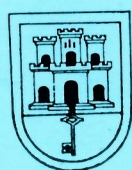


GIBRALTAR

HOUSE OF ASSEMBLY



QUESTIONS AND ANSWERS

Meeting of  
15 January 1985  
1 to 67

NO. 1 OF 1985

ORAL

THE HON J BOSSANO

Does Government consider that the absence of a charge in respect of working capital in the Funded Services is consistent with the policy announced in 1978, when they were set up, of producing accounts showing the true costs of these services?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the point underlying the Hon Member's question was one of a number of related issues considered when the finances of the Funded services were put on a different footing in 1976. It was decided that neither the accumulated deficits in the Funds nor any advances of working capital, to meet short term fluctuations in cash requirements, would be converted into capital debt. While it is true that the decision in effect not to charge interest on working capital, or capital debt, could be construed as an understatement of the costs of running these services, there were good reasons for taking that decision at the time and the Government has not considered it necessary or desirable to change its policy on this matter in the interim.

SUPPLEMENTARY TO QUESTION NO. 1 OF 1985

HON J BOSSANO:

Can the Hon Financial and Development Secretary, Mr Speaker, tell us what those good reasons were?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker. I think perhaps I should explain for the benefit of the House that I think the points the Hon Member had in mind that the interest should be charged to the Funded Services because the value of bills issued and credited to the Funds for which cash has not been received, in fact, represents an advance from the Consolidated Fund to the individual Funds. The reasons for the decision are really this, that, strictly speaking, it would be necessary to calculate that interest by reference to daily balances and that would be a virtually impossible task because of the nature and the volume of the transactions. One could perhaps apply the interest to the end of year balances but that, again, would overstate the interest and produce an inaccurate result because of the substantial fluctuations in receipts and payments throughout the year.

HON J BOSSANO:

Mr Speaker, isn't it a fact that in some instances money that has been used for running costs has resulted in an interest charge. For example, in the case of the amount advanced in respect of the running of the Waterport Power Station by Hawker Siddeley, there were sums of money there provided through supplier finance and there you had a situation where, in fact, the working capital in the Electricity Fund carried an interest charge?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I am not quite sure I understand the Hon Member's point. The expenditure incurred in connection with Hawker Siddeley was a proper charge on the Fund and has been brought to account in the annual accounts.

HON J BOSSANO:

Mr Speaker, what I am saying is, isn't it a fact that when the Waterport Power Station was being operated by Messrs Hawker Siddeley part of the running costs of the Station were in fact charged as a capital cost although it involved working capital in the sense that it was part of the running of the Station and not part of the building of the Station and that part of it that was charged in that way which was dealt with through the Improvement and Development Fund and supplier finance carried an interest charge so, in fact, it has been done in I think it was in 1982/83 and it is so commented in the Auditor's Report, isn't this the case?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The details of it, possibly because it was in 1982/83 and I was not here at the time, elude me but I will certainly look into the Hon Member's supplementary and I undertake to give him an answer on that point.

HON J BOSSANO:

Is the Hon Member aware that the Coopers and Lybrand Study on the finances of the utilities pointed out that the absence of a charge on working capital was contrary to the policy announced by the Government of showing true commercial accounts for these utilities?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker, in general terms, I accept that the Report by Coopers and Lybrand did, amongst other things, comment on the financing of the Funded Services and I think, speaking from memory, it was pointed out in that Report that they were in some respects at variance with normal accounting practice, I think I would accept that. The Government has recognised that because of the nature of

consolidation and management of the Funded Services as part of the Government, this has a risk and it is conscious of the various points including those I have mentioned to the Hon Member where the accounting is not in accordance with standard commercial practice, I think I would accept that but, as I have said, there are good reasons for the variations.

HON J BOSSANO:

Mr Speaker, would the Hon Member not accept that the nature of the reasons that he has given are that there are practical difficulties in carrying out the policy and not that there are policy decisions contrary to showing true accounts?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think we could probably debate this for a long time, Mr Speaker. I am going to make one final comment that I think the areas of the questions raised by the Hon Member is only part of the general problem. One could conceive of the Funded Services as individual Services set up as nationalised industries, perhaps on the UK model, and had they been established in that way then I think that the capital debt would have been determined and interest would have been charged by the exchequer, the Gibraltar exchequer or the Consolidated Fund in accordance with the normal relationship, the arms length relationship between a Government, an exchequer, and a nationalised industry but for historical reasons and I think because of the size of Gibraltar and the limited resources at the Government's disposal, it has been done differently in Gibraltar.

HON J BOSSANO:

Mr Speaker, does the Hon Member not agree that it is a sound policy in the allocation of resources that one should have an accurate idea of what the use of resources in one direction as opposed to another is costing the community irrespective of how it is funded or financed? Would the Hon Member not agree with me that policy making in the allocation of resources requires accurate accounting?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As an idea naturally I would subscribe to that.

HON J BOSSANO:

Would the Hon Member not agree then that he must make an effort to achieve that in respect of the Funded Accounts?

MR SPEAKER:

It doesn't follow that there is no other way that it can be done which would give the same results. Next question.

NO. 2 OF 1985

ORAL

THE HON J BOSSANO

Does the fact that the recent Loans Empowering Ordinance limited the extra public borrowing to £10 million in the period 1984-1988, mean that this is the amount Government expects to be in deficit by in the period 1985 to 1988?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, during the Second Reading Debate on the Loans Empowering Ordinance I said that the Government saw a need for deficit financing within the range of £5m to £10m over the next two to three years. There is nothing further I can add to what I said then.

SUPPLEMENTARY TO QUESTION NO. 2 OF 1985

Mr Speaker, is it Government's intention to reserve the use of the money raised as a result of this Ordinance purely to meeting deficits on recurrent expenditure or is part of the money to be used for capital investment?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The money is intended primarily for use in meeting Government deficits, Mr Speaker.

MR SPEAKER:

Next question.

NO. 3 OF 1985

ORAL

THE HON J BOSSANO

Can Government state how much of the forecast reserves of £3.7m in the Consolidated Fund Balance for 31st March, 1985, is anticipated to consist of arrears of revenue?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, I expect the figure of arrears for the various funded services at 31st March, 1985 to be substantially less than the figure of arrears at 31st March, 1984. While it is not possible to forecast precisely what is in effect a balance on a single day, I would be disappointed if the reduction compared with 12 months ago were not between £½m and £1m.

SUPPLEMENTARY TO QUESTION NO. 3 OF 1985

HON J BOSSANO:

Mr Speaker, will the Hon Member give the answer to the question on the Order Paper and say how much of the £3.7m he expects to be arrears?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I cannot give an answer in precisely the terms which the Hon Member has invited me, Mr Speaker, because he has really only outlined what is one half of an equation, namely, the balances in the Consolidated Fund and, indeed, the balances available to the Government from the various funds under its management. I think I understand his point and that is that if the figure of outstanding unpaid bills were to be higher than the figure of reserves in the Consolidated Fund, that might suggest to the uninitiated, and I would personally not wish to include the Hon Member as one of those, it would suggest to the uninitiated that the Government was running out of cash and that of course is not true because although a figure of £4m might be owing to the Consolidated Fund in the form of unpaid bills, shall we say, on the various Funded Services at any one time, one must also take into account the balances which are owed by the Consolidated Fund and these, of course, are shown in the accounts. At the 31st March, 1984, the figure of balances owed by the Consolidated Fund, that is to say, the creditors balance, was about £3½m. In other words, the Government's liquidity position on this access to cash resources is determined both by debtors and creditors to the Consolidated Fund and that is why I cannot answer the Hon Member's question in precisely the terms in which he posed it.

HON J BOSSANO:

Mr Speaker, is it not true that the Hon Member cannot answer my question because he doesn't want to say what he knows to be true and will he confirm.....

MR SPEAKER:

Perhaps the word is correct and not true.

HON J BOSSANO:

Well, I am saying he doesn't want to say it, Mr Speaker, I am not saying that he is saying a lie, I am saying he is omitting to say the truth and therefore is it not a fact that on the basis of the answer that he has given it means that at best the Consolidated Fund Balance net of unpaid bills will be nil?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, because the net of unpaid bills, that is to say, the Government's net liquidity position is the net of the overall debtor and creditor position of the Government and I think, if I may answer the earlier part of the Hon Member's supplementary, I have not attempted to mislead the House, I have given what is my best estimate at this particular point in time based on the most recent information I have of arrears of revenue which is how I see the figure of outstanding bills at the end of the year, an improvement on last year.

HON J BOSSANO:

Is the Hon Member aware that his understanding of how the Government's reserves have to be presented and explained is totally contrary to the policy adopted by the Government consistently until the setting up of the funded accounts in 1977?

MR SPEAKER:

All you have to answer is whether you are aware or not.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Thank you, Mr Speaker, in that case I should say I am not aware but I doubt very much whether it was as stated.

HON J BOSSANO:

Then does the Hon Member know that until the setting up of the Funded Services the Consolidated Fund Balance or the general revenue reserves as it was then known, consisted of the amounts

net of any arrears of revenue and that throughout that period the amounts net of arrears of revenue in the general revenue balance was considered to be prudently kept at a level of between two and three months of recurrent expenditure? Is he aware that that was Government policy until 1977?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am aware that prior to 1976, Mr Speaker, the accounting arrangements for the Funded Services were on a different footing from those on which they are now.

HON J BOSSANO:

I am not talking about a different footing, Mr Speaker. I am asking the Hon Member to give clearcut answers and not avoid the issue. Does the Hon Member accept that the situation today is that by the criteria defended and presented by his Government in this House for years, the Government has got no reserves now, by those criteria, does he accept that that is true?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, many developments have taken place in Gibraltar over the last ten years and I think if one were to examine all of them one would find many respects in which views have changed in each changing circumstances.

MR SPEAKER:

Next question.



NO. 4 OF 1985

ORAL

THE HON J BOSSANO

What is the level of deficit to be covered by borrowing which Government now considers financially prudent as a percentage of estimated annual expenditure?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, during the Second Reading Debate on the Loans Empowering Bill I pointed out that Gibraltar debt charges compared with annual Government spending on the one hand, and the total of public debt compared with annual GNP on the other, compare favourably with those of the developed nations, let alone less developed countries which generally have a far higher level of debt.

SUPPLEMENTARY TO QUESTION NO. 4 OF 1985

HON J BOSSANO:

Mr Speaker, would the Hon Member be kind enough to answer the question?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I thought I had answered the question, at least implicitly, Mr Speaker. If the Hon Member is asking me to say what level of deficit, per se, the Government must not go above rather in the sense of "will you stop beating your wife?", then I think I must say that this must be determined in the light of circumstances. During the Second Reading debate I did and, indeed, in answer to questions on the subject I pointed out that the deficit for 1984/85 would be of the order of £4m and on present prospects it was likely that there would be a deficit of that order in 1985/86. Certainly, I would be seriously concerned if that figure were to increase. I would hope that, if possible, the Government would be able to reduce that figure. I cannot anticipate what will be contained in the Government estimates which will be presented to the House in the near future, but I certainly could not commit myself to an ex cathedra statement of what level of deficit is to be considered financially prudent. I can give the Hon Member broad indications, I can compare the Gibraltar situation with, for example, the public sector borrowing requirements in the UK which is about 10% of public expenditure, £140 billion are the parameters there, but I am not going to commit the Government to a precise figure.

HON J BOSSANO:

Mr Speaker, is there a Government policy now which is totally

different from Government policy in the past and is this part of these changes that the Hon Member was referring to recently which now says that it is no longer financially prudent to balance the budget, it is now financially prudent to run deficits of the order of £4m a year forever more, is that the new policy?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, again I think I must refer the Hon Member to the comments I made during the reading of the Loans Empowering Ordinance. I do not want to distress the House unduly by going into great detail, I see that you would rather I didn't do that, but I referred to the measures of control over Government spending which have been taken; there is the severe restraint over Government spending and I can assure the House that the Government intends to maintain those controls and that is the Government's policy.

HON J BOSSANO:

Mr Speaker, the Hon Financial and Development Secretary does not appear to be aware that this is a totally new policy and I am trying to establish what it is. Will he say whether now the Government is committed to a philosophy of running annual deficits and that this is now considered, for the first time, financially prudent, that is the policy?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, that policy in terms has certainly not been formally adopted but I have given as much information as I can.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

Can Government state what is the value of the stock of Government dwelling houses based on (a) historic cost of construction, (b) current replacement cost; and further state under which of these two valuations are the said buildings covered by the Government Insurance Fund?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the replacement cost of the Government's housing stock was estimated at £124 millions a few years ago. As I stated in reply to Question No. 93 of 1984, the value of the Government Insurance Fund on 31 March, 1984, was £800,000. There is no relationship between these two figures. The housing stock is not covered by insurance.

SUPPLEMENTARY TO QUESTION NO. 5 OF 1985

HON J L BALDACHINO:

Mr Speaker, according to the revised estimates of 1983/84 on the Housing Fund a contribution was made from that Fund to the insurance of Government Housing. Has that policy now stopped because in the 1984/85 estimates there is no contribution but prior to 1984/85 the Housing Fund used to make contributions for the insurance of Government housing?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think in 1983 direct insurance cover was obtained for a few assets considered vital for the running of the Government's essential services but not to the best of my knowledge for the housing stock, it has certainly not been the policy to insure the housing stock but if the Hon Member could give me precise figures of what it is that he has determined which gives him the contrary impression, I will certainly look into it for him.

HON J L BALDACHINO:

Mr Speaker, part (a) of my question has not been answered by the Hon Member which is what is the historic cost of construction?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am afraid that is not a figure I could give, Mr Speaker, I don't have that information and I do not think it is particularly relevant, it is replacement cost which is more relevant.

HON J L BALDACHINO:

Mr Speaker, the figure I was quoting before, which is £59,800, appears on Appendix 'D' of the Housing Fund and it is expenditure under the heading of 'Insurance of Government housing'.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I thank the Hon Member for giving me the reference and I will certainly look into it for him.

HON J BOSSANO:

Does the Government have a ratio of the value of houses to the cost of the cover which they have used in the past in deciding how much should be charged to the Housing Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If the Hon Member is talking about the Government housing stock I do not think that would be particularly relevant. Subject to my clearing up the point which the Hon Mr Baldachino has raised, it is not Government policy to insure its housing stock.

HON J BOSSANO:

Mr Speaker, doesn't the Hon Member know that it has always done that until this year? Every previous year it has been done.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Not the housing stock.

HON J BOSSANO:

Is the Hon Member not aware that there was a study carried out at great expense by consultants and as a result of that study the Government increased the contribution to the Government Insurance Fund to £100,000 a year and that the proportion allocated in respect of Government houses came to something like 60% of the total premium, is he not aware of that and that this has been going on for years?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, obviously I am misinformed, Mr Speaker, and I will look into the matter.

MR SPEAKER:

Next question.

NO. 6 OF 1985

ORAL

THE HON J L BALDACHINO

Will Government confirm that the proceeds of sales of Government flats will be credited to the Improvement and Development Fund?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 6 OF 1985

HON J L BALDACHINO:

Mr Speaker, as I understand it, the sale of Shorthorn Estate has now been finalised. Will the money be credited to the Improvement and Development Fund in the current financial year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If the sale has been completed and the monies have been received before the end of the financial year the answer is, yes, Mr Speaker, otherwise the rest will be credited in the following financial year.

MR SPEAKER:

Next question.

NO. 7 OF 1985

ORAL

THE HON J L BALDACHINO

Can Government state whether they have received any payments in respect of the sale of leases for pre-war properties put to tender for modernisation for home owner occupation?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, £5,000 was received in 1982/83 and £12,850 in the current financial year. The monies are credited to the Improvement and Development Fund.

SUPPLEMENTARY TO QUESTION NO. 7 OF 1985

HON J L BALDACHINO:

Mr Speaker, is this the correct payment that the Government should have received because I presume that in the context of the sale of the leases it must have conditions where the buyer had to pay a certain amount of the money on a pre-determined date.

HON A J CANEPA:

There are a number of payments, Mr Speaker, which are indeed outstanding. Perhaps I should also add that in some cases, of course, the purchasers have opted to pay a rent instead of a premium but there are a number of payments which are outstanding for a number of reasons. Initially, problems arose in finalising the leases because the banks were insisting on standard leases being provided by the Government and that particular problem was not resolved until November, 1983, and then the fact that we were being somewhat accommodating in that we were allowing prospective purchasers to take possession of the properties prior to the lease having been executed also meant that their ability to resist through their solicitors the individual leases which the Crown Lands Department was proposing, was increased considerably. If they were allowed to go in and they were allowed to get on with the work they had less of an incentive to come to terms in negotiating the individual leases. The current policy now is that we require the tenderers to place a 10% deposit and to agree to a lease before possession is granted and then the balance of the premium will be payable on execution of the lease once that is approved by the solicitors and by the bank. There is a considerable amount of money due to Government which is outstanding.

HON J L BALDACHINO:

Let us see if I am correct in assessing what the Hon Member has

said. That in the past the leases were not finalised until once the tenderer had bought the house and that policy has now changed and before issuing the leases .....

HON A J CANEPA:

Before possession we now require that the lease be executed.

HON J L BALDACHINO:

Mr Speaker, the Hon Member said that the money received from such payment will be credited to the Improvement and Development Fund. Will that money be solely used for building houses?

HON A J CANEPA:

Well, first of all, I do not think we can go very far with the £17,850 that we have collected up until now but this is part of an on-going policy and I have other questions to answer later on on the Order Paper which I think are relevant and, obviously, what the Government would like to do as a matter of policy is to generate funds that will enable the Government to keep up some momentum on the building of new housing.

MR SPEAKER:

Next question.

NO. 8 OF 1985

ORAL

THE HON J C PEREZ

Mr Speaker, will the Financial and Development Secretary state whether the income tax paid to the Government as a result of payments to Hawker Siddeley has been charged to the Electricity Undertaking Fund as proposed in the Principal Auditor's Report for 1982/83?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as I stated in reply to Question No.96 of 1984, the liability to income tax has been established and the matter has been settled. Neither the Accountant General nor the City Electrical Engineer has received any notification from the Commissioner of Income Tax on this matter.

SUPPLEMENTARY TO QUESTION NO. 8 OF 1985

HON J C PEREZ:

Mr Speaker, if the Hon Member has read all that occurred in Question No. 96 of 1984, I did ask in a supplementary: "Does that mean that the tax has been charged to the Electricity Undertaking Fund?", and the Hon Member in answer said: "I think the answer to that is, yes, and this was in fact proposed by the Principal Auditor but I would have to check". This was in October and I am asking this question because I would have thought that the Hon Member would have checked already.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I have, in fact, looked into this matter as the Hon Member has just suggested and I am sorry if my silence may seem discourteous to him but I regret that I am not able to give him any further information as to the company's tax situation because the company's tax situation as indeed that of any other company or individual is something which the Commissioner is prohibited from divulging under the secrecy provisions of the Ordinance.

HON J BOSSANO:

What company is the Hon Member referring to?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Hawker Siddeley.



HON J BOSSANO:

Mr Speaker, what we are asking is has it been charged to the Electricity Undertaking Fund, it has nothing to do with any company.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I explained that the Accountant General and the City Electrical Engineer have had no instructions to that effect from the Commissioner of Income Tax and that is as far as I am prepared to say.

HON J C PEREZ:

Mr Speaker, but the Principal Auditor proposed it and in answer to Question No. 96 the Hon Financial and Development Secretary said, yes, that that was the case, that the Principal Auditor proposed it. He says that the sum of money has been paid, we are asking if it has been charged to the Electricity Undertaking Fund.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I am sorry, I hesitate to interrupt but I did not say that it has been paid, I said that the liability to income tax has been established and the matter has been settled to the satisfaction of the Commissioner of Income Tax.

HON J BOSSANO:

Mr Speaker, is the Hon Member saying that the proposal put by the Auditor, accepted by the Accountant General which he thought in October had been implemented has been implemented or has not been implemented, which of the two has happened?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The suggestion by the Principal Auditor has been 'implemented', Mr Speaker, that is to say that the matter has been settled to the satisfaction of the Commissioner of Income Tax.

HON J BOSSANO:

We are not interested in how satisfied the Commissioner of Income Tax is, Mr Speaker, we are interested in information which is what Question time is about and when we take the quotes away from implemented, does implemented still mean implemented or does it mean something else?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It means that the tax liability has been settled and that as far as the charging to the Electricity Undertaking Fund that matter has also been disposed of. As I have said, the Commissioner of

Income Tax has not issued any instructions to the Accountant General or the City Electrical Engineer and that is as far as I am prepared to state.

HON J C PEREZ:

Does the Hon Member accept that if there has in fact been a charge to the Electricity Undertaking Fund that will appear in this year's estimates?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, I am not prepared to say any more because of the secrecy provisions of the Income Tax Ordinance, Mr Speaker.

HON J C PEREZ:

Mr Speaker, the question is quite clear, whether it has been charged or not; if it has it will appear in the accounts so it cannot be subject to the secrecy of the Income Tax law and everything else, if it has been charged it will appear, if it hasn't the answer is no.

MR SPEAKER:

I know the frustration of Members of the Opposition in that perhaps they are not getting the answers they would like to have but there is no way that either the Members of the Opposition or myself can force a Minister or an ex-officio Member to say more than they feel entitled they can say so I do not think we are going to get any further. Next question.

