that the Foreign and Commonwealth Office has the right to discuss defined domestic matters with Spain without his prior agreement?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, I really do not understand what the Hon Member means.

As stated in the Press Release which I issued on my return from my last meeting with the Secretary of State, relations between the Gibraltar Government and the FCO are in excellent shape.

For over twenty years I have had to deal not only with the substance of the very difficult problems with which Gibraltar has had to contend with but also with the sceptics and prophets of doom who have attacked me because they do not trust the British Government.

Throughout this period I have stood by my trust in the British Government, the British Parliament, the British press and the British people. That trust has been vindicated and I do not accept that the British Government is acting behind my back.

SUPPLEMENTARY TO QUESTION NO. 179 OF 1984

HON J BOSSANO:

Mr Speaker, is the Hon Member going to answer the question apart from his little homily on trust, or not?

HON CHIEF MINISTER:

That is all I have to say on the matter.

HON J BOSSANO:

Mr Speaker, is it in fact the case that the Chief Minister has to give his consent to defined domestic matters being discussed with Spain or the Foreign Office can act in disregard of his views in the matter? That is what I want to know, I am not saying whether he trusts or he doesn't trust.

HON CHIEF MINISTER:

I am not prepared to add to my answer.

HON J BOSSANO:

The Hon Member can expect to be faced with the same questions House after House as long as he hides behind a wall of silence, Mr Speaker.

HON CHIEF MINISTER:

We have been answering questions since 10.30 this morning.

MR SPEAKER:

Next question.

NO. 180 OF 1984

ORAL

THE HON J BOSSANO

Can Government state whether it still adheres to the view that any negotiations dealing with any prospective rights of Spanish Nationals in Gibraltar should take place after the removal of the restrictions unilaterally imposed by Spain and not in order to obtain the removal of these restrictions?

ANSWERTHE HON THE CHIEF MINISTER

Sir, it has always been my view - and this view has been shared and consistently upheld by the British Government - that there should be no re-negotiation of the terms of the Lisbon Agreement or any pre-negotiation before it was implemented. That remains my view. It does not preclude the holding of exploratory talks at official level.

SUPPLEMENTARY TO QUESTION NO. 180 OF 1984

HON J BOSSANO:

So, in fact, the Hon and Learned Member is saying that he continues to subscribe to the view that he has expressed about the interpretation of the Lisbon Agreement notwithstanding the fact that the current exploratory talks appear in the Spanish view to be doing something different that appear to be leading to prior agreement before the removal of the restrictions?

HON CHIEF MINISTER:

I am quite satisfied that that is not the case.

NO. 181 OF 1984

ORAL

THE HON J BOSSANO

Can the Chief Minister state whether he is permitted to consult with all or any other Government Ministers as regards the confidential information which has been imparted to him from the Foreign and Commonwealth Office?

ANSWERTHE HON THE CHIEF MINISTER

Sir, whether I consult all or any Ministers on confidential information imparted to me by the Foreign and Commonwealth Office depends on the particular matter being dealt with at any particular time. There are occasions on which it is necessary for me to sound out Ministers in order to express a collective view. My Deputy is, of course, brought into the picture more frequently than other Ministers and accompanies me to meetings with the Secretary of State.

SUPPLEMENTARY TO QUESTION NO. 181 OF 1984

HON J BOSSANO:

Am I right in deducing from that answer, Mr Speaker, that it is the Chief Minister who decides who he needs to consult and that, in fact, the fact that he is consulted on a confidential basis does not mean that he is required not to consult anybody else?

HON CHIEF MINISTER:

I do not understand the logic. I consult as required with my Ministers who are bound by an oath of secrecy as Members of the Council of Ministers.

HON J BOSSANO:

Mr Speaker, am I right then in deducing from that that the requirement placed on him still enables him to consult whoever he thinks fit?

HON CHIEF MINISTER:

Not whoever I think fit, certainly not.

HON J BOSSANO:

Well, within the Government, obviously.

HON CHIEF MINISTER:

Well, that is a very different thing. To be a Minister and to be bound by an oath of secrecy is one thing and I cannot consult just anybody, I cannot share my consultations with anybody other than my Ministers.

NO. 182 OF 1984

ORAL

THE HON J BOSSANO

Can Government explain why it was not able to give any indication of the substance of the talks between Britain and Spain to the last meeting of the House of Assembly, yet shortly afterwards the Chief Minister revealed in a radio interview that the New York meeting was a "make or break" one for the question of advance implementation of EEC rights and early lifting of restrictions?

ANSWERTHE HON THE CHIEF MINISTER

Sir, the radio interview referred to in the question took place on 11 September. On 5 September, a Spanish newspaper had given a detailed, and what appeared to be an authoritative report on the progress of talks on Gibraltar between the British and Spanish Governments. This gave rise to very considerable speculation in Gibraltar and it was right, in my judgement, to make the brief statement to which the question refers.

SUPPLEMENTARY TO QUESTION NO. 182 OF 1984

HON J BOSSANO:

Mr Speaker, since this meeting of the House has taken place subsequent to both the Hon and Learned Member's radio interview and the press report, does he not think that he should have made a statement to the House which he was not prepared to make in June last year?