NO. 9 OF 1985

ORAL

THE HON J BOSSANO

Can Government confirm that Spanish frontier workers currently are not eligible for personal allowances under Sections 20, 21 and 22 of the Income Tax Ordinance in respect of income tax in Gibraltar whereas British Subjects in the same position are so entitled and if so, is it Government's intention to continue this practice?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, Spaniards who may be currently working in Gibraltar are not eligible for personal allowances unless they are ordinarily resident. If by Spanish frontier workers the Hon Member means individuals who may be coming in daily and returning home at the end of the day these individuals are not deemed to be ordinarily resident for the purposes of the Income Tax Ordinance. However, Section 23, subsection 3 of the Income Tax Ordinance provides that rules may be made so that a non-resident individual can become entitled to the deductions, allowances and reliefs set out in Sections 19B, 20, 21 and 22 as if he were resident in Gibraltar. The matter is being considered by the Government,

SUPPLEMENTARY TO QUESTION NO. 9 OF 1985

HON J BOSSANO:

So, in fact, the Government is not in a position to say whether they intend to continue with the practice or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It is still under consideration, Mr Speaker.

HON J BOSSANO:

It is, in fact, correct, Mr Speaker, from the answer the Hon Member has given to say that British Subjects in the position, ie British Subjects who are commuting daily into Gibraltar do get the allowances?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is correct, Mr Speaker.

HON J BOSSANO:

Is the Government satisfied that the current position would be

acceptable under EEC Rules as between two EEC nationals in the same situation?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I do not think that the EEC dimension is a relevant one here, Mr Speaker, because there is no tax harmonisation as regards individual countries tax regime but I take the point underlying the Hon Member's comment.

MR SPEAKER:

Next question.

NO. 10 OF 1985

ORAL

THE HON J BOSSANO

Can Government explain why it first took them over a year to reply to the claim for pension rights for its industrial workers and that having had new proposals from the workforce on November 22nd, 1984, they have not yet replied?

ANSWERTHE HON THE ATTORNEY GENERAL

Mr Speaker, it is obvious to me from reading these papers over the weekend that there has been some delay in dealing with this matter. The delay has been such that even before this question was put down on the Order Paper Council of Ministers had asked for a report to be submitted at an early date together with an explanation for the delay.

I am looking into the matter and I will inform the Honourable Leader of the Opposition at an early date of my findings.

SUPPLEMENTARY TO QUESTION NO. 10 OF 1985

HON J BOSSANO:

Does the Government accept that there is every reason to expedite this since it is, in fact, something that is Government policy and a Government initiative?

HON ATTORNEY-GENERAL:

Indeed there is and I believe the Hon Minister for Economic Development and Trade on the motion when it was introduced in the House expressed the urgency that Government placed on this matter. As I said, Council of Ministers is concerned at the delay.

HON A J CANEPA:

Mr Speaker, there is indeed every reason to expedite the matter but we are coming into some difficulty and that is that the unions that represent non-industrials do not seem to be very happy with the proposals which the Government has put to them.

HON J BOSSANO:

Mr Speaker, does the Government accept that in the case of the industrial workforce they had a reply within a matter of a week or two and in fact there has been no response at all?

HON A J CANEPA:

Because of the reasons that I have just mentioned but I think if the union that represents industrial workers employed with the

Government were to come up with a clearcut statement in respect of their attitude, I think the way would be much clearer for perhaps the Government to proceed, if necessary it might have to be without agreement from the non-industrial unions.

MR SPEAKER:

Next question.

NO. 11 OF 1985

ORAL

THE HON R MOR

Mr Speaker, will all MOD employees presently working in the Gibraltar and Dockyard Technical College be transferred with the College when Government assumes control?

ANSWERTHE HON THE ATTORNEY GENERAL

Mr Speaker, the Government and Ministry of Defence are still in correspondence regarding the transfer of the non-industrial administrative staff of the College.

The persons concerned consist of one Clerical Officer and one Typist.

No decisions have yet been taken regarding the transfer of the industrial staff.

The Vice-Principal's contract will be extended and he will remain in his post until the end of the current academic year. Thereafter he will be replaced by a local appointee.

SUPPLEMENTARY TO QUESTION NO. 11 OF 1985

HON R MOR:

Mr Speaker, does Government accept that they have a moral obligation to accept all employees who are in the Gibraltar and Dockyard Technical College?

HON ATTORNEY-GENERAL:

I believe there are some problems with the industrial staff, Mr Speaker. Government hope to resolve this at an early date. When I asked when that early date was I was told it was within the next month that decisions will be taken on the industrial staff but there are problems.

HON R MOR:

I do not think the Hon Member understood my question. My question was whether it is the Government's policy to accept all the employees in the College?

HON ATTORNEY-GENERAL:

I couldn't go that far, as I say the problem is on the industrials as I understand it, that is the only problem.

HON R MOR:

Mr Speaker, doesn't the Government feel that they have a moral obligation that there are people working in the College and that if the Government refuses to accept them as employees that some of them could well end up unemployed?

HON ATTORNEY-GENERAL:

Whether it is a moral obligation I cannot speak for the Government, I can speak of the legal obligations but I believe the only problem arises with the industrial staff and Government is considering the matter and there should be a decision at a very early date.

HON G MASCARENHAS:

I will be giving a statement in reply to Question No. 55 and perhaps the position might be a little bit clearer from that statement.

HON J L BALDACHINO:

As I understand it, the problem arises with the industrial staff, in other words, the clerical officer and the typist the Government will be taking them on once the whole thing is finalised.

HON J BOSSANO:

Mr Speaker, I cannot understand why it is that they choose to number the questions in the way that they do and then they put one question down as No. 14 and the other one as No.55 and ask us to wait for the forty intervening questions, why not answer the two now?

MR SPEAKER:

You have always been a patient man. Next question.



NO. 12 OF 1985

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state how the rents for Government Quarters are calculated?

ANSWERTHE HON THE ATTORNEY GENERAL

Mr Speaker, as from 1st July 1984 the rents for Government Quarters are calculated as follows:-

The first 800 sq ft at £110 per 100 square feet per annum.

The next 500 sq ft at £82 per 100 square feet per annum.

The next 500 sq ft at £77 per 100 square feet per annum.

The remainder of the area at £71 per 100 square feet per annum.

SUPPLEMENTARY TO QUESTION NO. 12 OF 1985

HON J L BALDACHINO:

I am grateful for the answer of the Hon and Learned Attorney-General. Is the calculation the same as for any other Government flats?

HON ATTORNEY-GENERAL:

I have got the rentals, it depends on the Estate. I have the rents per square foot per annum for the various Estates. It is a long list.

HON J L BALDACHINO:

Mr Speaker, what I am interested in is if the calculations are exactly the same for Government Quarters as they are for Government flats?

HON ATTORNEY-GENERAL:

The different kinds of Quarters on the list that I have.....

HON J L BALDACHINO:

Maybe if I can expand further. What I am saying is if the Government Quarter was a Government flat could the rent be exactly the same or could it be less or could it be more?

HON ATTORNEY-GENERAL:

If it becomes a Government Quarter it is calculated in the way that I have said. If it remains part of the Government housing stock for the general members of the public, it is calculated in a different way.

MR SPEAKER:

The question you are being asked is what relation has one to the other?

HON ATTORNEY-GENERAL:

It depends entirely on the Estate, it is probably more. For example, a pre-war flat without a bathroom is cheaper.

MR SPEAKER:

What is probably more? The Government officers' quarters are probably more?

HON ATTORNEY-GENERAL:

Yes.

MR SPEAKER:

Next question.

NO. 13 OF 1985

ORAL

THE HON J E PILCHER

Can Government state what will be the annual salary of the new Director of Tourism and whether he will be paid any allowances over and above this salary?

ANSWERTHE HON THE ATTORNEY GENERAL

The annual salary of the new Director of Tourism will be £17,489 plus an Overseas Inducement Allowance of £4,000. In addition both the basic salary and the overseas inducement allowance will attract a 25% tax free gratuity payable at the end of his three year contract.

SUPPLEMENTARY TO QUESTION NO. 13 OF 1985

HON J E PILCHER:

Mr Speaker, is the new Director of Tourism being allocated a Government house and if so, is that rent free, and electricity and water and everything else?

HON ATTORNEY-GENERAL:

No doubt he will be allocated a Government house if it hasn't already been done but certainly it won't be free of rent, the rents are quite high and the electricity and water is quite high, too.

HON J BOSSANO:

The Hon Member said that 25% gratuity will be paid on the salary and the allowance. Am I right in thinking that the gratuity itself will not be liable to income tax and will the allowance be liable to income tax?

HON ATTORNEY-GENERAL:

No, Mr Speaker.

HON J BOSSANO:

The allowance will not either.

MR SPEAKER:

Next question.

NO. 14 OF 1985

ORAL

THE HON J C PEREZ

Can Government confirm that the consultants engaged in 1972 to consider the electricity supply recommended that the special tariff for ex-City Council properties should be discontinued and if so, what steps has Government taken to give effect to this recommendation and when?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

No, Mr Speaker. No such consultants were engaged in 1972.

SUPPLEMENTARY TO QUESTION NO. 14 OF 1985

MR SPEAKER:

Is the first no in answer to the fact that no consultants were engaged or to the fact that the recommendation was not made?

HON J B PEREZ:

The question is in two parts. First of all it says: "Can Government confirm that the consultants engaged in 1972 ....", and, secondly, ".... what steps has Government taken to give effect to his recommendation and when?" The answer is quite simple. No consultants were engaged in 1972 and therefore in 1972 no recommendations were given.

MR SPEAKER:

With respect, the question takes for granted that consultants were in fact, engaged in 1972.

HON J B PEREZ:

And the answer is no.

MR SPEAKER:

Next question.

NO. 15 OF 1985

ORAL

THE HON J C PEREZ

Is Government still of the opinion that interruption to the electricity supply, such as was experienced during the Christmas festivities, will not be a permanent feature of the electricity service in Gibraltar?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, a press release issued at the time when the falling frequency protection system was put into service expanded on the manner in which the system was designed to reduce the probability of a total system blackout.

A further release issued on the 27 December 1984 explained the sequence of events and in particular the shutting down of the healthy set because of the overload registered.

Subsequent investigations confirmed that the overload relay operated correctly and in accordance with the manufacturers published information. It has therefore become necessary to adjust the settings of the falling frequency protection system to allow for a slightly faster response. This will allow load to be shed more rapidly and reduce the possibility of the second set shutting down.

Additionally, work is being carried out so as to reinforce the communications systems and to improving the black-start facilities at King's Bastion. This is aimed at providing a more repaid restoration of supplies.

Action has therefore been taken so as to reduce the possibility of a recurrence and also to avoid the operational difficulties experienced on that occasion.

It would be unrealistic to give a cast-iron guarantee that power failures will never occur. What can be truthfully said is that action has been taken to reduce the possibility of a total failure of supply and will be supplemented by measures to allow for more rapid restoration. It is on the strength of these measures that Government is of the opinion that interruptions of the type which occurred during the Christmas Festivities will not be a permanent feature of the electricity service in Gibraltar.

SUPPLEMENTARY TO QUESTION NO. 15 OF 1985

HON J C PEREZ:

Mr Speaker, since presumably what is being done is reducing the risk of further interruptions in the future, may I ask the Hon

Member how many power cuts a year he would consider would be a permanent feature of the electricity service?

MR SPEAKER:

No, I cannot allow that question.

HON J C PEREZ:

But, Mr Speaker, we were told in Question No.50 of 1984 that this method was going to be introduced to prevent this. The method has worked quite well up to <sup>now</sup> and there have been problems and the Hon Member has said that this will reduce the risk of it happening again.

HON J B PEREZ:

Mr Speaker, it may help the Hon Member. The problem is that the answer is quite a lengthy one and obviously he cannot digest it but I did say: 'It has therefore' - because of the power cuts that we had - "become necessary to adjust the settings of the falling frequency protection system to allow for a slightly faster response". That is to avoid what in fact happened.

HON J C PEREZ:

To try and avoid it.

HON J B PEREZ:

Well, the measures which have already been taken are to adjust so that the load is shed rapidly and therefore there shouldn't be any power failures.

MR SPEAKER:

Next question.

NO. 16 OF 1985

ORAL

THE HON J C PEREZ

Is Government in a position to state whether the Council of Ministers has now taken a policy decision on the study of the Telephone Service Fund?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, Council of Ministers has already considered the study of the Telephone Service Fund but has not yet taken a policy decision on this matter. The Government is presently conducting negotiations for a new shares agreement for international calls. The outcome of these negotiations will have a direct bearing on the policy that Government takes.

SUPPLEMENTARY TO QUESTION NO. 16 OF 1985

HON J C PEREZ:

Does the Hon Member expect that a final decision will be taken before next year's estimates and if there are any changes to charges as a result of the decision, will that be reflected in next year's estimates?

HON J B PEREZ:

The answer to both questions is yes, Mr Speaker.

MR SPEAKER:

Next question.

NO. 17 OF 1985

ORAL

THE HON J E PILCHER

Is Government now in a position to state whether the qualifications obtained by an apprenticeship undertaken by persons with Gibraltar Shiprepair Limited are recognised outside Gibraltar?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, I have been unable to obtain any additional information beyond that given by the Hon Financial and Development Secretary in reply to Question No.110 of 1984. We have been in touch with GSL on this matter and I will provide the Hon Member with such information as we have been given.

SUPPLEMENTARY TO QUESTION NO. 17 OF 1985

HON J E PILCHER:

Mr Speaker, perhaps the term 'outside Gibraltar' is a very general term but hasn't the Government even approached the authorities in UK to see whether the apprenticeship is valid in the UK?

HON DR R G VALARINO:

Mr Speaker, Sir, now that the question has been put to me I will endeavour to find out whether the qualifications obtained by an apprenticeship will be accepted in Gibraltar and would be recognised outside Gibraltar.

HON J E PILCHER:

I hope he is more efficient than the Financial and Development Secretary.

MR SPEAKER:

Next question.



NO. 18 OF 1985

ORAL

THE HON R MOR

Mr Speaker, can Government state which of the two conditions:

- (a) ordinarily resident in Gibraltar, or
- (b) 104 weeks of insurance contributions since 2 July, 1970

as a requirement for the full higher rate of benefits, is contrary to EEC legislation?

ANSWERTHE HON MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, neither of the two conditions is contrary to EEC legislation inasmuch as they apply to nationals of all countries and are therefore not discriminatory.

However, EEC legislation provides that periods of insurance and/or residence completed by an EEC National in any Member State count as if they were completed in any other Member State. The provisions in question do not therefore apply to EEC Nationals residing in any other Member State.

SUPPLEMENTARY TO QUESTION NO. 18 OF 1985

HON J BOSSANO:

Is this condition the one that produces a situation where workers who left Gibraltar at the closure of the frontier are getting a reduced pension?

HON DR R G VALARINO:

Yes, Sir.

HON J BOSSANO:

And if the conditions are not contrary to EEC, can the Minister explain why the reduced pensions cannot continue after Spain joins the EEC? Now that the Hon Leader of the Opposition has asked the question I will look into the matter fully and I will get back to him probably this afternoon with a full answer.

HON J BOSSANO:

Mr Speaker, the Government have been advised that the distinction in the payment of pensions could not be continued once Spain joins the EEC because to do so would be contrary to EEC Regulations.

How could they have been told that without being told which EEC Regulations we would be contravening?

HON ATTORNEY-GENERAL:

I think it would be EEC Regulation 1408/71.

HON J BOSSANO:

Mr Speaker, if by continuing the present system we would be in contravention of Regulation 1408 then how is it that in the original answer to the question the Hon Member says that neither (a) or (b), which are the two conditions, are in contravention of 1408?

HON ATTORNEY-GENERAL:

It is not contrary to EEC law for residence qualifications for higher benefits. On the accession of Spain into the European Community, Regulation 1408 will apply in full to nationals of the Kingdom of Spain. As soon as Spain accedes to the Treaty Regulation 1408 will apply to Spanish nationals, at the moment it doesn't.

HON J BOSSANO:

I accept that, Mr Speaker, but is the Hon Member saying that conditions (a) and (b) referred to in Question No. 18 are in conflict with 1408?

MR SPEAKER:

No, what would be in conflict, from what I understand, is to pay a different rate between members, in other words, if our rate is higher we have to pay the higher rate.

HON ATTORNEY-GENERAL:

EEC law requires a specific period of contributions to get maximum benefit and these two sections refer to getting the maximum benefit and therefore you have got to pay a certain number of contributions in order to get the maximum benefit.

HON J BOSSANO:

Mr Speaker, is it correct to say that the current legislation which includes this condition is not in conflict with 1408?

HON ATTORNEY-GENERAL:

No, it isn't in conflict with 1408.

HON J BOSSANO:

Therefore if it is not in conflict with 1408 can the Hon Member explain to me why when 1408 applies to Spaniards it will be in conflict? Can't he explain it or he doesn't understand the question, Mr Speaker, which is it?

HON ATTORNEY-GENERAL:

I don't understand the question.

HON J BOSSANO:

Let me try, if you will allow me, Mr Speaker, to explain. Our understanding of the situation is that the Government has been advised that when Spain joins the European Economic Community the distinction in pensions which exist now as a result of these conditions in our legislation can no longer be applied to Spanish nationals because Spanish nationals will then come under the requirements of Regulation 1408. My question is, if the fact that they come under the requirements of 1408 means that this cannot be applied to them it must be because this is in conflict with 1408. If this is not in conflict with 1408 for the other 300 million Europeans, can the Hon Member explain why it will be in conflict for the Spaniards and has to be changed for them?

HON DR R G VALARINO:

Mr Speaker, I think what the Hon Member is trying to establish is whether there is any point in retaining these conditions after Spanish accession.

HON J BOSSANO:

No, Mr Speaker, not whether there is any point. Will the Government be able to retain these conditions or will it be in conflict with Community law?

HON ATTORNEY-GENERAL:

The way I am advised is that these conditions are not in conflict with Community law. To get the higher benefit you require a higher rate of contributions, a longer rate of contributions.

MR SPEAKER:

With respect, I think we are groping, perhaps the Hon and Learned Attorney-General would like to give it some thought and at a later stage perhaps give us an answer if there is one. I think we are just trying at this particular stage to gauge what the position is without having the full knowledge.

HON J BOSSANO:

Could I ask one more question, if you will allow me, Mr Speaker? Can the Hon Member then explain, if he has just said that this is not in conflict with Community law and that it is possible to have a requirement that a higher rate of contribution should be made in order to obtain a higher benefit, on what grounds has Government been advised that the pensions will have to be increased to the higher rate for Spanish nationals on accession to the EEC, on what grounds, as stated in previous answers to previous questions, Mr Speaker, this is not the first time we have raised this.

HON ATTORNEY-GENERAL:

Obviously, I will have to look into it, Mr Speaker.

MR SPEAKER:

Next question.

NO. 19 OF 1985

ORAL

THE HON R MOR

How many married women or widows had exercised the option not to pay Social Insurance contributions at 31 December, 1984?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, in order to provide the required information<sup>it</sup> is necessary to examine individual folios, dating back to 1980 in respect of widows and to 1955 in respect of married women. It has not been possible in the short time available to obtain this information. I will make it available to the Hon Member as soon as possible.

NO. 20 OF 1985

ORAL

THE HON R MOR

Can Government state the percentage interest earned per annum by the Social Insurance Fund, excluding the £1.25 million borrowed by Government, since 1980?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes Sir, for the five years commencing 1979-80 and ending 1983-84 the interest earned has been as follows: -

1979-80	18.18%
1980-81	18.82%
1981-82	15.31%
1982-83	14.18%
1983-84	11.45%

SUPPLEMENTARY TO QUESTION NO. 20 OF 1985

HON R MOR:

Mr Speaker, in view of the fact that the Fund has been gaining only about 16%, 17% or 18%, does Government not accept that they are paying interest at a very reduced rate by paying 12½% only on the amount they have borrowed from the Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, I didn't quite catch the Hon Member's question.

HON R MOR:

Mr Speaker, I will clarify this for the Hon Member. The Government pays interest at a rate of 12½% on the £1.25m that they have borrowed from the Fund.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think the Hon Member means invested by the Fund in Government debentures, am I right?

HON R MOR:

Yes.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think the point here is that a comparison of interest only ignores the element of capital appreciation or depreciation in

gilt edged stocks held by the Fund over that period which has fluctuated between minus 17% and plus 9%. The gilt edged stocks held by the Fund are actively managed by the Crown Agents which is to say that they are sold and bought frequently in accordance with the commercial advantage as seen by the Crown Agents at the time. It is necessary to take both the element of capital appreciation or depreciation and the interest into account to determine the yield of the stocks, the yield from investment in gilt edged, and the yield over the period in question has varied from plus 1% to plus 23% and, in fact, averaged at a figure just under 15% per annum so I think that is probably a truer reflection of the performance of the gilt edged stocks in the Fund. It is true that that figure is still higher than the 12½% which is the flat rate yield from the investment in Government debentures but I think one must consider this, that in 1980 when the investments in 12½% Government debentures was made, the redemption yield on 15 years gilt edged stocks was in fact 12½% so that decision was therefore correct at the time.

HON R MOR:

Mr Speaker, the Government in fact is accepting then that if that money had not been borrowed by the Government the yield to the Social Insurance Fund would have been greater?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I would answer that by saying that if interest rates were to turn down in the near future it could be argued that the Social Insurance had received very favourable treatment as a result of the investment in debentures. The advantages conferred by hindsight, Mr Speaker, are nowhere more spectacular nor more illusory than in the field of investment.

MR SPEAKER:

Next question.

NO. 21 OF 1985

ORAL

THE HON R MOR

Does compensation for loss of earnings in the form of redundancy pay disqualify those in receipt from entitlement to unemployment benefit for the period equivalent to the number of weeks pay represented by the payments?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, a person is not entitled to unemployment benefit in respect of any period for which he has received compensation for loss of earnings.

SUPPLEMENTARY TO QUESTION NO. 21 OF 1985

HON R MOR:

What the Hon Member is saying then is that if you get redundancy compensation you are not entitled at all to unemployment benefit?

HON DR R G VALARINO:

Mr Speaker, let me clear up this point. Payments in lieu of wages or salary is not a redundancy payment. One is compensation for loss of earnings and the other compensation for loss of employment. However, it is often the case in a redundancy situation that an employee may receive compensation in both respects.

HON R MOR:

So what the Hon Member is saying, in fact, is that unemployment benefit would be kept from being paid for the period equivalent to the number of weeks pay represented by the payments?

HON DR R G VALARINO:

Yes, Sir.

HON J BOSSANO:

Mr Speaker, if a person is given compensation for being made redundant, how does the Government distinguish whether that is compensation for the loss of the employment or compensation for the loss of the earnings?

HON DR R G VALARINO:

Sir, if I may refer to the relevant Section which is (a) to (e) and reads and follows: "For the purposes of the provisions of



this Ordinance relating to unemployment benefit, a person whose employment has terminated shall not be deemed to be unemployed on any day on or in respect of which he has received any earnings or any compensation for the loss of and which is substantial equivalent to the earnings he would have received if the employment had not been terminated".

HON J BOSSANO:

I am aware of what the Section says, Mr Speaker, and what I am asking the Hon Member is how does his Department arrive at the conclusion that a lump sum paid to somebody on termination of employment is compensation for loss of earnings and not compensation for loss of employment?

HON DR R G VALARINO:

Mr Speaker, Sir, obviously the Department is notified and therefore we get the answer as to whether it is compensation for loss of salary or for loss of employment.

HON J BOSSANO:

So is the Hon Member then saying that they do it on the basis of a statement made by the employer?

MR SPEAKER:

No, I think the Minister is not entitled to answer because I feel sure that this is an administrative exercise carried out by the particular civil servant and I am sure it is related to the particular circumstances of each case.

HON J BOSSANO:

The Hon Member has said that if a payment is made as a result of redundancy and that payment is in respect of loss of earnings then it deprives the recipient of unemployment benefit.

MR SPEAKER:

And you have asked how does the Department come to the conclusion as to whether this payment is by way of redundancy or salary and I am saying that that decision must be basically an administrative one.

HON J BOSSANO:

But surely, Mr Speaker, it is a matter of information which we are seeking. Why have questions if we cannot be provided with information?

MR SPEAKER:

No, with respect, you are getting the information. What I am trying to tell you is that this is a matter which must be dealt with administratively in the light of the particular circumstances of the particular person who is unemployed and who has received the benefits.

HON J BOSSANO:

Mr Speaker, can the Government say whether there are any rules for deciding whether it is one or the other?

HON DR R G VALARINO:

No, Sir.

HON J BOSSANO:

So it is a purely arbitrary decision. In one case the Department may decide that it is for loss of earnings in which case the person doesn't get unemployment benefit and in another set of circumstances the Department may decide that it is compensation for the loss of a job in which case the person does get unemployment benefit, that is the situation is it?

HON DR R G VALARINO:

Mr Speaker, Sir, usually the person in question is told in writing whether it is loss of employment or loss of earnings and this is what the Department goes by. It is basically an administrative matter but I cannot see the relevance of the Hon Member's question.

MR SPEAKER:

Perhaps the Hon Leader of the Opposition may wish to ask whether there is a right of appeal against that decision, that is another matter.

HON J BOSSANO:

No, Mr Speaker, apart from the question of any right of appeal which, in fact, there isn't, what I am trying to establish is how the Government operates the Unemployment Benefit Scheme. If they have a situation where somebody becomes unemployed through having lost his job as a result of redundancy, does the Department have rules which determine when the person can claim unemployment benefit or not, given that they have been paid a sum of money on termination of employment and if they have those rules, what are they?

HON DR R G VALARINO:

On the first one, I must again say that we are told whether it is loss of earnings or loss of employment. It is also of value to know that redundancy payments are free of income tax but compensation for loss of earnings is taxable because obviously this is taken as if the individual is carrying on working.

HON J BOSSANO:

Is it then accepted by the Department that if an employer says that this is compensation for loss of employment that is accepted by the Department?

HON DR R G VALARINO:

Mr Speaker, nothing is accepted by the Department at face value, we investigate any cases that arise and therefore we try to make sure that the information that we obtain from the relevant source is the right one.

MR SPEAKER:

Next question.

NO. 22 OF 1985

ORAL

THE HON R MOR

What is the means test applied to the granting of supplementary benefits and how is it conducted?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, as stated in reply to Question No. 54 of 1984 various factors are taken into account before an award is made eg current earnings, income, capital assets, family composition etc. I am circulating the relevant information to Hon Members regarding the means test applied.

SUPPLEMENTARY TO QUESTION NO. 22 OF 1985

HON J BOSSANO:

Mr Speaker, since the repeal of the elderly persons pension and the non-contributory pension, can the Hon Member say whether people who were in receipt previously of these pensions are now getting supplementary benefits?

HON DR R G VALARINO:

Mr Speaker, Sir, the repeal of the EPP was basically a legal adjustment so that they came out from one side and were paid out of the other therefore they come under the social security benefits which comes out of the Consolidated Fund. They will get that money exactly the same as if they were in the other category. Whether certain individuals also claim supplementary benefits or not, the same procedure will continue except that they have been moved from the social security scheme to outside the social security scheme.

HON J BOSSANO:

But my question, Mr Speaker, is, is the money that is being paid to previous recipients of elderly persons pension supplementary benefits or not and if it is not, what is it?

HON DR R G VALARINO:

It is supplementary benefits.

HON J BOSSANO:

Then are these supplementary benefits means tested according to the criteria that the Hon Member is circulating?

HON DR R G VALARINO:

The EPP or the EPP in brackets, no, Sir.

HON J BOSSANO:

Well, I don't know about the brackets, Mr Speaker, this seems to be a new idea of the Government to produce things in brackets. Is the situation then, Mr Speaker, that there are two kinds of supplementary benefits, one that is not means tested and one that is means tested?

HON DR R G VALARINO:

Yes, Sir.

HON J BOSSANO:

Mr Speaker, how does the Government distinguish between eligibility for non-means tested supplementary benefits and eligibility for means tested supplementary benefits?

HON DR R G VALARINO:

Well, Sir, on the general principle of supplementary benefits I have answered the question. The two aspects that we are taking out of the social security and have now been put on the Consolidated Fund, they will remain the same and they will rise by whatever percentage at the end of the year so there is no means test there.

HON J BOSSANO:

Mr Speaker, that is not the question I have asked the Hon Member. Can the Hon Member say how does he distinguish between eligibility for non-means tested supplementary benefits and means tested supplementary benefits?

HON DR R G VALARINO:

Age, Sir.

HON J BOSSANO:

So the situation is, Mr Speaker, that somebody claiming supplementary benefits will have his income and other circumstances looked into until he reaches a certain age and at that point he will stop having his circumstances looked into and you are going to have a situation where somebody slightly younger but with a lower income is refused assistance by his Department which is granted to somebody slightly older but with a very substantial income, that is the position?

HON DR R G VALARINO:

Mr Speaker, Sir, this is all supposition.

HON J BOSSANO:

Yes or no?

HON DR R G VALARINO:

He is just illustrating a case which.....

MR SPEAKER:

Which comes within the provisions of the Ordinance.

HON DR R G VALARINO:

The Department will look into it and provide the Hon Member with the information. This is the obvious answer.

HON J BOSSANO:

No, Mr Speaker, it is not the obvious answer, it is the obvious non-answer and I am asking for answers. Can the Hon Member tell me if he has just said that eligibility to non-means tested supplementary benefits is age, whether it follows from that that somebody seeking supplementary benefits will be tested for his income below a certain age and can be denied that as a result of the means test, whereas someone else above a certain age with a higher income will be granted it? Does that follow from his answer or not?

HON DR R G VALARINO:

Mr Speaker, Sir, we moved the EPP from one section to another so as to safeguard the rights of those individuals. As far as the social security aspect is concerned, we have got the safeguard of those individuals who were receiving EPP. The social security aspect will then come into it as far as the Department is concerned and as far as the means test is then concerned but we have safeguarded the interests of those members who used to get EPP, therefore they could well be in excess of the EPP plus social security benefits.

HON J BOSSANO:

Is the Hon Member saying that there is a special category of people who are the only ones who can claim this who are the people who until the end of last year were receiving elderly persons pension?

HON DR R G VALARINO:

Yes.

HON J BOSSANO:

Well, if the answer is yes, Mr Speaker, then is it true to say that people reaching the same age group from now on who were not getting elderly persons pension because elderly persons pension no longer exists, will not be able to claim supplementary benefits because they will be means tested?

HON CHIEF MINISTER:

The rights of applicants have been safeguarded.

HON J BOSSANO:

Therefore does it not follow, Mr Speaker, that the supplementary benefits scheme has now got a new rule in it which says that after a certain age means tests do not apply?

HON DR R G VALARINO:

That is right, yes.

MR SPEAKER:

Next question.

NO. 23 OF 1985

ORAL

THE HON R MOR

Under the authority of which law are payments from public funds made to claimants of supplementary benefits?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, payments under the Supplementary Benefits Scheme are made from the Consolidated Fund. The expenditure is voted by the House in the course of the consideration of the annual estimates of expenditure and the legal authority to spend the money so voted is contained in the relevant Appropriation Ordinance.

SUPPLEMENTARY TO QUESTION NO. 23 OF 1985

HON R MOR:

Is the Hon Member saying that in fact there is no law?

MR SPEAKER:

No, it is authorised by the House.

HON J BOSSANO:

Is it not the case that what the House authorises is a certain total amount of money which is what is estimated it will cost but that in fact there is no law as to what the level of payment should be or who the payments should go to?

HON CHIEF MINISTER:

It is not statutory.

HON J BOSSANO:

Is the Hon Member saying that once the House votes the sum of money in the estimates the Government then administratively can choose to distribute that money in whatever fashion they care?

HON DR R G VALARINO:

There is an administrative scheme whereby once the money is voted the administrative scheme comes into effect and the various factors are considered and the protection of certain pensioners like the EPP, are taken into account.

HON J BOSSANO:

Mr Speaker, if the House voted at the beginning of this financial



year a sum of money for the payment of supplementary benefits based on criteria which the Hon Member has mentioned which makes payment of public funds to people conditional on their circumstances and before the end of the financial year the Government has now reformed the scheme to say that people above a certain age will get payment of public funds irrespective of their economic circumstances, is the Government then saying that once the House has voted the sum of money they can then administratively change the rules and pay that money to whoever they want in whatever quantities they want, is that what the Government is saying?

MR SPEAKER:

If you haven't got the answer you haven't got the answer but we must not delay the proceedings of the House.

HON DR R G VALARINO:

Sir, the scheme is there, it is basically an administrative scheme. I realise what the Hon Member is getting at that the split has happened in December, therefore the money already voted in the budget will cover certain things but this is a scheme which the Department runs and out of this money <sup>the money</sup> entailed for all the social benefits scheme will come out of it. We may have to vire but the money will remain the same.

HON J BOSSANO:

Mr Speaker, I am not asking about the cost of the scheme. What I am asking, Mr Speaker, and what I would like to have an answer to is is it true, from the answers that the Government has already given, that having voted a sum of money for the payment of supplementary benefits at the beginning of this financial year, the Government can now come along and introduce into the way they administer the money whatever rules they wish like they are doing now apparently since the beginning of January to make payments to people of a certain age group not means tested, whereas payments to people in another age group are means tested.

MR SPEAKER:

With respect, the answer must be yes.

HON J BOSSANO:

I think the answer must be yes but I would like to hear the yes, Mr Speaker, from them not from you, this is the problem, and therefore I am asking does that follow, yes or no?

HON A J CANEPA:

I don't doubt, Mr Speaker, that the answer is yes because something happened in reverse between 1976 and 1978 when we were reducing the age of eligibility for elderly persons pension from 75 down to 65 and in the process of doing that over a period of two years we were, in fact, taking people out of the supplementary benefits scheme and paying them elderly persons pension instead and part of the money to finance that had already been voted under supplementary benefits and was vired from the Supplementary Benefits Head to the Elderly Persons Pension Head.

HON J BOSSANO:

Mr Speaker, I do not think the Hon Member understands what I am getting at at all. I am not questioning the cost of the scheme, what I am questioning is the legitimacy of the system that is being operated which, Mr Speaker, we questioned when the Government decided to repeal the Ordinance in question and I am saying, if the only authority for the payment of sums of money to individuals out of public funds is the authority of the House voting the money at the beginning of the year, what is happening now is that having voted a certain amount of money in the estimates this year which was being distributed by the application of a means test to establish need, the Government now has changed the rules and they tell us that they can do that without the authority of any law simply on the authority of the Appropriation Ordinance. I am saying does it follow from that that once we vote the money for supplementary benefits the Government can introduce any rules like they are doing one on age or any other criteria and distribute public funds to whoever they like however they like, is that the legal position?

HON A J CANEPA:

I have no doubt that that is the case. It is an administrative scheme and the conditions have been changed over the years from time to time by decisions taken by Council of Ministers so I think we could go to the extreme that the Hon Member is suggesting. In practice I do not think that that would happen, I think the Government would always be guided in changing the conditions by certain reasonable criteria.

MR SPEAKER:

Next question.

NO. 24 OF 1985

ORAL

THE HON J BOSSANO

Are Foreign Nationals whose families reside with them in Gibraltar currently eligible for family allowance?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, foreign nationals whose families reside with them in Gibraltar are currently eligible for family allowances.

Those who are EEC Nationals are subject to a qualifying period of residence of six months and non-EEC Nationals are subject to a two year qualifying period.

SUPPLEMENTARY TO QUESTION NO. 24 OF 1985

HON J BOSSANO:

Does it follow then, Mr Speaker, that Spanish nationals obviously currently in Gibraltar are eligible for family allowance if their dependents are resident with them?

HON DR R G VALARINO:

With respect, Sir, I think that is the next question.

HON J BOSSANO:

I am asking about Spanish nationals who are not EEC nationals which is what the next question is. It follows then that Spanish nationals currently are entitled and are able to obtain family allowance?

HON DR R G VALARINO:

Yes.

HON J BOSSANO:

Provided they have resided for two years out of the last three and the Hon Member is saying that the rules for EEC nationals are different?

HON DR R G VALARINO:

Yes.

MR SPEAKER:

Next question.

NO. 25 OF 1985

ORAL

THE HON R MOR

Can Government confirm whether under current legislation EEC nationals can claim Family Allowance for dependent children who are resident in another EEC state?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Yes Sir. Under current legislation EEC nationals can claim Family Allowance for dependent children who are resident in another EEC state.

SUPPLEMENTARY TO QUESTION NO. 25 OF 1985

HON J BOSSANO:

Mr Speaker, is the Minister aware that his Department, in fact, has not been operating on that basis and that people have been refused family allowances on the basis that their children are not here although they have been resident in another EEC state?

HON DR R G VALARINO:

Mr Speaker, as far as I know we have had no applications from any EEC nationals to that respect, this is the information I have been given.

MR SPEAKER:

Next question.

NO. 26 OF 1985

ORAL

THE HON J L BALDACHINO

Can Government confirm that the inspection of North Gorge Buildings has now been carried out as promised in answer to Question No. 17 of 1984?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Mr Speaker, in the handing over of Ministries following the Ministerial reshuffle after the General Election this item was inadvertently missed. I have already made arrangements for the structural survey to be carried out.

SUPPLEMENTARY TO QUESTION NO. 26 OF 1985

HON J L BALDACHINO:

Mr Speaker, once the Hon Member has got the results of such an inspection will he let this side of the House know?

HON MAJOR F J DELLIPIANI:

I have no objections to doing that, Mr Speaker.

MR SPEAKER:

Next question.

NO. 27 OF 1985

ORAL

THE HON J C PEREZ

How many of the repairs which Government undertook to carry out in reply to Question No. 14 of 1984 related to the North Gorge have now been completed?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Mr Speaker, since 13 March, 1984, when this question was raised, 86 different items of minor and recurrent defects have been repaired. Additionally the roof of Block A was renewed and completed in November 1984.

SUPPLEMENTARY TO QUESTION NO. 27 OF 1985

HON J C PEREZ:

Do those repairs include extensions to the toilets and washing facilities?

HON MAJOR F J DELLIPIANI:

I am not in a position to answer that question at this moment, Sir. That is a specific question which I am not able to answer.

HON J C PEREZ:

Is the Hon Member satisfied that no further works are required at present?

HON MAJOR F J DELLIPIANI:

I am never satisfied, Mr Speaker.

HON J L BALDACHINO:

Seeing that the Hon Member was Minister for Housing before and he stated that probably people living in the North Gorge buildings will be there for twenty years, which was the answer he gave, doesn't he think that something should be done to the surroundings of the building.

HON MAJOR F J DELLIPIANI:

Mr Speaker, I did not get the last part of the question.

MR SPEAKER:

That something should be done to the surrounding of the building, is that right?

HON J L BALDACHINO:

I am not talking about the building itself I am talking about the grounds which have not been resurfaced. Doesn't the Hon Member think that something should be done about that?

HON MAJOR F J DELLIPIANI:

Yes, Mr Speaker.

HON J L BALDACHINO:

Yes, that he thinks something should be done or yes, that he will look into it and something will be carried out?

HON MAJOR F J DELLIPIANI:

I said Mr Speaker, that yes something should be done but whether I have the funds to do it is another matter.

MR SPEAKER:

Next question.

NO. 28 OF 1985

ORAL

THE HON J C PEREZ

Can Government confirm that there has been a delay in the commencement of works in relation to the external cladding of the Tower Blocks, and if so, why?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Mr Speaker, there is really no delay in the commencement of work at Constitution House. The tender was awarded in mid-August 1984 and it was only after that date that the Contractor could place the necessary materials and plant an order. Preliminary work is about to commence on site today and the bulk of the materials will be arriving later this month.



NO. 29 OF 1985

ORAL

THE HON J C PEREZ

Can Government confirm whether they have made any claim in respect of delay or damage on the company responsible for the installation and construction of the new desalination plant at Waterport?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Mr Speaker, Government is actively pursuing the application of liquidated damages in respect of delays in completion in the construction of the new desalination plant at Waterport.

NO. 30 OF 1985

ORAL

THE HON J C PEREZ

Can Government specify in respect of what they have had to meet a claim by Metalrock Ltd in connection with the distillers?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

No, Sir, no claim has been received from Metalrock Ltd in connection with the distillers.

SUPPLEMENTARY TO QUESTION NO. 30 OF 1985

HON J C PEREZ:

Mr Speaker, if I may refer the Hon Member to the Statement of Re-allocations approved by the Financial and Development Secretary which has been laid on the table today where under Head 20 - Public Works, head 52 - Distillers, there is an amount of £13,000 to meet claims against the Government by Metalrock Ltd.

HON MAJOR F J DELLIPIANI:

Mr Speaker, I still say, no, Sir, no claim has been received from Metalrock Ltd in connection with the distillers.

MR SPEAKER:

What you are being told is that whatever else they have had no claim.

HON J C PEREZ:

If it isn't in connection with the distillers can the Hon Member confirm that there has been a claim in connection with something else notwithstanding that it is coming out from subhead 52 - Distillers?

HON MAJOR F J DELLIPIANI:

Yes, Mr Speaker, but not with the distillers. Following a fire in Metalrock scrapyard on the 31st October, 1982, Metalrock raised a claim on the Government for damage to their property within their premises. They alleged that the fire was caused by the negligence of Government employees who had lit an open fire at the incinerator which is adjacent to their premises. The matter is in the hands of the Attorney-General.

HON J C PEREZ:

Mr Speaker, is it not a fact that the claim has already been met

and that that is why the sum of £13,000 has been re-allocated?

HON MAJOR F J DELLIPIANI:

No, Mr Speaker, this is a legal term on which I am not an expert. A payment of £13,000 has been made into court.

HON J C PEREZ:

Can the Hon Member explain why it is being charged to subhead 52 - Distillers, if it has to do with the incinerator?

HON MAJOR F J DELLIPIANI:

I only follow instructions as to where to vire money.

MR SPEAKER:

Next question.

NO. 31 OF 1985

ORAL

THE HON J E PILCHER

Is Government aware of the extent of vandalism in the Upper Rock and the effect that this is having on tourism?

ANSWERTHE HON MINISTER FOR TOURISM

Mr Speaker, yes, Government is aware of the extent of vandalism in the Upper Rock. The Public Works Department have a special gang consisting of a Works Supervisor, a Mason and five Labourers to deal with the Upper Rock area. This gang endeavours to correct promptly all cases of vandalism in the area wherever these are identified. Over £25,000 will be spent on the upkeep of the Upper Rock area in the financial year 1984/85.

The Tourism Environment Committee has submitted recommendations to the Tourism Consultative Board, which will be considered at the latter's next meeting. These include proposals for the beautification of the Upper Rock, replanting of vandalised trees and provision of adequate signposting in the area.