HON CHIEF MINISTER:

I did not say anything in the radio interview that would have enlightened the Hon Member on the details of the discussions. I think the interview should be read as a whole and not just a particular phrase taken out of context because I also said: "Having regard to the fact that I am kept informed on a confidential basis, I would rather make no judgement when the matter is sub judice, that is, whilst it is the subject of negotiation". Then the other question was: "What hopes for September, not that you are going to break any confidentiality of the unpredictable situation to come. Do you feel anything concrete will come out of yet another meeting between Moran and Howe?" I said: "Well, I attach more importance to the September meeting than to the ones that have come up to now because we are gradually reaching the stage where the bona fides of previous talks will be put to the test in September and it could well be a make or break meeting on the advance implementation of the removal of the restrictions". What I was saying was that there were enough meetings for something to happen and that is why I used that phrase. I was not revealing anything that has happened except to say that there had been a series of meetings and it was about time that progress was made.

HON J BOSSANO:

Mr Speaker, wouldn't the Hon and Learned Chief Minister agree with me that, in fact, the revelation that the advance implementation of EEC rights was linked to the possible lifting of restrictions was something that he had been unwilling to say in the House of Assembly and, in fact, I had not even gone as far as asking him that? Would he not agree with me that that coming from him must be considered as an authoritative statement of the nature of the contents of his talks?

HON CHIEF MINISTER:

I think that, certainly after the 5th September, it was generally known. It was made in an authoritative statement in what is regularly recognised as the mouthpiece of the Government in Spain and that was it.

HON J BOSSANO:

But, Mr Speaker, I accept that, obviously, the information appeared to have been leaked in the Spanish press by a Spanish Government source who seemed to be less concerned about confidentiality than the Hon and Learned Member but does the Hon and Learned Member not agree that, in fact, his adamant refusal to give any information here in June where the requirement was far less than anything like this, is in sharp contrast to the statement that he made on radio where he appeared to go further than I had been asking him to go in the House?

HON CHIEF MINISTER:

No, I think not, with respect. I think that the situation was such that I wanted precisely because there had been a leak in the Spanish press, I felt freer to be able to answer a question. This was September and the House was in recess, I do not think that I would have called a meeting of the House to say that I thought the next meeting should be a make or break situation.

HON J BOSSANO:

Could I ask the Hon Member how he can consider a make or break meeting still to be an exploratory one which he told me in answer to Question No. 180 was all that was taking place regarding the possible prospective rights of Spanish Nationals being agreed prior to the removal of the restrictions which he says is not taking place? How can a meeting be exploratory and not involve decision taking and still be make or break?

HON CHIEF MINISTER:

No, it was in the future that I was saying, not in the past. We are talking about a meeting that had not been held yet.

HON J BOSSANO:

Mr Speaker, but it is now after the meeting and I am asking the Hon and Learned Chief Minister whether he still adheres to the view that any negotiations on rights of Spanish Nationals must take place subsequent to the removal of the restrictions and not prior to that removal and he has said, yes, he still adheres to that view and that the meetings that are being held and have been held are exploratory and yet the last exploratory meeting was described by him as a make or break one for a decision to be taken prior to the meeting taking place. I am asking him how he reconciles his description of the meeting today as being an exploratory meeting in which no decisions are taken and his description of that meeting in his radio interview as a make or break one because the process has now been going on for so long that it was now time for decisions?

HON CHIEF MINISTER:

Well, not for decisions, for progress, it would show that there should be progress in what was being discussed, that is all it meant. I was free to say that having regard to the fact that the Spanish sources had revealed what was being discussed.

HON J BOSSANO:

To sum it up, Mr Speaker, then the Hon and Learned Chief Minister is telling us that in order for the Opposition to be brought into the picture by him we have to rely on leaks in the Spanish press to prompt him, is that the situation?

HON CHIEF MINISTER:

No, that is not the case. In order for the Hon Leader of the Opposition to be consulted he has been told many times that what is required of him is to abide by the terms of confidentiality otherwise the basis for communication is the basis of how much of it is known or not. If the Spaniards thought to make some release I thought it was necessary in Gibraltar to counter that by saying what I said.

HON J BOSSANO:

Mr Speaker, I am not asking about being consulted, I am asking about the House of Assembly being kept informed by the Hon and Learned Chief Minister as to what is taking place and have questions in this House receiving answers and it seems that all that one has to do is to time the questions more or less in line with the leaks on the other side.

HON CHIEF MINISTER:

You have to look at the interview as a whole, that was purely a remark and there is nothing in the interview at all revealing what had happened at previous meetings which is the important thing.

MR SPEAKER:

Next question.

NO. 183 OF 1984

ORAL

THE HON J BOSSANO

Can the Chief Minister state whether the decision not to proceed in 1981 with a petition to the European Parliament for the right to vote, as recommended at the time by Lord Bethell, was taken exclusively by him and the then Leader of the Opposition, Mr Isola, or whether other Members of the House were aware of or consulted on the issue?

ANSWERTHE HON THE CHIEF MINISTER

Sir, the decision was taken in consultation between the Leader of the Opposition at the time and myself.

SUPPLEMENTARY TO QUESTION NO. 183 OF 1984

HON J BOSSANO:

And therefore no other Members of the House were made aware of it?

HON CHIEF MINISTER:

I should make a reservation and that is that as far as I was concerned there was no other but the Leader of the Opposition could well have consulted his colleagues.