SUPPLEMENTARY TO QUESTION NO. 31 OF 1985

HON J E PILCHER:

Mr Speaker, in answer to Question No. 148 of 1984, the Minister for Tourism said that a survey had been carried out and that there would be improvement on signposting and other areas, in fact, he has now gone further saying that a sum of £25,000 will now be spent in beautifying the Upper Rock. If he is aware of the vandalism that is occurring in the Upper Rock, surely what has to be done is do something about the vandalism first because I know that the Tourist Office is at the moment undertaking improvements in the Upper Rock but if there is this level of vandalism how long will it take for the signposts to be knocked down and posters to be destroyed and replanted trees to be destroyed, surely, the first step should be to try and curtail the vandalism and then move from there?

HON H J ZAMMITT:

Mr Speaker, I would agree with the Hon Member. I can say that the Police do carry out regular patrols of that area and, of course, any offenders would be prosecuted if caught or detected. It is a difficult area purely because one is almost convinced that the vandalism is taking place during the early hours of the morning or very late hours at night and the Police are doing their utmost to keep vandalism down to its minimum. As to the

question of looking at what we can do to avoid a repetition of this, that of course, is why the matter is being looked at thoroughly to have signposts that are not either flimsy enough to be destroyed with ease or we hope that the number of people in the area will make it more difficult for vandals to get away with what they are doing at present. We are very actively engaged, Mr Speaker, in trying to keep it down to its minimum.

MR SPEAKER:

Next question.

NO. 32 OF 1985

ORAL

THE HON J E PILCHER

Can the Government state whether they have requested the United Kingdom Government to match the £300,000 of local funds allocated to tourism and if so, with what result?

ANSWERTHE HON THE MINISTER FOR TOURISM

Answered together with Question No. 33 of 1985.

NO. 33 OF 1985

ORAL

THE HON J E PILCHER

Can Government state whether the Consultative Committee on Tourism has now submitted their recommendations and whether the Government are now in a position to proceed with them?

ANSWERTHE HON THE MINISTER FOR TOURISM

Sir, under paragraph 4(3) of its Constitution, the Tourism Consultative Board is charged with making recommendations to the Government, through me, on proposals put to the Board by the various Tourism Committees. Reports of two of the four Committees were circulated to members of the Board on 30 November, 1984, and the reports of the other two Committees were circulated on 7 January, 1985. Members of the Board were given notice, on the latter date, that all four reports would be placed on the agenda for a meeting of the Board to be held on 12 February, 1985. In order to facilitate discussion of the reports, members were asked to send in their comments to the Department by 29 January, 1985.

Once the Board has considered the reports of the four committees it will make its own recommendations across the whole spectrum of the matters dealt with by the Committees and may also put forward additional proposals of its own. The Board will indicate the priorities which it considers should be established.

The Government will then consider the Board's recommendations, decide the priorities, and establish the cost of those which it decides should be dealt with in the short, medium and long term. The Government will then also decide the extent of the local funds that can be made available as well as the extent to which it will be necessary to approach the British Government for assistance in implementing the proposals in order to improve the tourism product.

I should like to take this opportunity to thank the Chairman and members of the Tourism Committees who have devoted an extraordinary amount of time and effort to their very difficult tasks. As everyone knows from the internal Public Relations campaign which we carried out in September last year, it was my hope that the whole of Gibraltar would work together in the common aim of making Gibraltar a real tourist resort. This continues to be my hope, particularly in the light of the opportunities presented by an open frontier. It is certainly the case that all those concerned in the Tourism Committee have done an excellent job. I hope the House will join me in paying them tribute for this as well as in the hope that everyone else in Gibraltar will follow their example in the different ways open to them.

SUPPLEMENTARY TO QUESTIONS NOS. 32 AND 33 OF 1985

HON J E PILCHER:

I thank the Hon Member for his public relations exercise. I take it that in the first instance in Question No. 32 the answer was a simple no, the Government has still not approached the UK Government for a matching of the local funds allocated and this will not happen until the Consultative Committee meets and decides on the priorities that the Government should give to matters pertaining to tourism, that is the answer to the first question?

HON H J ZAMMITT:

That is so, Sir.

HON J E PILCHER:

And on Question No. 33 the answer again is; we will not know what the recommendations of this Committee are until the 12th February when the Consultative Committee meets.

HON M A FEETHAM:

Is the Hon Member opposite saying that they will not proceed in requesting an equivalent amount from the British Government until they know the decision that the Government in consultation with the Board has taken, is that what he is saying?

HON H J ZAMMITT:

I don't think it is equivalent, we may be asking for more. The question Mr Speaker, is that we have to wait for the priorities to be laid out (a) by the Committees, (b) by the Consultative Board, (c) by Government. It is when one evaluates the three priorities and I hope that the three bodies can agree to the priorities then, of course, once costed, one would have to see what we could find from our own resources and what, if required, should we ask Britain to assist us. It could well mean that we might be asking for treble the amount, I don't know, it is entirely up to whatever priorities we all agree we should achieve.

HON J BOSSANO:

May I ask the Hon Member, when he is talking about seeking UK money for tourism which may be as much or more than the £300,000, am I right in thinking that this is from the unexpired or unused balance of the £13m?

HON H J ZAMMITT:

Mr Speaker, I would say, no, I think it should be a special



presentation to ODA because of the changed circumstances but it is a matter, of course, for the financial experts to sort out.

HON J BOSSANO:

Didn't the Government when they announced that they were putting £300,000 of local funds and would be seeking an equivalent amount from UK, say at the time that this was the sort of money that was still left unallocated out of the £13m?

HON H J ZAMMITT:

No, Mr Speaker, I think the Hon Member is slightly confused. In fact, the Hon Member picked up that we were going to use that money from something which was not recurrent but, possibly, of course, he must not forget that this money goes back to September, I think it was in the September meeting that we voted the £300,000 and of course there are changed circumstances now.

HON J BOSSANO:

No, I mean before the meeting of December when the House voted the money, Mr Speaker. Didn't the Government when they originally announced after the Pitaluga Report had been accepted in principle, that they were going to provide funds, didn't they announce then that they were proposing to use £300,000 of their own money from the I & D and that they hoped to use an equivalent amount of money from ODA which I think the Financial and Development Secretary at the time said was about the amount that was still unallocated for any specific project?

MR SPEAKER:

Next question.

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HON H J ZAMMITT:

Mr Speaker, I have some additional information with regard to Question No.33. It is true that the Chief Minister in the June meeting did mention the fact that we were thinking of seeking the British Government's approval to use part of the residue from the uncommitted development programme. That, in fact, was the original intention but on reconsideration, Mr Speaker, it was thought preferable to await the outcome of the study of our various Committees and their recommendations rather than appear to pre-empt them by committing money without knowing what their priorities would be.

NO. 34 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

Can Government state what specialised training has been provided to the craftsmen responsible for the maintenance of the hospital since 1982 and whether they are now in a position to be sent for further training to the UK?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, in order to improve the service to the hospital, craftsmen have now been integrated into the Public Works Department Electrical Section. The plan envisages specialised training for the staff concerned and ways and means of doing this are currently under consideration.

SUPPLEMENTARY TO QUESTION NO. 34 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, the Government in 1982 said that two industrials would be sent to the UK for specialised training. Do they still intend to do this?

HON M K FEATHERSTONE:

That will be for the Electrical Section of the Public Works Department and the Public Works Department to decide.

HON J BOSSANO:

Mr Speaker, the Minister made a statement here saying in 1982 that this was going to happen. Is it still the policy to do that or has the policy been changed since 1982?

HON M K FEATHERSTONE:

As I have said the craftsmen have now been integrated into the Public Works Department and they will see whether they consider that the training they can get here in Gibraltar is adequate or whether they need to go to UK for specialised training.

HON J BOSSANO:

Mr Speaker, didn't the Hon Member in 1982 announce, in answer to a question, that the local training was starting then in 1982. Normally three years is enough for an apprenticeship, has the training been going on continuously since 1982?

HON M K FEATHERSTONE:

I didn't announce it, Sir, whether my predecessor did or not I am not in a position to state. The thing is that this must be a flexible system and the system that they have envisaged as the best system is for the people to be integrated into the Public Works Department and to carry on from there.

HON J BOSSANO:

Has training been going on since 1982 or not?

HON M K FEATHERSTONE:

I should imagine since they have been in the Public Works Department they have been receiving some measure of training, yes.

HON J BOSSANO:

Mr Speaker, hasn't the Electrical Section always been a part of the Public Works Department?

HON M K FEATHERSTONE:

No, I understand there were two people specialised in the hospital who were industrial employees of the hospital staff and now they are integrated into the Public Works Department.

HON J BOSSANO:

Mr Speaker, I think the Hon Member is mistaken. Will the Hon Member confirm that in fact the post that was previously shown in the estimates of the Medical Department that is now shown in the estimates of the Public Works, was the post of PTO IV and not of industrials? Will the Hon Member look into what training has gone on since 1982?

HON M K FEATHERSTONE:

Yes, Sir.

MR SPEAKER:

Next question.

NO. 35 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

Has the question of obtaining recognition for Gibraltar Nursing qualifications now been referred to the Council of Ministers for consideration?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir. The comprehensive study mentioned in my reply to the Hon Member's question No. 159/84 of the 30 October 1984, has not yet been completed. It is expected that the matter will be referred to Council of Ministers shortly.

NO. 36 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

Can Government state what is the current position regarding provision of improved changing-room facilities for nurses at St Bernard's Hospital?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, I am pleased to inform the Hon Member that the reprovisioning of changing-room facilities for nursing staff at St Bernard's Hospital has now been completed.

NO. 37 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

Is there an income limit below which senior citizens are exempted from the payment of the contribution to the Group Practice Medical Scheme?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, by virtue of Regulation 6A of the Group Practice Medical Scheme Regulations, persons whose income does not exceed an amount equivalent to the amount payable as Old Age Pension, can be exempted from the payment of contributions to the Group Practice Medical Scheme. This, in the main, applies to senior citizens.

SUPPLEMENTARY TO QUESTION NO. 37 OF 1985

HON J L BALDACHINO:

Mr Speaker, does that also include prescriptions?

HON M K FEATHERSTONE:

Yes.

HON J L BALDACHINO:

They don't have to make any payment towards that?

HON M K FEATHERSTONE:

No, Sir.

HON J BOSSANO:

Mr Speaker, the pension in question is the social security pension which is, in fact, non-taxable. Is the amount compared to that the net income or the income before any deductions?

HON M K FEATHERSTONE:

I think it must be the gross income.

MR SPEAKER:

Next question.

NO. 38 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

Has Government now taken a policy decision on whether the restriction imposed on dependents of Gibraltarians residing in Spain as regards their being covered by the Group Practice Medical Scheme is to be removed or not?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, there are no plans to relax the Government's policy regarding the categories of persons mentioned in the Hon Member's question.

SUPPLEMENTARY TO QUESTION NO. 38 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Government confirm whether this restriction is not, in fact, contrary to EEC Regulations?

HON M K FEATHERSTONE:

I am not sure that it is contrary.

HON J BOSSANO:

But if it is contrary it will have to be changed, presumably, Mr Speaker?

HON M K FEATHERSTONE:

If it is contrary it will have to be changed but I understand that it is not contrary.

HON J BOSSANO:

Does the Minister know whether the fact that it is not contrary at the moment may be by virtue of the fact that Spain is not yet a member of the EEC and that therefore residence in Spain at the moment is not residence within a Member State but that the EEC Rules would apply the moment of Spanish accession, is he aware of that distinction?

HON M K FEATHERSTONE:

I would have to seek advice on that question, Sir.

HON J L BALDACHINO:

Mr Speaker, then as I understand it as the law stands now for dependents and after we give the rights to Spanish nationals

which states that a resident of Spain if he comes into Gibraltar can be treated here in an emergency will that also apply to dependent Gibraltarians?

HON M K FEATHERSTONE:

A resident of Spain if he comes into Gibraltar and is treated as an emergency would be charged for that treatment unless there is a reciprocal agreement with Spain that a resident of Gibraltar who was treated as an emergency in Spain would not be charged.

HON J L BALDACHINO:

So that will apply equally to dependents of Gibraltarians living in Spain?

HON M K FEATHERSTONE:

Yes.

HON J BOSSANO:

If it is a question of a bilateral reciprocal agreement, what is the position of other EEC nationals in that respect?

HON M K FEATHERSTONE:

If they have a form E111 then they are treated free, otherwise they have to pay.

HON J BOSSANO:

And does a dependent of a Gibraltarian who is residing in Spain have to obtain a form E111 to be treated in his own home town, Mr Speaker?

HON M K FEATHERSTONE:

If he is residing in Spain Gibraltar is not his home town.

HON J BOSSANO:

Well, perhaps, the Hon Member will agree with me that if they provided more houses there would be less people in the neighbouring territory and more in their home town. But is it, in fact, Government policy that a Gibraltarian who finds himself living in Spain and working in Gibraltar will not get emergency treatment for his family unless he obtains a form E111 from the Spanish authorities?

HON M K FEATHERSTONE:

Emergency treatment, that is the position, yes, Sir.



HON J BOSSANO:

And I am asking is it Government policy that Gibraltarian dependents will be treated the same as other EEC nationals and will have therefore to obtain a form E111 from Spanish authorities in order to get treatment in Gibraltar, is that the policy?

HON M K FEATHERSTONE:

In order to get emergency treatment. To be treated under the normal system then they are not included in the scheme.

HON J BOSSANO:

I accept that but in order to get emergency treatment which will be available to other nationals, does the Gibraltarian have to get a form E111 from Spanish authorities, that is my question?

HON M K FEATHERSTONE:

That would apparently be the system, yes, Sir.

HON J BOSSANO:

And that is the government policy? Government thinks that is the right thing to do?

HON M K FEATHERSTONE:

We will look at that, Sir.

HON J L BALDACHINO:

Mr Speaker, just one question because I am not too sure about one of the answers. Subject to agreement between Gibraltar and Spain on medical facilities and if there is a different agreement that according to the law exists now in relation to Spanish nationals, will Gibraltarian dependents living in Spain be treated equally as a Spanish national in that respect?

HON M K FEATHERSTONE:

I think there seems to be some misapprehension on this matter. A Spaniard normally resident in Spain will not be entitled to come to Gibraltar even under EEC Regulations for medical treatment. Only if he is in Gibraltar and as a result of an accident or an emergency he falls sick, then he will be entitled to treatment. For such treatment he would have to pay unless there is a bilateral agreement under which Gibraltarians in the same situation in Spain will be treated free of charge.

MR SPEAKER:

In other words, reciprocal, and the same will apply to Gibraltarians in Spain.

HON J L BALDACHINO:

So Gibraltarians will be treated the same as Spanish nationals in that respect?

HON M K FEATHERSTONE:

Yes.

HON J E PILCHER:

Mr Speaker, is not an EEC tourist allowed to go to the Health Centre for treatment if he falls sick in Gibraltar?

HON M K FEATHERSTONE:

If he has an E111.

HON J E PILCHER:

What happens if a Spaniard crosses the frontier with an E111 form, would he then be entitled to go to the Health Centre?

MR SPEAKER:

In an emergency yes. Next question.

NO. 39 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

Is Government now in a position to make an announcement regarding what is considered to be the optimum number of doctors to run the Group Practice Medical Scheme?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, I am not yet in a position to make any announcement regarding what is considered to be the optimum number of doctors needed to run the Group Practice Medical Scheme. The matter is being discussed with the doctors concerned, and these discussions have not been finalised.

SUPPLEMENTARY TO QUESTION NO. 39 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, in view that in October the Gibraltar Branch of the British Medical Association brought out a press release calling as a matter of urgency <sup>for</sup> an increase in doctors and because of the impending opening of the frontier, how much longer does the Minister think he requires?

HON M K FEATHERSTONE:

The discussions are rather complicated because obviously the doctors have one view which might be considered in some quarters to be exaggerated and the Government has another view and until the two are reconciled I cannot exactly say when it will be. I would hope, perhaps, within the next six weeks.

MR SPEAKER:

Next question.

NO. 40 OF 1985

ORAL

THE HON J C PEREZ

Can Government state when they will be in a position to bring to this House the necessary legislation to allow the Vehicle Testing Centre in Eastern Beach to become fully operational?

ANSWERTHE HON THE ATTORNEY-GENERAL

Mr Speaker, I am afraid that this legislation will have to await the appointment of a Law Draftsman. This legislation together with the legislation to grant pensions to part-timers and other important legislation have been held up by reason of the sheer volume of work in the Attorney-General's Chambers.

SUPPLEMENTARY TO QUESTION NO. 40 OF 1985

HON J C PEREZ:

Mr Speaker, did the Government not foresee since they were planning that the MOT Testing Centre would start operation in January, 1984, that the legislation needed to be prepared and did they not start preparing that legislation or why did they not start preparing that legislation as soon as the project went out to tender and construction began so that it would be ready in time?

HON ATTORNEY-GENERAL:

I believe a start was made on the legislation but it is not yet complete.

HON J C PEREZ:

Mr Speaker, can Government state when it is now intended that the MOT Test Centre will be fully operational since the Hon Member said in March last year that it would be in April last year and we are rapidly approaching April, 1985, and there is still no indication that it will be fully operational even a year later?

HON M K FEATHERSTONE:

It will not be operational until we have the relevant legislation.

HON J E PILCHER:

Mr Speaker, we have been told that the reason why the legislation is not ready is due to understaffing in the Attorney-General's office but how longer must Gibraltar wait for important legislation

because of understaffing, is the Government going to do something about the understaffing in the Attorney-General's office or not?

HON ATTORNEY-GENERAL:

We are hoping to interview somebody for the post of Law Draftsman after this House recesses, not today but when the session finishes.

HON J BOSSANO:

Mr Speaker, wouldn't the Government agree that if we have a situation where the Vehicle Testing Centre having been completed in September, 1983, continues for several more years without it being fully operational, it puts into question whether we need it at all? What exactly is it that we are missing out through the legislation not being ready?

HON CHIEF MINISTER:

The point is, if I may just intervene. First of all, the Centre is being used now for what there is provision in the law to do, instead of doing it in the way that was objected to by the Examiners quite rightly, we have a proper Centre with proper machinery but the full use of it will mean compulsory examination of motor cars and disqualifying them from being on the road. For that you cannot do it ultra vires, you cannot do it without authority. Members opposite were asking how we were paying money and saying under what law and we were trying to explain that it was through the Appropriation Ordinance. In this case until you have the legislation to make it compulsory it cannot work and I don't have to say the frustration that one has been through not now but Hon Members opposite, particularly the Leader of the Opposition who has been here longer, knows the frustration that we have been through due to lack of producing the necessary legislation. Ministers can take decisions that legislation be passed but it has to be done.

MR SPEAKER:

Next question.

NO. 41 OF 1985

ORAL

THE HON J L BALDACHINO

Mr Speaker, can the Minister for Housing state:

- (a) if there has been any change in the number of Government dwellings declared unfit for human habitation, and
- (b) if he has taken a decision to introduce in the Housing Allocation Scheme a mandatory pointage system for tenants living in such dwellings

as stated in answer to Question No. 68 of 1984?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

- (a) There are at present fifteen tenants in occupation of dwellings which although not actually declared to be unfit for human habitation, would be so declared in the Chief Environmental Health Officer's opinion by a Court of Summary Jurisdiction;
- (b) Although Clause 15 of the Housing Allocation Scheme states that additional pointage is awarded at the discretion of the Housing Allocation Committee to tenants living in such dwellings, it is in fact the standard practice to award such points to all applicants whose accommodation has been declared as unfit.

SUPPLEMENTARY TO QUESTION NO. 41 OF 1985

HON J L BALDACHINO:

Mr Speaker, can the Minister confirm that there are now five more families living in dwellings that could be declared unfit if it went to the Court than what it was when I asked Question No.68 of 1984?

HON M K FEATHERSTONE:

There are fifteen that we know of, I am not going to say that there won't be any more, there is a possibility, but I don't know of them myself personally.

HON J L BALDACHINO:

Mr Speaker, in answer to Question No. 68 there were ten so there is an increase of five. The information I am trying to seek is

if there are five more families living in such conditions or in such dwellings due to the fact that those extra dwellings have been declared unfit after the date when Question No. 68 was asked or is it that those dwellings were uninhabitable at the time and now they have been allocated to somebody else?

HON M K FEATHERSTONE:

I think it must have been that the extra five have been found out since Question No.68. This is an on-going system, we are continually getting claims that accommodation would be declared unfit and it has been investigated, it takes time to make such investigations that is why the number has increased.

HON J L BALDACHINO:

And as I understand it with regard to part (b) of my question the Minister is quite happy how the Housing Allocation Scheme is working at the present moment and therefore he doesn't think it is necessary to change the system?

HON M K FEATHERSTONE:

We give 100 points to the married couple living in that house and 50 points for every extra person living in the house, I think that is a fair number.

MR SPEAKER:

Next question.

NO. 42 OF 1985

ORAL

THE HON J L BALDACHINO

Mr Speaker, can the Minister for Housing state how many applicants are waiting for pre-war accommodation after being recommended by the Housing Advisory Committee for such an allocation?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, there at at present 56 applicants awaiting to be allocated pre-war accommodation on the recommendation of the Housing Advisory Committee, on availability.

SUPPLEMENTARY TO QUESTION NO. 42 OF 1985

HON J L BALDACHINO:

Mr Speaker, can the Minister then state how many of those applicants are homeless?

HON M K FEATHERSTONE:

Homeless, seven as far as I know.

HON J L BALDACHINO:

Am I correct in stating that the Government has no such dwellings earmarked for social cases, for people who are homeless or people who will become homeless?

HON M K FEATHERSTONE:

They are allocated by the Housing Allocation Committee as rapidly as we possibly can get any available accommodation. The difficulty at the moment is that there are very few pre-war flats available for anybody at all.

HON J L BALDACHINO:

I think the Hon Member has misunderstood my question. I am saying that the Government does not have any dwellings earmarked that are not habitable in case any such cases arise where people are homeless so that they can be allocated such dwellings?

HON M K FEATHERSTONE:

No, we have nothing set aside especially at the moment, Sir.



HON J L BALDACHINO:

Wouldn't the Hon Member agree with me that it would be a good idea to have a few houses for such cases, for people who may become homeless?

HON M K FEATHERSTONE:

The difficulty to have some earmarked is that you get pressure from other people who are, if not absolutely homeless, in very bad conditions, for that flat or that earmarked property to be allocated to them and it is very hard to resist such pressure. We are hoping that in the near future we may be able to make some more cubicle accommodation available and this will, perhaps, relieve the pressure to some extent.

HON J L BALDACHINO:

Could the Hon Member, Mr Speaker, state if he knows how long or who is the applicant who has waited longer and is still waiting for such accommodation after being recommended by the Advisory Committee and I am referring to time not to names.

HON M K FEATHERSTONE:

I think there is one person who has been approximately one year living in very difficult accommodation, although that person was at one time offered some accommodation and actually refused it and continued living in the bad situation in which they are living at the moment, I think it is about one year.

HON J L BALDACHINO:

As I understand it, according to the Housing Allocation Scheme, if the person is homeless he will have to wait his turn and he hadn't got any priority over somebody else who is a social case but still has a roof over his head, he still comes under the same category and will have to wait when one of these allocation comes and if somebody else has priority in the list he will get the house and not the person who is homeless, is that correct?

HON M K FEATHERSTONE:

No, I think the person who is genuinely homeless gets extra consideration from the Housing Allocation Committee. I say genuinely homeless because very often a person claims that they are homeless where they could go back and live with their parents and it is to some extent an agreed situation between both parents and the person concerned to say that the parents won't have them and the person concerned to say that because the parents won't have them they are homeless but unless we are absolutely satisfied that is not accepted. If we are absolutely satisfied, and the Family Care Unit comes into this, then the absolutely homeless person gets preference from the Housing Allocation Committee.

HON J L BALDACHINO:

I understand what the Hon Member has explained, Mr Speaker, because it is implicit in the Housing Allocation Scheme what he has just said. I didn't want to go into one such case but I will refer to one as an example. I understand that there are families who make up as if they had quarrelled to get a pre-war house but there is a case at the present moment, one out of the fifteen, which I know personally, where the family was living in a private flat, the landlord took the family to Court and regained possession of the flat due to the fact that he wanted the flat for his family which is one way of recovering the flat according to the Landlord and Tenant Ordinance. That person is still homeless. What I am trying to say is in such a case will those persons who find themselves in that situation will they get priority over other people who are social cases and are waiting for an allocation?

HON M K FEATHERSTONE:

I wouldn't say they are given priority but they get extra points for dispossession so that is taken into account by the Housing Allocation Committee.

HON J L BALDACHINO:

I think there is a difference, Mr Speaker. If a family is treated the same wouldn't the Minister agree with me that if there are two families, one has a roof over its head even though it is a social case and even if the Family Care Unit has looked into it and still thinks that it is a social case and if somebody who is homeless, who hasn't got a roof over his head, doesn't the Minister agree with me that that person should have priority over the other one?

MR SPEAKER:

We are now going into matters which do not arise from the original question. In fairness, I have been liberal but, anyway, if you wish to answer it.

HON M K FEATHERSTONE:

I don't think really it is a matter of whether the Minister agrees or not since the allocation of houses is now taken out of the hands of the Minister and put into the hands of the Allocation Committee. Perhaps that question should be addressed to them.

MR SPEAKER:

Next question.

NO. 43 OF 1985

ORAL

THE HON J L BALDACHINO

Can the Minister for Housing state what is the minimum age required for a person to be eligible for Government housing if he or she meets the requirement as set out under Clause 3 of the Housing Allocation Scheme?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the minimum age required for a person to apply for Government accommodation is 18 years.

NO. 44 OF 1985

ORAL

THE HON J L BALDACHINO

Can Government state when did they receive the Report prepared by the ODA team on Housing?

ANSWERTHE HON MINISTER FOR HEALTH AND HOUSING

Sir, the Gibraltar Housing Consultancy Report was received in Gibraltar in October, 1983.

SUPPLEMENTARY TO QUESTION NO. 44 OF 1985

HON J L BALDACHINO:

Mr Speaker, will the Government be making the Report public?

HON M K FEATHERSTONE:

We are willing to look into it. If it is not made public I can make it available to the Hon Member if he would like to see it.

HON J L BALDACHINO:

Mr Speaker, has the Government or the Minister for Housing ever implemented any of the findings of the Report or made them public?

HON M K FEATHERSTONE:

I wouldn't say any of the findings have been made public yet but some of the recommendations have actually been put into effect.

HON J L BALDACHINO:

When the Minister said in the last meeting of the House that only 700 houses were needed to solve the housing problem in Gibraltar, was he quoting the Report?

HON M K FEATHERSTONE:

No, Sir, this is the information that I was given from the Housing Department.

HON J L BALDACHINO:

Mr Speaker, when he mentioned that 700 houses were needed to solve the housing problem, I only want to know, Mr Speaker, was he referring that they were needed to solve the housing problem or that they were needed to solve the overcrowding situation? If he

doesn't want to answer, Mr Speaker, I am quite happy if he doesn't answer.

HON M K FEATHERSTONE:

I don't see how it arises, Sir, but what I would say is that with 700 houses if we didn't have the problem solved it would be as near solved as possible. The reason that there are 1,400 or 1,500 or 1,600 on the housing list often means that if you solve one person you can solve two or three others at the same time but this does not come from the Report.

MR SPEAKER:

Next question.

NO. 45 OF 1985

ORAL

THE HON J C PEREZ

Does Government agree with the Auditor's comments that the prospects for the financial viability of the Gibraltar Quarry Company are not encouraging?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, since the overdraft facility of the Quarry Co has been increased, the Company is in a position to purchase machinery for the production of aggregate. With such production, as I stated in the last meeting of the House, the Company should be adequately viable.

SUPPLEMENTARY TO QUESTION NO. 45 OF 1985

HON J C PEREZ:

Is the Hon Member saying that because the Company is now going to sell aggregate as well that that will put it on a financially viable footing?

HON M K FEATHERSTONE:

That is exactly what I have stated, yes.

HON J C PEREZ:

Would the Hon Member not agree that had the Government allowed the company to trade in cement it would have a much better chance of overcoming what the Auditor describes as the immediate prospects for the financial viability of the Company not being encouraging?

HON M K FEATHERSTONE:

I think the trading in cement might have made an improvement in the Company's viability but not nearly to the same extent as the production of aggregate will.

HON J C PEREZ:

If it is found, Mr Speaker, that the production of aggregate is not enough, will the Hon Member consider taking measures such as suggested by me in this House in making sure that Government contracts for sand and aggregate go to the Quarry Company to ensure the survival of the Company?

HON M K FEATHERSTONE:

That is something worthy of consideration.

HON J BOSSANO:

If the Hon Member thinks that allowing the Company the opportunity to produce aggregate as well as sand improves its financial viability, can he explain why he has not done it before?

HON M K FEATHERSTONE:

Mainly because we didn't have the money to purchase the equipment to produce the aggregate.

HON J BOSSANO:

Mr Speaker, isn't it the case that they still don't have the money, all that they are doing now is borrowing money which perhaps in the context of the Quarry Company is insignificant since the Government itself is borrowing £10m, but can the Government say why they were not able to give a guarantee in respect of an overdraft earlier than now if that would have improved the chances of viability of the Company?

HON M K FEATHERSTONE:

The Company did have an old crusher given to them which they thought they might be able to use but unfortunately it was in such a bad condition that it could not be used and therefore that could not have been used to produce the aggregate that might have been produced had it been in a reasonable condition.

HON J BOSSANO:

But isn't it the case, Mr Speaker, that the management of the Company has for some time been putting to the Government the view that the use of the rock produced as a result of the removal of sand would increase the prospects of viability of the Company and why has the Government taken so long to come down to this idea and as a consequence by the Minister's own admission diminish the prospects of viability of the company?

HON M K FEATHERSTONE:

When the management of the Company suggested that the rock could be used it had been hoped that the old crusher which I stated was given to us by the Royal Engineers, I believe, could be made into a workable condition. Unfortunately, after a certain amount of experimental repair on it it was aborted because it was not able to come into the condition that was required to produce aggregate.

HON J BOSSANO:

When did the Government take the decision that they would extend the necessary guarantee to enable the Company to increase its borrowing and consequently produce aggregate and therefore increase its prospects of viability?

HON M K FEATHERSTONE:

Somewhat previous to the last meeting of the House, Sir.

HON J BOSSANO:

Wasn't the Auditor of the Government aware of the Government's policy in this respect?

HON M K FEATHERSTONE:

No, I don't think the Auditor would know that, that would not come out in the Report for 1983.

HON J BOSSANO:

So the Minister is satisfied that the Auditor's comments on the accounts of the Company tabled at this meeting of the House was made in ignorance of Government policy as regards the future development of the Company?

HON M K FEATHERSTONE:

I would think the Auditor would know nothing about the basic policy of the Government in 1985 when he is doing the Report in 1983.

HON J BOSSANO:

But isn't it the case, Mr Speaker, that the Report takes the prospects of the Company up to November, 1984?

HON M K FEATHERSTONE:

No, the Auditor has, I think, made the comment that if this should continue into 1984 he still sees the same situation as ascertained in 1983. He hasn't even seen the 1984 figures so he cannot say definitely.

HON J BOSSANO:

Isn't it the case, Mr Speaker, that the Auditor's comments are signed and dated the 17th December, 1984, and that they refer to the prospects of the company as at the 30th November, 1984, according to the documents tabled at this meeting of the House?



HON M K FEATHERSTONE:

From what I understand the documents tabled were the accounts of the Gibraltar Quarry Company and the Principal Auditor's Report thereon, 30th November, 1983.

HON J BOSSANO:

Mr Speaker, will the Hon Member look at the statement signed by Auditor and therefore look at the date where the signature of the Auditor appears and will he confirm that the date there is the 17th December, 1984 and the reference to the prospects not being encouraging for financial viability are referred to the year ending the 30th November, 1984?

HON M K FEATHERSTONE:

Yes, he made that as a side comment after the comments up to 1983, saying if it continues in 1984 he doesn't see very much prospects of viability but because he did this in his own isolated ivory tower he is not aware of Government policy to produce aggregate.

HON J BOSSANO:

And therefore is the Minister telling the House that when the Auditor comes out of his ivory tower next year he will discover that as a result of the Minister's statement the Company is going to become viable?

MR SPEAKER:

No, next question.

NO. 46 OF 1985

ORAL

THE HON J C PEREZ

Has Government enquired why the volume of sales of the Gibraltar Quarry Company declined from £171,544 in the year ending November, 1982, to £68,368 in the subsequent year to November, 1983, and have not changed significantly in the year ending November, 1984?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Yes, Sir, the decline was due to no material being used as fill as happened in the year to 1982 for the distiller project.

NO. 47 OF 1985

ORAL

THE HON J C PEREZ

Has Government sought an explanation as to why the annual earnings of the previous General Manager of the Gibraltar Quarry Company rose from £16,158 to £24,980 between November, 1982, and November, 1983, when during the same period the sales of the company dropped from £171,544 to £68,368?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the increase was owing to management charges and the earnings of the General Manager being amalgamated rather than shown separate as hitherto.

SUPPLEMENTARY TO QUESTION NO. 47 OF 1985

HON J BOSSANO:

How does the Hon Member explain that amalgamating two different sets of earnings produces a figure which is 25% higher?

HON M K FEATHERSTONE:

That was the terms of the contract of the General Manager and I would comment that his terms of contract had nothing to do with the actual amount produced.

HON J BOSSANO:

Mr Speaker, if the Government was employing the manager of the Gibraltar Quarry Company in the year to 1982 on a salary, can they explain why they felt it was necessary to increase the amount of money he was earning at the same time as the business of the Company was declining?

HON M K FEATHERSTONE:

As I said, the salary of the Manager had nothing to do with the actual production of the Company.

HON J BOSSANO:

Mr Speaker, isn't it the case that the Government has defended the position in this House of Assembly that the Gibraltar Quarry Company, notwithstanding the fact that it is 100% Government owned, operates in a commercial environment and isn't it normal in a commercial environment that the earnings of the people who manage a commercial enterprise are related to the success in its management?

HON M K FEATHERSTONE:

I wouldn't say that that is the general trend in all companies, I know of certain companies in England which are running at a loss and yet the manager is still getting the same salary as he was getting when they were running at a profit.

HON J BOSSANO:

Mr Speaker, we are not talking about a situation where he is getting the same salary, we are talking about a situation where the turnover of the Government owned company declined and by inverse ratio the emoluments of the person running the enterprise increases. Did the Government have any say at all as owners of the Company in the remuneration of its manager?

HON M K FEATHERSTONE:

No, the manager's salary was stipulated in a contract when he first joined the company to run it for four years.

HON J BOSSANO:

Mr Speaker, if the contract was to run for four years, what explains the change in the terms of the contract at this particular juncture?

HON M K FEATHERSTONE:

I think there was a question in the House of Assembly a year or two years ago in which they did not wish the management charges to be classified as a separate item to the manager's salary.

HON J BOSSANO:

Mr Speaker, I think the Hon Member is referring to a situation where the manager appeared to be getting two sets of income, one through a management and one in his own right. What we are questioning is why there should be an increase since presumably the original figure includes the sum earned by the manager through the company and the subsequent figure, according to the Auditor's comments, appears to show a substantial increase?

HON M K FEATHERSTONE:

That was part of the contract, Sir. I would say that that contract has now elapsed and we have a new manager at a considerably lesser salary.

HON J BOSSANO:

Mr Speaker, we recognise the fact that the new manager earns a

considerably lesser salary no doubt because he happens to be a native instead of an imported expatriate, which is the usual practice, but we are asking the Government to give an explanation since the information is now being tabled at this meeting of the House why they supported this policy?

HON M K FEATHERSTONE:

I have no more to state than I have already stated, Sir.

MR SPEAKER:

Next question.

NO. 48 OF 1985

ORAL

THE HON J C PEREZ

Has Government enquired why the amount of £2,768 being personal income tax of the previous General Manager of the Gibraltar Quarry Company in the year ending November, 1982, was paid by the Company?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, this was part of the terms of the contract of the Manager who was to receive a tax free salary.

SUPPLEMENTARY TO QUESTION NO. 48 OF 1985

HON J BOSSANO:

Mr Speaker, under the law of Gibraltar is it permissible for other companies which are not 100% Government owned to give their employees tax free salaries?

HON M K FEATHERSTONE:

I would not see that there is anything contrary. If a company wishes to give a manager a tax free salary as long as they pay the income tax relevant to that salary to the Government I think Government is satisfied.

HON J BOSSANO:

Can the Minister explain whether, in fact, in assessing the emoluments on which tax has to be paid, the amount is grossed up to take account of the tax or not?

HON M K FEATHERSTONE:

I am afraid, Sir, I do not work out these figures, I leave that to the Income Tax Assessor and the Accountant, Sir.

HON J BOSSANO:

Mr Speaker, I am asking the Government, since this is at the end of the day a liability on public funds since we are in this House ultimately responsible for paying the overdraft, can the Minister say whether he has made any enquiries to find out whether the amount of tax assessed was assessed on the gross income inclusive of the tax or on the net income exclusive of the tax?

HON M K FEATHERSTONE:

As I said, Sir, that is something which I leave to the Accountant and the Commissioner of Income Tax to meet on occasions and work out what is the actual amount to be paid. I accept the Accountant's figures, I don't look into them myself on a personal basis because I consider that the Accountant and the Income Tax Assessor know what they are doing.

HON J BOSSANO:

Would the Minister agree, Mr Speaker, that the information ought to be freely available so that other employers in Gibraltar who may be able to give their employees preferential tax treatment can take advantage of this facility if it is something that is available to the Government owned Gibraltar Quarry Company?

HON M K FEATHERSTONE:

If the Income Tax Assessor wishes to do so I don't see any reason why not.

HON J BOSSANO:

No, Mr Speaker, I am asking the Minister whether he would agree as a matter of policy that if he permits a situation to.....

MR SPEAKER:

With respect, I have to call your attention, it is not the Minister who is permitting anything, it is the Gibraltar Quarry Company and the administration of the Gibraltar Quarry Company is not within the province of the Minister's responsibility.

HON J BOSSANO:

Will the Minister, who is the Chairman of the Gibraltar Quarry Company and the person who is answering in this House for the overdraft facility which is being guaranteed by the Government of Gibraltar, not agree with me, Mr Speaker, that the very least that he ought to satisfy himself on is that the way that the Gibraltar Quarry Company is permitted to perform in relation to taxable emoluments of its employees as a private company should be publicly known so that other private companies are able to use the same facilities?

HON M K FEATHERSTONE:

Mr Speaker, I see nothing against that, Sir.

HON J BOSSANO:

So will the Minister then make the necessary enquiries so that

he will be able to give me an answer to this question at the next meeting of the House?

HON M K FEATHERSTONE:

Yes, I will enquire into that, Sir.

MR SPEAKER:

Next question.



NO. 49 OF 1985

ORAL

THE HON M A FEETHAM

Can Government confirm whether the proposals received for the touristic development of the Rosia area have been considered by the Land Board?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, the Land Board has not yet considered the two outline proposals received for the development of Rosia area. The selective tendering procedure stipulated in the Brochure requires that these be studied initially by the Development and Planning Commission on planning grounds. The Land Board will then decide whether to invite the parties to tender for the site.

NO. 50 OF 1985

ORAL

THE HON M A FEETHAM

Can Government state whether Rosia Bay is scheduled to be handed over in mid-1987?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

No, Sir. The agreement reached with Her Majesty's Government envisaged handing over of their site as soon as work on the development is ready to proceed. This will depend on progress made in the tendering procedure which I explained in reply to question No. 49. Although no firm date can be given at this juncture, it is expected that the transfer will be effected much earlier than mid-1987.

NO. 51 OF 1985

ORAL

THE HON M A FEETHAM

Was Government aware when they announced the "package" in July, 1983, that it would take at least four years to obtain possession of the Queensway site?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Answered together with Question No. 52 of 1985.

NO. 52 OF 1985

ORAL

THE HON M A FEETHAM

Is Government happy with the fact that the site for the Queensway Development Project is programmed to be transferred to them in mid-1987?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, in July 1983, when the Dockyard package was announced, the Government was aware that reprovisioning of existing MOD facilities on the Queensway Site would be necessary and that it would be carried out by the MOD at their expense.

The time scale involved only became clearly apparent when the MOD's planned moves were presented to the Gibraltar Government.

The Government was unhappy with the proposed time scales. Lengthy discussions were therefore held locally in order to accelerate the various moves whilst at the same time ensuring that optimum use of the relocated sites was made.

Further discussions were held with Mr Lee, Under Secretary of State for Defence Procurement, when he visited Gibraltar in March last year as a result of which the overall programme was reduced by a year.

Although the Government would have preferred an even earlier date handover it recognises the difficulties encountered in formulating a relocation plan which, in addition to the time factor, must also take into account Government's future plans for the development of the alternative MOD sites and adjoining areas.

SUPPLEMENTARY TO QUESTION NO. 51 AND 52  
OF 1985

HON M A FEETHAM:

Will the Minister state whether they consider that this is the best they can achieve in the light that this particular development was part and parcel of a package on which the Government were basing their economic development or the basis of their economic planning for the next four years?

HON A J CANEPA:

At the time, back in July, 1983, the kind of timescale that we envisaged was around two and a half years. We did not realistically think that a developer could make a start on Queensway

earlier than two and a half years. Having regard to that and having regard to the very detailed presentation of proposals that has been made to the Government by the Flag Officer, Gibraltar, who is well known for a very helpful attitude towards the problems which Gibraltar is going through, having regard to these two factors, I think that the cutback by one year agreed to by Mr Lee is the most that we can realistically expect.

HON M A FEETHAM:

When does the Minister envisage that reprovisioning will take place or the start towards reprovisioning?

HON A J CANEPA:

I think a start has already been made to reprovisioning in that the Ministry of Defence are beginning to concentrate their activities in the Cormorant area.

HON M A FEETHAM:

Do I take it from the reply that the Hon Minister has given here today that his determination expressed in March, 1984, that had he known that the package entailed the handing-over in five years time which has been reduced to four, that he no longer envisages going back to the ODA for grants for a short to mid-term development or to assist, which is what he said to the House in March, 1984?

HON A J CANEPA:

I think the Hon Member is referring to aid over and above the £13m and over and above what is envisaged in the next development programme. My thinking of March, 1984, has been overtaken by the fresh impetus which the Government hopes to give to tourism and I think that it would be in the process of arguing that we require assistance on the development of tourist orientated projects that this factor would be brought into the equation. We would be making the point to ODA but the economic difficulties which Gibraltar is suffering have been exacerbated by a longer timescale in handing over and that we would expect to be compensated accordingly.

HON M A FEETHAM:

Can the Minister please state what is the change of circumstances which he envisages will perhaps do away with the need to seek extra ODA in the short or medium term?

HON A J CANEPA:

I do not think that the circumstances have changed and that we do not require that aid, we do. What I am saying is that I would expect to argue that that aid should be in the context of the approach that we hope to make to the ODA for funding, for assistance on tourist orientated projects.

HON M A FEETHAM:

It is just that when we asked similar questions in March, 1984, the Minister was very determined in stating that the thrust of the package was done at a very high level, he quoted Mrs Thatcher, and that he would not have been a party to the signature had he known the fact. What we want to know today is what have been the changes whereby that determination seems to have mellowed today except that perhaps we have got one year less than the five years originally envisaged.

HON A J CANEPA:

I don't think it is a question of the determination being less, I think it is a case that the timescale of the time when it will be necessary to exercise that determination has necessarily been put back by the new policy which the Government is having on tourism which itself, in my view, is being delayed somewhat by the consideration which all the Committees are giving and which is taking time. I would have liked to have seen an approach to ODA much earlier on this specific issue than, in fact, is going to be the case and unless we are very careful and the Committees get on with it to an even greater extent - I realise that it is a very laborious work and that a lot of meetings are being held - but the danger is that it is going to be caught up with the other development aid submission and then we are going to get the answer: "We will look at it overall". ODA are going to be given a way out so I think there is a need for the Government to be allowed to be able to get on with putting in a specific submission on tourist orientated matters which, in my view, is now about nine months overdue.

HON: M A FEETHAM:

That is the answer I wanted.

MR SPEAKER:

Next question.

NO. 53 OF 1985

ORAL

THE HON M A FEETHAM

Can Government confirm whether the proposals received for the development of Queensway have now been considered by the Land Board?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir. The Land Board has considered the seven proposals received and has selected the following four parties to tender for the site: -

1. Wimpey-Trocon Joint Venture
2. Marples International Limited
3. Gibel Tarik Developments Limited
4. Taylor Woodrow International Limited

SUPPLEMENTARY TO QUESTION NO. 53 OF 1985

HON M A FEETHAM:

As a matter of information, I take it that the proposals fall in line with the guidelines and architecture envisaged for the projects as outlined in the brochure which the Government published?

HON A J CANEPA:

Broadly in line. The guidelines that were laid down in the brochure were not intended to be exhaustive, they were intended to be an indication, guidelines and nothing more. There is nothing to stop a prospective developer from submitting something that may not have been covered in the brochure and therefore the position is that the next stage is the preparation of actual tender documents once the actual development conditions which have already been agreed to locally by the Government and by the Ministry of Defence, by the Heads of Services, once these have been cleared by the Ministry of Defence in London then we can go formally to the next stage which is the preparation of tender documents.

HON M A FEETHAM:

Do I take it from previous answers that the developers are now happy with the fact that the site may not be handed over until mid-1987 and development will start some time after that, is there a problem now?

HON A J CANEPA:

I am sorry, I didn't get the second part.

HON M A FEETHAM:

Is there any problem envisaged now? We have got the developer, we will possibly have the site in mid-1987, will there be any problems in getting the development off the ground?

HON A J CANEPA:

I think the timescale, if anything, may be helpful to them because the magnitude of the project is such that many millions of pounds are involved and they have to raise the necessary finance. They will also have to prepare very detailed plans but the financial aspect in my experience of dealing with developers, is a prime consideration. We are really talking therefore of, let us say, slightly over two years and I think they will be grateful for that time.

MR SPEAKER:

Next question.



NO. 54 OF 1985

ORAL

THE HON M A FEETHAM

Will Government state whether any further steps have been taken by the MOD, the developers and A & P Appledore to implement the agreement reached in principle to allow work to commence on the multi-storey car park at Casemates?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, at the meeting of the House held on 30 October last year, I gave a detailed explanation, in reply to Question No.167, of the tripartite agreement and stated that the next stage was for the Public Works Department to complete the plans for the conversion of North Pavilion and a specification of works for the developers.

The plans have been completed but the preparation of the specification of works is still in progress. Nevertheless, the developer is now pursuing the possibility of accelerating further the development by seeking alternative accommodation at his expense for GSL's employees while conversion works at North Pavilion are carried out.

In this connection I must also clarify that the plans provide for five dwellings instead of six as previously stated, the remaining two flats being made available by the developer.

NO. 55 OF 1985

ORAL

THE HON R MOR

What is the situation as regards the handover of the Gibraltar and Dockyard Technical College?

ANSWER

THE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, I have given you notice of my intention to make a statement on this matter.

NO. 56 OF 1985

ORAL

THE HON J L BALDACHINO

Can Government state which are the next flats which are being offered for sale to sitting tenants and when is this planned to take place?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, this question was partly answered in reply to Question No. 168 of 1984 when I stated that the Government was contemplating the sale of some 250 units in certain estates such as Rosia Dale, St Jago's, St Joseph's, Medview Terrace and Town Range maisonettes.

I also stated that neither the Crown Lands Department nor the Housing Department had the adequate staffing resources to effectively promote the scheme.

It has therefore been decided to form a team from the Crown Lands Department, the Housing Department, the Public Works Department and the Economic Planning Unit in order to market the sale of these flats.

The team held its first meeting last week and a concerted effort will be made to commence the sale as soon as possible.

SUPPLEMENTARY TO QUESTION NO. 56 OF 1985

HON J BOSSANO:

Mr Speaker, could the Hon Member explain why it is that this special marketing effort is required for other Government tenants and was not required for Shorthorn?

HON A J CANEPA:

Mr Speaker, we have learnt a great deal from the sale of Shorthorn which has been a very, very protracted affair. Shorthorn was offered for sale back in 1979 when the generality of Government housing estates were offered for sale. Apart from the Town Range maisonettes where there were some indications that one or two tenants were interested, it was only the people at Shorthorn who took up the matter seriously and it has been a very difficult and very long process. We have learned a great deal, as I say, in the process. One of the things that we have learned is that the resources of any one Department such as Crown Lands are totally inadequate to deal with this kind of venture.

HON J BOSSANO:

Whilst recognising that the Government may have very difficult tenants living in Shorthorn, Mr Speaker, is the Government saying that they have been in negotiation with the tenants in Shorthorn since 1979?

HON A J CANEPA:

No, that is not the position. I think an Association was formed some time later. I can inform the House that perhaps one of the most difficult tenants in Shorthorn doesn't sit to the right of me but was unsuccessful in his attempt to become a Member of this House.

HON J BOSSANO:

Mr Speaker, would it be correct to say that the scheme which was initiated by the Government in 1979 was put on ice because of the poor response and effectively has been resuscitated recently and that since it has been resuscitated the completion in Shorthorn has, in fact, been a relatively quick thing, it isn't that the thing has been a constant negotiation since 1979? Is it not the case that the scheme was not proceeded with initially, that it has been re-introduced as the Government said they were going to do shortly after the election, in fact, and that if one takes the time-scale since the last election the thing has gone fairly rapidly and why cannot the same thing be done on other Estates?

HON A J CANEPA:

No, it hasn't gone fairly rapidly since the last election. Lawyers, even though he sits to the right of me are very, very difficult people on both sides.

MR SPEAKER:

And to the left of you.

HON A J CANEPA:

And in the Chair - they are very, very difficult and both the Crown Counsel of the Government and the lawyer engaged by the Shorthorn tenants, nothing to do with the Gentleman to the right of me, and the lawyer engaged by the Shorthorn Tenants' Association were involved in very protracted to-ing and fro-ing so that it took an initiative on my part and on my Colleague on my left who was Minister for Housing and then the Hon Mr Perez when he became Minister for Housing, to try to deal with many minor matters that were coming up continuously. The conditions of sale for the sale of these 250 flats are going to be altered,

they are going to be made much more liberal, much more attractive because undoubtedly in 1979 the Government was placing far too many restrictions to make the sale attractive. There were other reasons why the thing was not successful but undoubtedly the restrictions placed was one of those. Perhaps, I should also add for public information that, of course, the sale price originally envisaged for Shorthorn and for other Estates has been the subject of two or three increases in the intervening period having regard to the increases in rent.

HON J L BALDACHINO:

Mr Speaker, I think that the Hon Member did answer it in Question No. 168. The question of the prices for sale, will the prices of the sale of those flats be based on the same principle as those of Shorthorn or will they be increased because of the rent increases?

HON A J CANEPA:

The conditions will be more favourable, if anything, than Shorthorn.

HON J L BALDACHINO:

As I understand it, will the price be higher due to the increases or will the Government expect the price of the rent that was established when they sold Shorthorn?

HON A J CANEPA:

The difficulty here, Mr Speaker, is that amongst the Estates that I have mentioned, St Jago's and St Joseph's hadn't been built at the time and the prices arrived at do reflect the cost to Government of the construction of these dwellings. The Hon Member may remember that prior to KOSIA DALE being allocated at the beginning of 1980, the flats there were offered for sale and the sale prices for a four-room flat the price was, I think, of the order of £27,000. That reflected the cost to Government of building those dwellings so in the more recent ones such as St Jago's and St Joseph's I think we can expect to find that the price will be higher because it has cost Government a great deal more.

HON J L BALDACHINO:

Maybe I didn't explain it properly. I am not saying that the prices should be the same as for Shorthorn, what I am saying is that with regard to Shorthorn apparently the sale was based on the rents and the rates paid prior to the 1st July, 1984.

HON A J CANEPA:

Not just rents and rates, that was one of the considerations.

HON J L BALDACHINO:

And what I am saying is will that consideration be taken when the other flats are sold, instead of putting the ingredient for example, the rents and rates paid at the current time will it be taken back to before the 1st July, 1984, and then it would be almost as if they had sold them at the same time as Shorthorn has been sold?

HON A J CANEPA:

I think the point the Hon Member is making is with respect to the last increase in rent of July, 1984. The rent ingredient that will go into the price for which the flats will be offered will reflect the latest rents, the current rent, so if we are able to make progress over the next few months the offer will be based, to the extent that rent is a factor on the rent of July, 1984.

HON J BOSSANO:

Mr Speaker, wouldn't the Minister agree that if the Government is committed as a matter of policy to giving tenants an opportunity to buy the house they occupy and they are unable to do it because of administrative difficulties, it would seem to be wrong to prevent willing tenants from buying at the price that they might buy it because they have to wait till the Government is able to put its policy into effect?

HON A J CANEPA:

Yes. If we are able to make an offer of sale within the next few months in respect of these 250 flats which let me say that it isn't that we are not dealing with more than 250 because we cannot cope but because we have selected Estates which we think are rather more attractive for sale. I think it would be fair to say that if the Government were to be approached by the tenants of a block of flats elsewhere and that the majority of them or the same kind of proportion, two-thirds or three-quarters were willing to buy, I think the Government should make a positive response to that and that that response should take that factor into account, they should not be penalised by any subsequent rent increases that may have occurred.

HON J BOSSANO:

I take the point but it wasn't the question that I was asking although I accept that that is another aspect that one would need to look at, Mr Speaker. My question was, if today the Government has got a policy which incidentally is one with which we do not agree but that is the Government's policy, to sell the flats to

their tenants, if the Government as a landlord is willing to sell and the tenant is willing to buy and the thing cannot come off because the machinery isn't there, isn't it wrong that the delay produced by an inadequate machinery should result in the price going up the longer it takes the Government to get the thing off the ground?

HON A J CANEPA:

Yes, I accept that, that is why I am saying that even in making an offer itself we should base ourselves on current rent levels and if other people have got to take their turn in the queue, the offer that is made to them should be on the rent levels that were agreed at that stage and they should not be penalised by any increases in rent that could have occurred in the intervening period.

MR SPEAKER:

We are now debating and this is not the time to do so. We are trying to establish an equitable policy at question time and we cannot do that.

HON J BOSSANO:

But, Mr Speaker, didn't the Minister say that when the 250 houses are offered they will be offered with an element of the price being determined by what is the rent then.....

MR SPEAKER:

The cost of construction, I think.

HON J BOSSANO:

No, I think the Hon Member said that an element in the price will be the rent and they are not ready to offer the 250 houses now but when they are offered the rent that will be taken into account will <sup>be</sup> the rent operating then and then could be, presumably, 1985 or 1986 or whenever it is. What I am saying to the Minister is, if the Government is committed today to that policy and if the tenants are willing to buy today and if that is not materialised because the Government machinery cannot cope with it, isn't it wrong that when the thing materialises the rent that will be used will be the rent at that time rather than the rent today?

MR SPEAKER:

Precisely, you are suggesting an equitable policy.

HON A J CANEPA:

I think he has a valid point, yes. I will argue for it when the time comes.

MR SPEAKER:

Next question.



NO. 57 OF 1985

ORAL

THE HON J E PILCHER

Can Government state how much of the £13m 1981/86 Aid Programme is going to projects which will help tourism and list the projects and the sums of money involved?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, of the £13m Development Aid Programme, the sum of £12,418,000 has been allocated to the following projects:

Salt and Potable Water Systems	327,000
Pumping Station - Catalan Bay	70,000
Pumping Station - Hesses	218,000
Desalination Plants	6,998,000
Causeway	1,400,000
Unstuffing Shed	331,000
Power Station	3,035,000
Vehicles and Equipment - PWD Cleansing Section	39,000
	<hr/>
	£12,418,000
	<hr/>

Although there is no specific tourist orientated project included above, the projects I have mentioned will enhance Gibraltar's amenities and infrastructure, thereby making it a better place for both residents and tourists alike.

SUPPLEMENTARY TO QUESTION NO. 57 OF 1985

HON J E PILCHER:

Does the Hon Minister not agree with me that none of these projects are directly involved in tourism.

MR SPEAKER:

He has stated that it is not tourist orientated but that it will enhance the infrastructure.

HON J E PILCHER:

I would like to ask the Minister what he thinks of the quote of Baroness Young in the House of Lords when she said in answer to questions from different Lords trying to get aid for tourism in Gibraltar: "My Lords, as I indicated in my original answer, considerable part of the current £13m aid programme is going to projects which will help tourism in Gibraltar", when the two

projects which would have helped tourism, pedestrianisation and the reclamation of Waterport, were both taken away from the aid programme by the ODA?

HON A J CANEPA:

I deplore the statement that Baroness Young made particularly when she tried to give the impression that the Viaduct Causeway had something to do with improving access for tourists into the town area when in fact the Viaduct Causeway has to do with maintaining access for cargo to be brought into the town area.

MR SPEAKER:

Next question.

NO. 58 OF 1985

ORAL

THE HON R MOR

Mr Speaker, how many persons are employed on ships registered in Gibraltar?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, I am assuming that the Hon Member is referring to Merchant vessels as no record is available of the number of persons employed on pleasure yachts registered at Gibraltar.

To date 66 vessels are registered at this Port with an aggregate total complement of 1,285.

SUPPLEMENTARY TO QUESTION NO. 58 OF 1985

HON R MOR:

Mr Speaker, are all these persons paying the social insurance contributions?

HON A J CANEPA:

Not if they are paying social insurance contributions elsewhere but, for instance, if they are paying social insurance contributions in Great Britain or in Greece then they may not be paying social insurance contributions in Gibraltar as well.

HON R MOR:

But according to the guide on insured persons, on the social insurance system here in Gibraltar, it says: "In general everyone over the age of 15 who is self-employed or employed in Gibraltar or on a ship registered in Gibraltar, is compulsorily insurable".

HON A J CANEPA:

Yes, but I doubt whether that part of that guide has been altered significantly for many years. The first guide that was so produced I think goes back to the very early years of the scheme, probably back to the 1950's. Since our access to the EEC, it is a general rule regarding social security payments that if one is paying full contributions in another Member State you don't have to pay contributions in the country in which you are employed. We already have that situation with regard to expatriate employees in Gibraltar, if they are paying in UK they do not pay here and the same applies to persons employed on ships registered in

Gibraltar. That is my understanding, I may be wrong, I think I would have to check with the Labour Department and I am trying to give an off the cuff answer based on my recollection of the matter because I took the question at its face value, that the Hon Member wanted information. The Hon Member should have asked: "Are persons employed on ships registered in Gibraltar liable for payment of social security contributions?", and then we would have had a better answer. I think one has to be careful. When they ask questions, Mr Speaker, such as: "When does the Hon Minister propose to visit Aberdeen?" And the Minister says: "I have no plans to visit Aberdeen". "Isn't the Hon Minister aware that there is a very serious unemployment problem in Aberdeen and doesn't he care about these people?" I thought he wasn't being devious, I took it at its face value.

MR SPEAKER:

In any event it is not for the Minister to answer as to what the requirements of the law are and whether they are being implemented.

HON J BOSSANO:

Mr Speaker, the information as to the liability to provide payments for social insurance, surely, is not something that we can ask under the Rules of the House because that is available.

HON CHIEF MINISTER:

Perhaps the guide isn't up to date.

HON J BOSSANO:

Well, this is the guide issued by the Government, Mr Speaker, I believe in January, 1984, and I have no doubt that if they are in the process of preparing one for January, 1985, it will say the same thing.

HON A J CANEPA:

That is what I am afraid of.

HON J BOSSANO:

Presumably the guide reflects the law. One would assume that if there has been no change in the law what the guide says is what the law says and therefore if the law says.....

MR SPEAKER:

Perhaps the question should have been: "Is the guide in consonance with the law?"

HON J BOSSANO:

No, we are asking how many people are employed on ships registered in Gibraltar?

MR SPEAKER:

And you have got your answer.

HON J BOSSANO:

And having had that answer, since the guide produced by the Department says that they are all, 'compulsorily insurable' then surely, it is legitimate to ask how many of them are insured under the Social Insurance Ordinance?

HON A J CANEPA:

I will pursue the matter with the Labour Department either to seek confirmation whether my answers are correct or not and if they are I shall ask the Labour Department to qualify the guide.

MR SPEAKER:

Next question.

NO. 59 OF 1985

ORAL

THE HON J E PILCHER

Have Government now taken over responsibility for the waters adjacent to the Gibraltar Shiprepair and if so are they now responsible for the control of oil pollution in these waters and spillage that might occur therein?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

No, Sir, the waters referred to still remain Admiralty Waters. Overall responsibility for the control of oil pollution in these waters will therefore continue to lie with the MOD.

NO. 60 OF 1985

ORAL

THE HON J C PEREZ

Will building contractors be able to obtain supplies of sand direct from Spain as from next month on the strength of their licence to trade as building contractors provided it is for their own use?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Sir, importation of sand is governed by the Imports and Exports (Control) Regulations. Under this legislation a licence to import sand must be obtained from the Director of Public Works.

SUPPLEMENTARY TO QUESTION NO. 60 OF 1985

HON J BOSSANO:

Mr Speaker, didn't the Government in the previous House of Assembly say that persons trading in Gibraltar and holding a valid trading licence would be allowed to import commercial quantities of goods in accordance with the licence and we are not talking here about a licence to sell sand, we are talking about somebody importing sand for their own use, is the Government saying that contractors will not be permitted to purchase sand outside Gibraltar directly for their own use?

MR SPEAKER:

The answer you have been given is that they will not be entitled unless they obtained an import licence.

HON J C PEREZ:

Mr Speaker, the licence from the Public Works is presumably to trade in sand in Gibraltar, to sell sand to contractors.

HON M K FEATHERSTONE:

To import.

HON J C PEREZ:

To import sand for your own use.

HON MAJOR F J DELLIPIANI:

The legislation, in fact, was there to protect the sand importer because he had to create a stockpile. This is the idea of the licence and this is where the Director of Public Works

becomes involved in this licence because you could bring in other materials which could be interpreted as sand but could be sand for sandblasting and not necessarily sand for the original stockpiling of sand.

HON J C PEREZ:

Mr Speaker, although I am not quite satisfied that that is the case after answers from the Hon the Minister for Economic Development and Trade in the last House in terms of what was commercial quantities for importation, can the Hon Member state whether this is true of other building materials or only of sand?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I can only speak in respect of sand which is something hereditary in my own Department. The idea of this particular control, as I said, was to protect the importer because he had to stockpile. I don't know how it affects any other kind of importation and I don't think that it is within the bounds of my Ministry to answer that question.

HON J C PEREZ:

I am asking the Government, really. Can Government say whether building contractors will be able to obtain supplies of other building materials which are not sand from Spain as from next month on the strength of their licences?

MR SPEAKER:

In fairness, I think that is a new question which I think Government would answer but they would require notice.

HON J C PEREZ:

Except, Mr Speaker, that sand was only there coincidentally as an example and nothing else.

MR SPEAKER:

But, anyway, the Government has been nice enough to say that they will give you an answer at a later stage.

HON M A FEETHAM:

Do I take it that the Hon Member opposite is saying that providing the building contractor was able to obtain an import permit he would be able to import sand or is it that the Imports Ordinance relating to the importation of sand protects the concessions given to the existing importer?



HON MAJOR F J DELLIPIANI:

Mr Speaker, as I said before in my answer, I think the whole idea of this Regulation was exactly to protect the importer because at that time, and I still think it is the case, there is only one importer and he was required to have a stock in Gibraltar and it would have been unfair for the chap to have had a requirement to have a stock of sand and at the same time have other people importing.

HON M A FEETHAM:

I understand that, that is understandable.

HON MAJOR F J DELLIPIANI:

And that is as far as I know of the history and I don't know anything else about the thing. I didn't know I had to answer this question until two days ago.

HON M A FEETHAM:

But what we are seeking from Government is will the position change as of next month? This is what we are asking.

HON CHIEF MINISTER:

I know what Members opposite are aiming at and that is the statement made which I think states the law properly, that importation of goods in commercial quantities can only be brought in by people who have got a licence to deal in those goods. Whether a building contractor includes a building contractor deemed to have a licence to import materials for himself is a matter which I think we ought to look at, I don't know, I appreciate what the point is and I know that it was my Colleague Mr Canepa who dealt with that matter. I would imagine that what we want to protect is the people who have to buy and not to get a flooding of people offering stuff here and the people who are in the trade not having the protection and that is the people who need the materials. Perhaps in the course of the Committee Stage of the Bill we may be able to get some information on that and I will give it but I think that is the point that the Hon Member is looking for.

HON J BOSSANO:

Mr Speaker, could I ask the Hon and Learned Attorney-General whether in his view to prohibit the importation of sand for the use of a contract by a building contractor would be in restraint of trade under EEC Rules?

MR SPEAKER:

Mr Bossano you are asking for free legal advice.

HON J BOSSANO:

Mr Speaker, isn't the Hon and Learned Attorney-General here to give free legal advice to Members of the House of Assembly or not?

MR SPEAKER:

No, not really.

HON J BOSSANO:

Mr Speaker, I think it is important because what we are trying to establish is quite specific: Can a building contractor buy sand outside Gibraltar?

MR SPEAKER:

And the answer has been not unless he gets an import permit.

HON J BOSSANO:

And therefore I am asking the Hon and Learned Attorney-General, does he accept that the answer that we have been given is contrary to the requirements of the Treaty of Rome in respect of removing restrictions which restrain trade?

HON ATTORNEY-GENERAL:

I will certainly consider it, Mr Speaker, and let the Hon Leader of the Opposition know but off the cuff I do not know.

MR SPEAKER:

Next question.

NO. 61 OF 1985

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 and what allowances will be paid over and above this salary?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as I explained in answer to Questions 37 and 106 of 1984, the remuneration of the Managing Director of Gibraltar Shiprepair Ltd was met from funds provided by ODA under their consultancy agreement with A & P Appledore. This arrangement was to terminate on the 31 December 1984. The Managing Director's remuneration is therefore a matter to be considered by the Board of Gibraltar Shiprepair Ltd.

SUPPLEMENTARY TO QUESTION NO. 61 OF 1985

HON J E PILCHER:

Has the remuneration of Mr Brian Abbott been agreed by the Board of Gibraltar Shiprepair Ltd?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I understand, Mr Speaker, that a decision has not yet been taken.

HON J E PILCHER:

Am I to understand, Mr Speaker, that we will be told when it is agreed or that we are being told that we won't be told, which of the two?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As I explained to the Hon Member on an earlier occasion, the salary of the managing director is something which will be made public, indeed, I think that they will be obliged to do this under the Companies Legislation so it certainly will be made known in due course.

HON J E PILCHER:

Mr Speaker, he has told me this before on three different occasions because I have been asking this in three different meetings and the answer was always, yes, it would be made public, yes, Mr Speaker, but it appears to me that we will have to wait for another House to see whether we can get an answer.

MR SPEAKER:

You will have to wait until it has been agreed.

HON J BOSSANO:

I take it that Mr Brian Abbott is actually being paid at the moment. The Hon Financial and Development Secretary has said that ODA stopped paying him in December, I take it that the poor man has not been without a wage since the 1st January.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon Member's concern for the welfare of Mr Brian Abbott is certainly touching, Mr Speaker. I think the answer is that this is a matter for Gibraltar Shiprepair Ltd, I don't know.

HON J BOSSANO:

But would the Hon Member not agree that since the future viability of the company is a matter of concern to this House since the company was set up with £28m of UK taxpayers' money for the benefit of the people of Gibraltar, we must of necessity concern ourselves with how much of that money is actually being used for what purposes, would the Hon Member not agree with that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, I think that the people of Gibraltar will share the interest of the Hon Member in the welfare of Mr Brian Abbott in view of the context of his remark and I am sure that his salary is a matter which is on the agenda of the Board's next meeting.

MR SPEAKER:

Next question.

NO. 62 OF 1985

ORAL

THE HON J E PILCHER

Can Government state what will be the total monthly cost to the Gibraltar Shiprepair Limited of the salary and allowances of the expatriate managers in their payroll?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, I do not have information on the payroll costs of expatriate managers employed by Gibraltar Shiprepair Limited. I have passed on the Honourable Member's request for this information to the Company.

SUPPLEMENTARY TO QUESTION NO. 62 OF 1985

HON J E PILCHER:

Mr Speaker, I looked at the statement on the GSL made by the Chief Minister and in trying to ascertain the questions I was going to ask the House on the GSL I used these guidelines and one of those guidelines was, in fact, in general terms, the progress of the company towards financial and commercial viability. It is a matter which affects the long term financial and commercial viability, the pay structure that we are paying expatriate managers. Is the Government saying that they don't know or is the Government saying that they won't answer? This is what I want to know.

MR SPEAKER:

No, with respect, I think you have got a most definitive answer this time. You have been told: "We have not got the information, we are trying to get the information and then it will be given to you".

HON J BOSSANO:

In this House?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I said I had passed on the Hon Member's request for this information to the company because I think this is a matter of detail about the company's costs which is unreasonable, again, against the background of the Chief Minister's statement of what the Government would answer for in the House, to expect the Government to provide this information. The Government will simply be acting as a ferry service for information from GSL to the Hon Member, he could just as easily ask for it himself.

HON J BOSSANO:

Mr Speaker, I think this is an important point of principle because the Hon and Learned Chief Minister made a statement of policy recently as to what would be the nature of the questions that would be answered by the Government in this House and one of the matters was the financial viability of the company and its chances of reaching viability and the salary and allowances of 46 managers in total, we are not asking what each person is getting, but total cost of the expatriate managers which is £½m a year or £750,000 a year have a direct impact on the profitability of the company on its ultimate success and therefore we are not prepared as Members of the Opposition to address our questions to employees of the Company. We are asking the Government, whose responsibility it is to answer to the people of Gibraltar for the eventual viability of the Company, to give us at some stage, when they are ready, what it is going to cost them to have it managed by expatriates.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, this is, of course, a matter of interpretation of the statement which the Chief Minister made. It is quite clear that the reference which the Hon Member opposite has quoted in general terms, the progress of the company towards financial and commercial viability.....

MR SPEAKER:

I think we must take each particular instance as it comes before the House insofar as information is concerned as to whether it comes within the province of the Government to answer or whether it is within the province of the company to be responsible. We cannot take a general line now because there is no doubt that the Government as shareholder may be able to answer certain matters but which do not affect the day-to-day running and administration of the company. In other words, I will most certainly apply the same principles which have been applied all along to the Gibraltar Quarry Company.

HON J E PILCHER:

I was just going to say that the Chief Minister was in the House and the statement was made by him and I would like to know his interpretation.

HON CHIEF MINISTER:

But you haven't asked me.

HON J E PILCHER:

The Financial and Development Secretary stood up.

HON CHIEF MINISTER:

The point is that these are the remnants of the temporary Chairmanship of the Financial and Development Secretary and I thought it was only fair that matters of this detail should be dealt by him. I stand by the statement which was not made lightly and I thought, with respect, Mr Speaker, that that would be a guide to you as to what questions would be allowed when they are put in for the purposes of the House and that is, I think, mainly intended also for Members, of course, but also as a guide because it would not be practical to keep on allowing questions and our saying that these do not come within the parameters of the statement made. The statement was made in very general terms and as the Financial Secretary said it is a matter of interpretation but the progress of the company towards financial and commercial viability can mean anything; buying a new tyre for a lorry or whatever it is and therefore there are certain areas at which we must draw the line.

MR SPEAKER:

Most certainly.

HON J BOSSANO:

May I ask the Hon and Learned Chief Minister who made the original statement whether he agrees with us that for us to want to know whether the cost to Gibrepair Ltd of employing 46 expatriates runs to £1m or £½m or £750,000, is of a different order of whether they are buying a few tyres, would he agree with that, Mr Speaker?

HON CHIEF MINISTER:

Yes, it is, of course, different but you could take protection under this for the same purpose and I think that the answer to that question is that the accounts of the company will show the management costs and Members can then raise questions on the accounts, as I said, we would be able to have the accounts before this House. The concern of the Hon Member is perfectly understood and it should be addressed to the GSL. If the GSL are not prepared to give this information and so on then we shall have to say what criteria the GSL should have in their own mind which satisfies us or not but we are not going to be the postman for GSL in anything other than in the parameters that I have set out here which is a carefully thought out reply and statement. If I had known that things like that were going to come I would have been even more careful but I honestly gave in general terms what is liable to affect the viability, anything is likely to affect the viability but there is no suggestion of saying that salaries should be £½m, £20m or whatever. In fact, in the case of the previous question, the salary hasn't been fixed for the General Manager so how can we talk about affecting the financial viability of the company.

HON J E PILCHER:

Mr Speaker, I will certainly accept your ruling if you do give one. The Hon and Learned Chief Minister although he is referring to a previous question says that we are asking about a salary which hasn't even been agreed yet, well, it is not for this side of the House to have assumed that a person would be working without having a salary agreed. On the statement I think we take pride on this side, Mr Speaker, on a matter of principle.....

MR SPEAKER:

We are not going to debate. Whether you accept or you do not accept the statement is a matter which you have got to decide and as a matter of policy you may wish to bring a motion later on. You are of course entitled to get up now and ask whatever question you like which is seeking information and nothing else because otherwise we are going to debate on matters which are not subject to debate at question time.

HON J E PILCHER:

With all due respect, Mr Speaker, if the Government say that they will not answer this then we will have to accept it but what the Hon Financial and Development Secretary said was he was going to pass it on in which case I understood that we were going to be given this information in the following House and you, Mr Speaker, did think the same thing. This was not what he was saying.

HON J C PEREZ:

Mr Speaker, we have just had this afternoon questions about another publicly owned company and the Government has not seen fit to do otherwise but to answer to my satisfaction certainly, but why should we have two situations?

MR SPEAKER:

With respect, the questions we have had on the Gibraltar Quarry Company have been very precise and to the point, it has been directed to the audited accounts and you had asked Government whether they had made enquiries as the result of the statement made in the audited accounts.

HON J C PEREZ:

Mr Speaker, in the previous House there weren't any accounts about the Quarry Company and the situation was the same. What I see here is that questions about the possible viability of the whole project such as this one, nobody in this House of Assembly is being made responsible and it was an election issue and the Government by that  
.....



MR SPEAKER:

We are now making a statement.

HON J C PEREZ:

There must be someone responsible for it and someone to answer to this House.

MR SPEAKER:

Order, we are now making statements.

HON J BOSSANO

Mr Speaker, is in fact the Chief Minister inviting the Opposition to address their questions to GSL rather than to the Government?

HON CHIEF MINISTER:

No, I am not inviting the Opposition to do anything, I am only telling them what we are prepared to answer or not, it is up to them but I am sure that if he wants to ask the company he hasn't got to ask me whether I want him to ask the company. In connection with the parallel that has been drawn, I should draw attention to that part of my statement which says: "The company's accounts will be audited and laid before the House of Assembly. There will be an opportunity to discuss company affairs and the Government will introduce a motion on the accounts for that purpose. I would also expect the company to provide the House, as the basis for informed debate, with appropriate information about business and employment prospects and progress towards profitability".

MR SPEAKER:

May I say this and I want to make it very clear. I allowed the original question specifically because it stated: "Can Government state what will be the total monthly <sup>cost</sup>..." In other words, if Government were in a position to state <sup>that</sup> then they were entitled to answer the question because they are ultimately answerable to this House for Gibraltar Shiprepair Ltd as shareholders. They have said: "No, we cannot and since we cannot we would suggest that you go to the Gibraltar Shiprepair and we have gone further, we have asked the Gibraltar Shiprepair to give you the information".

HON J BOSSANO:

Mr Speaker, but I am just asking the Hon and Learned Chief Minister whether he is suggesting to the Opposition that we should address our questions to Gibraltar Shiprepair Ltd and he has said no. If he has said no, then can the Hon and Learned Chief Minister explain

to me what his Financial and Development Secretary means when his Financial and Development Secretary on behalf of his Government tells us that our enquiry has been passed on to Gibrepair Ltd, what does that mean if that doesn't mean that we should ask Gibrepair Ltd and expect answers from Gibrepair Ltd?

HON CHIEF MINISTER:

I don't have to answer for the Financial and Development Secretary who can do it very well himself and can even quote Shakespeare and others, but what I understood him to say in that reply because this is a sort of winding up operation since the Dockyard was transferred, he said: "I have passed that information". This is the first time he has said that and I think it is a matter of courtesy, if the company wants to tell you that having passed the information to them it is up to them to decide. We are not saying you should ask the company but if you want to ask the company who is going to stop you?

HON J BOSSANO:

Could I ask the Hon and Learned Chief Minister now that the Financial and Development Secretary has severed his connection with Gibraltar Shiprepair Ltd, will the Hon and Learned Chief Minister from now on be dealing with questions related to Gibraltar Shiprepair Ltd on behalf of the Government?

HON CHIEF MINISTER:

I said I would in general terms. If there are any matters which come within the scope of my statement which are of a particularly financial nature and are within the parameters, then I would depute the Financial Secretary to deal with them. In matters of policy within this thing I will be mainly responsible, I of course, may delegate but I will be mainly responsible.

HON J BOSSANO:

And would the Hon and Learned Chief Minister agree with me that according to his statement, since one of the things that the Government is willing to answer questions on is the progress of the company towards financial and commercial viability, that it must be a matter of concern to the Government how much the expatriate management of the company is costing them?

HON CHIEF MINISTER:

Yes I would have thought that would be a very important point at the end of the first year and I saw the accounts and I saw that there were very wide disparities and very high executive expenses, we would then say that is a matter to which we would draw the

attention of the company and even refer the matter in the House. That, yes, but they have to be given the opportunity of providing the information on which we can go on the basis of this agreement.

HON J BOSSANO:

Mr Speaker, I know that the Hon and Learned Chief Minister is used to having to deal with situations where at the end of the year he finds that what he predicted at the beginning of the year hasn't happened, that happens constantly within the estimates of expenditure, I know that, but wouldn't the Hon and Learned Member agree with me, Mr Speaker, that it would be preferable if one could have some idea at the beginning of the year what the cost is expected to be instead of having to deal with an irretrievable situation at the end of the year?

HON CHIEF MINISTER:

If it were our own, yes, but if we have directors and a Board of Directors to run the company, certainly I am sure the last thing that the Board of Directors want is that the company should be run from the House of Assembly and therefore if there are any signs of anything which is wrong I would be the first one to draw their attention. After that we shall have to go by the accounts of the company and judge how they are performing. As has happened this afternoon, there were exhaustive questions on the accounts of the Quarry Company and they have been answered.

HON J BOSSANO:

Wouldn't the Hon and Learned Member agree with me, Mr Speaker, that to seek information does not, in fact, imply that one is trying either to establish the salaries of individuals or to control the operation of the company from the House of Assembly and that the Government itself ought to want to have that information and that there is no reason why they shouldn't share it with the rest of Gibraltar, wouldn't the Hon and Learned Member agree with me on that?

HON CHIEF MINISTER:

Well, I never envisaged going down by the kiosk and start telling people how much Mr Brian Abbott earns or things of that nature, I don't think that that is the best way to run a company of this stature. We are interested, of course we are interested. The point is at what stage the information that comes to the knowledge of the Government should be made available to the Opposition but normally I would expect to allow the company to start running the affair before I can come to any judgement.

MR SPEAKER:

Next question.

NO. 63 OF 1985

ORAL

THE HON J E PILCHER

Can Government state how much will be the total amount of rent being paid by the Gibraltar Shiprepair Limited to the Ministry of Defence for the 46 properties which have been made available on a fully repairing lease basis?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, in answering the Hon Member's previous Question No. 108 of 1984, I undertook to provide this information when available.

The total rent payable by Gibraltar Shiprepair Ltd to the Ministry of Defence for 44 properties which have to date been made available will be around £1,600 per week.

NO. 64 OF 1985

ORAL

THE HON J E PILCHER

Are Government now in a position to state how many RFA vessels are programmed to be repaired by the Gibraltar Shiprepair Limited in 1985 and what proportion of the £14m of guaranteed work this will represent?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, I have nothing to add to what I said to the Honourable Member in answer to Question No. 114 of 1984. The detailed arrangements for repairing RFA vessels are the responsibility of the Company. It would only become a political matter if there were a departure from the original understanding reached with HMG about the value of RFA work.

SUPPLEMENTARY TO QUESTION NO. 64 OF 1985

HON J E PILCHER:

Mr Speaker, in the House previously I have been asking how many RFA's were going to be programmed and the answer of the Hon Financial and Development Secretary was that they had still not been agreed and that anyhow it was more important to know the sum of money that was going to be invested by the British Government in the form of subsidy than the number of RFA's, so this time I asked the question in a two-tier sort of way that if he didn't want to answer how many RFA's were going to be repaired, he could at least tell me what was the sum of money that was going to be invested in 1985 in the Gibraltar Shiprepair Ltd. It is completely incomprehensible to me that the Gibraltar Shiprepair Ltd should not know how many vessels are going to be repaired and the amount of money of the £14m that the 1985 programme will signify and is this another part of the affairs of GSL that has nothing to do with the House?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I think it is the responsibility of Gibrepair to decide how many vessels will be repaired in 1985. I haven't got the information, quite genuinely I haven't and, indeed, I did not have the information during my last two weeks as Chairman because as far as I was aware the matter has not been decided. I understand negotiations are still going on.

HON J E PILCHER:

Mr Speaker, perhaps I would need again to solicit from the Hon and Learned Chief Minister his interpretation of his statement.

MR SPEAKER:

No, we are not going to have that under any circumstances.

HON J E PILCHER:

Is the Financial and Development Secretary then, to your understanding, Mr Speaker, saying that he will not tell us or that he doesn't know?

MR SPEAKER:

I have understood the question very clearly. The Hon Financial and Development Secretary has stated that this is a matter for negotiation between the Gibraltar Shiprepair Ltd and Her Majesty's Government and is not information to which he is privy and therefore he cannot give it to you.

HON J BOSSANO:

But, Mr Speaker, didn't the Hon and Learned Chief Minister bring to this House of Assembly in July, 1983, a package which he recommended and which was voted and wasn't that package inclusive of the provision of £14m of RFA work?

MR SPEAKER:

I know what you are saying and what is being specifically asked now by the Hon Mr Pilcher is, is Government in a position to say how many RFA's are going to be repaired in 1985 and whilst the overall programme envisages £14m of work within three years, the answer has been 'I do not know'.

HON J BOSSANO:

Then if the Government doesn't know, is Government aware that it was common knowledge in November within Gibrepair, down to the labourers, that the programme for 1985 was six RFA's with a programme of 42 weeks?

HON CHIEF MINISTER:

No.

HON J BOSSANO:

How does the Government expect to have any credibility with the Opposition or with the rest of Gibraltar if what every labourer in Gibrepair knows in November they are unable to answer a question on in January, 1985?

HON CHIEF MINISTER:

I don't like the Hon Leader of the Opposition losing his cool, which he doesn't often do, I am sorry if I have been party to it, I hope he realises that what is well known in the small world, if I may say so or big world of the Trade Union Movement in respect of matters of work directly, is not necessarily known to me particularly because I only went to Shiprepair a few weeks before the handover just to know exactly what was going on there because I thought I ought to do that before I took it over, I wanted to see what was being handed to me. Of course I don't know and I think the answer of the Financial Secretary is perfectly right. I will go to battle if we don't get the £14m worth of work over the three years and I will ask pertinent questions in a few months whether they think the programme that they have is going to work so that we can do that work in that period. Those are the parameters in which I am interested but whether there are three particular RFA's at one time or two, frankly, it is not my business, it is none of my business, it is the business of the Company and if it is in the Company's interest to say that they should not have RFA's in 1986 because they have too much other work and they want them in 1987 it is a matter for the Company. We are not going to run the Company, we have a Board, we have appointed a Chairman from amongst a number of people in industry in England who will look after the affairs of the Board and we will see that they carry out their duties properly.

HON J E PILCHER:

Mr Speaker, has the Government made any attempt to find out any information given that I gave them a week's notice?

HON CHIEF MINISTER:

No.

HON J BOSSANO:

Mr Speaker, the position then is not that the Hon Financial and Development Secretary has given a negative answer because he is not able to provide the information, it is that he has given a negative answer because he has made no effort to obtain the information because the Government as a matter of policy considers that they have got no need to provide this answer in the House of Assembly, that is the answer, no?

MR SPEAKER:

I do not think that is the answer you have been given. The answer you have been given is that they are not going to get involved in the day-to-day running of Gibraltar Shiprepair.

HON J BOSSANO:

But, Mr Speaker, they are not being asked to decide how many. The Hon Member's question is how many RFA vessels are coming in 1985 and what proportion of the £14m. We are not asking them to decide whether it should be five, or six or to accept the responsibility for the decision, we are asking for information. If the Hon Member says he has'nt got the information, that is one thing. Is it that he hasn't got the information.....

MR SPEAKER:

Order. We are going round in circles, with respect to the Hon Leader of the Opposition. If the package had entailed or envisaged a certain number of RFA's to be done in 1985 then it would be within the province of Government to answer whether that commitment was going to be kept. The running of Gibraltar Ship-repair is exclusively a matter for management. How the £14m is spread out within the three years is not for Government to answer at this stage. Next question.



NO. 65 OF 1985

ORAL

THE HON J E PILCHER

Has the management contract between the Gibraltar Shiprepair Ltd and A & P Appledore now been signed and has a Controller been recruited?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Management Agreement between Gibraltar Shiprepair Ltd and A & P Appledore was signed on the 31st December, 1984.

I regret that a Controller has not yet been recruited, despite a further round of interviews. I understand that the Company is actively pursuing the matter now.

SUPPLEMENTARY TO QUESTION NO. 65 OF 1985

HON J E PILCHER:

Mr Speaker, will the Opposition obtain a copy of the Management Agreement?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If I can answer in general terms, the Government has certainly no intention of holding anything from the Opposition insofar as the Management Agreement is concerned because we understand it is an important document. There is just a certain doubt about the commercial status of it which I would like to look into but if we can satisfy ourselves on that I think the Government will be happy to let Opposition Members see it at least in confidence. This is because of the issue of commercial confidence.

MR SPEAKER:

Next question.

THE HON J BOSSANO

Can Gibraltarians travel to the UK and other parts of the European Economic Community on a Gibraltar Identity Card and without a passport?

ANSWERTHE HON THE CHIEF MINISTER

It is very doubtful whether Gibraltarians would be able to travel to either the United Kingdom or other EEC countries on a Gibraltar Identity Card and without a Passport.

There are two problems:-

- (1) After examination it has been found that the Gibraltar Identity Card is not up to the standard of those Identity Cards currently in use in EC countries and is more open to alteration and counterfeiting than most. In fact, we had thought some time ago before the rush for the Identity Cards came two years ago, we had already thought of having a more permanent nature of cards as is common everywhere.
- (2) Identity Cards in order to be acceptable would also have to bear an endorsement to the effect that the holder was a UK National for EC purposes and to that I see no difficulty.

SUPPLEMENTARY TO QUESTION NO. 66 OF 1985

HON J BOSSANO:

Mr Speaker, isn't it a fact that since last year it has been a practice in many of the Member States of the European Community to allow nationals of those Member States to travel within the EEC on the strength of an Identity Card?

HON CHIEF MINISTER:

Yes, I understand that that is the case particularly in Europe. Certainly, there is no legislation in the United Kingdom to provide people with Identity Cards or certainly all the members of the Common Market who belong to the United Kingdom are not able to exercise that facility because there is no UK Identity Card system at all.

HON J BOSSANO:

But notwithstanding the fact that there isn't a UK Identity Card

system which is not the question that I asked the Hon and Learned Member, if other European Member States do have Identity Cards and their nationals are able to travel, is there in principle any reason why Gibraltarians should not be able to make use of this facility if the Identity Card issued in Gibraltar measures the necessary requirements?

HON CHIEF MINISTER:

No, I don't see any difficulty at all.

MR SPEAKER:

Next question.

NO. 67 OF 1985

ORAL

THE HON M A FEETHAM

Is it the intention to allow EEC nationals to cross the frontier into Gibraltar on the strength of their identity cards?

ANSWERTHE HON THE CHIEF MINISTER

By Section 50 of the Immigration Control Ordinance a Community National may enter Gibraltar on the production by him of a valid identity card or a valid passport issued by the Member State of which he is a national proving his identity as a national of that State.

This provision in our law reflects the requirements contained in EEC Directives 68/360 and 73/148.

SUPPLEMENTARY TO QUESTION NO. 67 OF 1985

HON M A FEETHAM:

So the answer is yes or is it no?

HON CHIEF MINISTER:

I don't know, I will read it again and the Hon Member can judge whether I said yes or no. By Section 50 of the Immigration Control Ordinance a Community national may enter Gibraltar on the production by him of a valid identity card or a valid passport issued by the Member State of which he is a national proving his identity as a national of that State.

HON M A FEETHAM:

Will Government decide on one or the other, who makes such decisions in reading the law?

HON CHIEF MINISTER:

It is EEC rights.

HON M A FEETHAM:

Do I take it then that Spaniards, for example, will be able to.

HON CHIEF MINISTER:

If that is what you want to know I will tell you. First of all, they are not in the EEC and, secondly, as a result of discussions

between London and Madrid it has been agreed that both Spain and Gibraltar will require the production of passports during the period of advance implementation.

MR SPEAKER:

Next question.

GIBRALTAR

HOUSE OF ASSEMBLY



QUESTIONS AND ANSWERS

Meeting of  
26 March 1985  
68 to 136

NO. 68 OF 1985

ORAL

THE HON J C PEREZ

Has Government now given consideration to the proposal made by the Opposition that in future the Estimates of Expenditure should show the operating cost of the Post Office Savings Bank separate from the postal operations?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as the Hon Member is aware the operations of the Savings Bank are shown separately in the Accounts of the Government - on page 95 of the 1983-84 Accounts. These accounts are sufficiently informative and I see no need to change the existing arrangements.

SUPPLEMENTARY TO QUESTION NO. 68 OF 1985

HON J C PEREZ:

Can I remind the Government that when I suggested it at the budget session last year the Hon the Minister for Postal Services said he thought it was a good idea and that he would study it.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Obviously the Minister for Postal Services, if he said it, may wish to comment on that but I think I can explain the background of it. The account is based on an apportionment of expenditure; salaries, rent, lighting, travelling expenses and so on, plus actual expenditure which is overtime and so, indeed, are the memorandum trading accounts of the various funds, indeed, so are all accounts where an apportionment of overhead expenditure is made and I think that the information shown on page 95 is, as I have said to the Hon Member, sufficiently informative in this particular Head and we see no pressing need for a change.

HON J BOSSANO:

We are talking about the Estimates of Expenditure in the context of when we come to the budget having a better idea in this House as to what each of the areas of Government activity is going to cost in the next twelve months. We are not talking about finding out twelve months after the account has closed what it cost twelve months before. Surely, the Hon Member can understand the difference between the two?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I do understand the difference between the two, Mr. Speaker, but I would remind him that what I have just said is something which applies to all funds. We have special funds which are included in the Annual Accounts of the Government and I do not think there is any suggestion here that we are concealing information from the House, quite the contrary. I do recall the discussion on this in the budget and I think the particular point which Hon Members had in mind was the fact that a sum of the order of £1,000 was overtime expenditure which was directly allocated to the Fund. I accept that that particular figure of £1,000 had not been voted by the House but I think it would be absurd to change the arrangements simply on account of one item of about £1,000 when the information is brought before the House.

HON J BOSSANO:

It seems, Mr Speaker, that the Hon Financial and Development Secretary has made an assumption about the intention of the question and he is answering the question on the basis of his assumption. This has nothing to do with the fact that £1,500 was spent on overtime in the fund as was established by looking at the audited accounts. This has to do with a statement made last year in the budget about the presentation of the accounts. Would the Hon Member not agree with me that whereas, for example, there are special funds for housing and telephone and electricity and water where the House is presented with estimates and will be presented with estimates shortly about the anticipated cost of these services in 1985/86, the same will not happen in respect to the Post Office, is that not the case?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is not quite the case because the Post Office estimates and, indeed, the estimates of all Government Departments will include elements of expenditure which may subsequently be apportioned to the Post Office Savings Bank as part of the apportionment of charges which are included in the general budget, the information is already there, but I agree that the apportionment does not feature in the estimates but, as I said, I do not think that that particular fact bearing in mind the arrangements which are made for special funds generally is a serious deficiency in the information which is presented to the House.



HON J BOSSANO:

Mr Speaker, is it not the case that if one looks at Head 17 - Post Office Savings Bank and Philatelic Bureau, the House is provided with a breakdown into two elements; (1) the Postal Services and the Savings Bank and (2) the Philatelic Bureau and, clearly, if it is desirable that one should be able to equate the income and the expenditure of the Philatelic Bureau which one can do by looking at revenue and expenditure, surely it must be valuable, Mr Speaker, to be able to establish what is the cost of the postal operations which, strictly speaking, have no reason to be amalgamated with the Savings Bank operation which is a different thing altogether and since, in fact, the Hon Member produces retrospective audited accounts for the cost of the Savings Bank 24 months after the event, why cannot he tell us what is likely to happen in the forthcoming twelve months, what is there fundamentally to stop him doing that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think the Hon Member's point about the expenses of the Philatelic Bureau and the Post Office expenditure is an entirely different point, Mr Speaker.

HON J BOSSANO:

I haven't asked him whether he thinks it is the same point or a different one, I am asking him what is there to stop him doing what was said last year to be a good idea and was going to be looked at and which he hasn't given one single reason for not doing, Mr Speaker, except that he seems to have misunderstood the intention behind the question?

MR. SPEAKER:

In fairness, I think we have gone as far as we can go. The answer has been explicit, the Government considers that there is no need to change the existing arrangements. Whether it is right or wrong is another matter. Next question.

NO. 69 OF 1985

ORAL

THE HON J C PEREZ

Has Government now given consideration to the proposal made by the Opposition that the postal charges for carrying official mail should be shown in the Estimates of Revenue and Expenditure?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Minister for Postal Services and I both accept that there is a good deal to be said for this proposal but, having regard to the existing pressures on Treasury Staff, I have not yet been able to devote the resources necessary to consider the matter in detail or reach a conclusion

SUPPLEMENTARY TO QUESTION NO. 69 OF 1985

HON J C PEREZ:

Mr Speaker, does that mean that the Government is still considering it and that if this is not shown in the presentation of the estimates this year it might be that we will see it at a future date?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, I think there is prima facie a good case for establishing the Post Office which is really a public utility like electricity, water and telephones, as a trading account with the Post Office Fund, time and resources are the main considerations but we will consider it.

MR SPEAKER:

Next question.

NO. 70 OF 1985

ORAL

THE HON J C PEREZ

Is Government now able to state what are the requirements that have to be met for an employer to pay tax-free salaries to any of its employees?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, advice to employers wishing to pay salaries net of tax can be obtained from the Commissioner of Income Tax on demand. Broadly speaking, the Commissioner would need to know what the annual net of tax salary is going to be. He would then calculate by reference to the employees tax allowances both gross salary and tax due. The employer would then be required to make monthly payments on deposit on account of the annual liability.

SUPPLEMENTARY TO QUESTION NO. 70 OF 1985

HON J C PEREZ:

Does that mean that the tax is deducted from the gross?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The tax is paid by the employer, Mr Speaker. That would be the difference, I think, between that and the normal arrangement.

HON J C PEREZ:

But is that assessed from the gross or from the net?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The tax would be an addition to the net.

MR SPEAKER:

Next question.

NO. 71 OF 1985

ORAL

THE HON J C PEREZ

Can Government state what was the premium paid in the current financial year for the external insurance of essential Government assets and to what Head of Expenditure was this charged?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, a premium of £3,223 was paid on 30 January, 1985, to cover the first unit and the buildings of the desalination plant at Waterport. Cover was obtained for the period 21 January 1985 - the take over date, to 2 May 1986, ie when the three year insurance cover for all external insurance for essential assets expires. As I stated during supplementaries to Question No. 93 of 1984 the sum of £31,011 was paid in 1983/84 to insure Waterport Power Station, the North Face Distiller, the Refuse Destructor and the Telephone Exchange against named risks.

Both the original and the additional premia were charged to the Gibraltar Government Insurance Fund.

SUPPLEMENTARY TO QUESTION NO. 71 OF 1985

HON J C PEREZ:

Mr Speaker, since the Government did not make a contribution last year to the Insurance Fund from the Consolidated Fund would that mean then that the sum of money paid for the insurance of essential Government assets has come out from the Insurance Fund this year without Government having made a contribution to it?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Government did not, as the Hon Member will be aware, in this current year provide for a contribution to the Insurance Fund but as I said in my answer, the premia for these assets were in fact paid out of the Insurance Fund.

HON J C PEREZ:

Does that mean, Mr Speaker, that the Government thought that there was enough money in the Insurance Fund and that it didn't need a contribution notwithstanding that the money has been paid?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Clearly, Mr Speaker, if the Government did not ask the House to vote a contribution to the Fund in 1983 it follows, certainly, that the Government considered that the balance in the Fund was adequate to meet the likely charges on it in this current year.

HON J BOSSANO:

Mr Speaker, can the Financial and Development Secretary confirm that the Auditor has for a considerable number of years challenged the charging of premia for external insurance to the Government Insurance Fund and suggested that it is not a desirable way of dealing with the matter and that in fact the payment to outside insurers should be part of the Estimates of Expenditure and voted on and be shown under a Head of Expenditure, can he confirm that that is the case?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I must confess that I wasn't aware that the Principal Auditor had for a great many years made this recommendation, Mr Speaker. I will certainly take steps as I do on all those occasions when the Hon Member points out to me the inadequacy of my knowledge of the history of accounting arrangements in Gibraltar, I will take steps to acquaint myself.

HON J BOSSANO:

Would the Hon Member agree, Mr Speaker, that in fact if he charges as he has done in the current financial year, the cost of the premia to the Funded Accounts then that has a distorting effect on the results of the Government's estimates of revenue and expenditure in that there is a transfer from the special funds to the Consolidated Fund and yet the expenditure is not subsequently transferred from the Consolidated Fund to the Government Insurance Fund from which it is paid to outside insurers?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am afraid I didn't follow that in great detail, Mr Speaker, but I think the answer to the question is no, I will not agree.

HON J BOSSANO:

Mr Speaker, since the Hon Member was incapable of following it perhaps I can do it again for his benefit and then he might agree. Would he not accept, Mr Speaker, that if he is charging as he has done in 1984/85 the cost of premia to the Electricity Fund and the Water Fund, this appears as part of the reimburse-

ments and consequently as revenue for the Consolidated Fund and when one is looking at the end result and comparing revenue with expenditure, since he has on the revenue side the income from the premia from the Funds and he doesn't have on the expenditure side the payment of the premia to the other Fund, there is a surplus created which is totally artificial, would he not agree with me that that is the case and that it is not a desirable way to show the accounts?

MR SPEAKER:

Are you saying that there is a credit without a debit?

HON J BOSSANO:

That is precisely what I am saying, Mr Speaker.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I understand the point the Hon Member is making, it is that we are showing in the Accounts of the Funded Services insurance premia and his argument, I believe, is that if that is the case and yet we are not making any contribution to the Insurance Fund we are overcharging the Fund - I am seeking confirmation that that is the point that the Hon Member is trying to make.

HON J BOSSANO:

Whether we are overcharging the Fund or not is a separate point, Mr Speaker, what I am saying is that in terms of the Government's own accounts since the cost of the premia is being charged to the Special Fund and therefore appears as a counter entry under re-investments as revenue but does not appear on the expenditure side on the body of the Estimates, if one were to take expenditure and income in respect of the Funded Accounts one would show a surplus created by the charging of the premia to the Special Fund since there is no payment charged on the expenditure side of the Estimates and that is an inaccurate way of showing the situation.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I think I can correct the Hon Member on that particular point because if he in fact looks at the Estimates for the Fund he will notice that there is an absence of any provision for apportionment of a contribution which was not made, specifically in the case of Housing, of course.

MR SPEAKER:

With respect, I think this is a matter which I think needs clarification and you can both get together later on.

HON J BOSSANO:

No, Mr Speaker, I am sorry, it doesn't need clarification.

MR SPEAKER:

May I ask what is the information you are asking?

HON J BOSSANO:

The Hon Member has just given the House information which I am not asking. He has just said that the Housing Fund has not been charged with a portion of £100,000 which was not paid, well, that is obvious, how can you charge a portion of £100,000 that you haven't paid, I am not saying that, Mr Speaker. What I am saying is that if one looks at the Potable Water Service Fund there is £2,500 estimated expenditure in the year 1984/85 on insurance premia, Appendix B, page 104 of the Estimates of Expenditure 1984/85. If we look there we find £2,500 being charged to the Water Service Fund. That £2,500 like all the other expenditure there forms part of the revenue of the Government under the Head dealing with Reimbursements of the Funded Services, so you have got £2,500 theoretical income paid by Water to Government which goes into the Consolidated Fund but the payment to the outside insurance has not been charged to the Consolidated Fund, it has been charged to the Government Insurance Fund and the Government has not made a contribution to the Government Insurance Fund, so technically you are creating an income in excess of expenditure of £2,500 and that is an inaccurate way of dealing with it.

MR SPEAKER:

With respect, we are not going to go on with this question.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It has no effect on the Consolidated Fund.

MR SPEAKER:

Next question.

26 3 85

NO. 72 OF 1985

ORAL

THE HON J C PEREZ

Can Government confirm that a recommendation was made that the special tariff for electricity for ex-City Council properties should be discontinued, and if so, what steps has Government taken to give effect to this recommendation and when?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the special tariff for ex-City Council premises was discontinued with effect from 1 June, 1984, ie the date on which the revised electricity tariffs introduced in last year's Finance Ordinance came into effect.



NO. 73 OF 1985

ORAL

THE HON J C PEREZ

Can Government confirm that King's Bastion Generating Station is not included in the essential assets covered by external insurance?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Mr Speaker, the King's Bastion Generating Station is not included in the list of assets covered by the external insurance policy.

SUPPLEMENTARY TO QUESTION NO. 73 OF 1985

HON J C PEREZ:

Does that mean that Government doesn't consider King's Bastion to be an essential asset?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

My understanding is that the original insurance proposal was aimed at covering the minimum number of assets and as Waterport Power Station was included in the policy it was not considered necessary also to insure King's Bastion.

HON J C PEREZ:

Why not? Would it not be the policy of the Government to insure all essential assets and is King's Bastion not considered valuable enough to be insured?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Obviously, I am the mere financial guru or 'giri' in this particular exercise, Mr Speaker, and I cannot speak for the value or the contribution which King's Bastion makes to the generation of electricity, I see the Minister for Municipal Services isn't here but I think that is all I can say.

MR SPEAKER:

Next question.

NO. 74 OF 1985

ORAL

THE HON J L BALDACHINO

Can the Financial and Development Secretary state if his discussions with commercial banks in relation to the Government Home Ownership Scheme, have been concluded?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the discussions I held with the banks were in connection with the possibility of extending to the banks the arrangements applying to building society deposits on which the first £500 of interest is tax free. It has not proved possible to apply a similar scheme to banks.

SUPPLEMENTARY TO QUESTION NO. 74 OF 1985

HON J L BALDACHINO:

Mr Speaker, as I understand it there is only one bank in Gibraltar which gives loan facilities for people who want to buy houses for home ownership occupation. On his discussions with the other banks, have the other banks shown any interest to make available similar loans?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker, I am happy to correct the point which the Hon Member has made when he said that it is only one bank. As a result of the representations which the Government has made to the banks I am glad to say that lending for mortgage finance is something which now at least one if not two of the other banks are now prepared to contemplate, so we don't have a situation in which just one bank is lending for home purchase.

HON J L BALDACHINO:

In his discussions Mr Speaker, did he discuss with the banks the limit of money that banks are prepared to consider for home ownership or has that not been mentioned in his discussion?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The amount which they will lend is obviously determined by the bank's lending policy and that is something over which obviously I don't have any control. Likewise the question of eligibility will be something which the banks have got to determine themselves.

MR SPEAKER:

Next question.

NO. 75 OF 1985

ORAL

THE HON J E PILCHER

Can Government now state what will be the total monthly cost to Gibraltar Shiprepair Limited of the salary and allowances of the expatriate managers in their payroll?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, I have nothing to add to what was said in the House on the last occasion when this Question was asked. As the Hon Chief Minister said, the Government would expect the Accounts of GSL to show this sort of information in due course and for the House to discuss such matters when it debates GSL Accounts.

SUPPLEMENTARY TO QUESTION NO. 75 OF 1985

HON J E PILCHER:

Mr Speaker, if I may for clarification because what the Hon Member has said is that he is not going to answer the question until we discuss the Accounts, that is basically what he said.

MR SPEAKER:

That is why I allowed this particular question because it is a follow-up from the last meeting.

HON J E PILCHER:

For clarification because we are a bit confused on this side of the House as regards what questions they don't answer and what questions they do answer, could perhaps the Hon Member explain to me the difference between giving me the total cost of the pay of the expatriate managers and the total cost of the 46 properties which were made available on a fully repairing lease basis which he did answer in this House the last time?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I haven't got the reference in front of me, Mr Speaker, but the reason why I answered the question about the 46 properties which could be leased was because I felt I owed it to the Hon Member as a matter of courtesy on that particular question because he had asked it before and it was, as I might say, a heeltap from the days when I was Chairman of GSL and I used to answer questions about GSL in the House.

HON J E PILCHER:

Mr Speaker, there is no difference between this question and the question which was asked before. What the Hon Member is saying is that he did this as a sort of favour to the Opposition because he was the ex-Chairman of GSL.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, that wasn't quite the point, Mr Speaker. The point is this, that when I answered the question in the last session of the House of Assembly on the 46 properties it was because the Hon Member had asked the same question on an earlier occasion and I had been unable to provide him with the information so I felt I was obliged, as a matter of courtesy, to provide the information to that question which was outstanding from the previous session but the question which he asks about the total cost, the monthly payroll, is a new question which arose after I ceased to be Chairman and after the Chief Minister had made a statement in the House at the end of December about the sort of questions which the Government felt it right to answer.

HON J E PILCHER:

Mr Speaker, I am still confused and what I would like is a clearcut answer from the Government whether they will answer these questions in the House or they won't answer them?

MR SPEAKER:

With respect, I think the Government was kind to the Opposition in giving them some information perhaps that they might have refused and you are now saying; 'If you did it then why don't you do it on every other occasion'. Fair enough, you are entitled to that comment but what the Government is now saying is that for the kind of information you are seeking you have to wait for the Accounts of GSL and that is an explicit answer.

HON J BOSSANO:

Mr Speaker, doesn't the Government accept that a component of the cost structure of the Government's 100% owned Shiprepair Company which can dramatically affect its viability are things like how much it costs to employ expatriates with overseas allowance and free accommodation as opposed to employing locals and it is very relevant if the Government has committed itself to answering questions which impinge on the chances of success of the company, this is a perfectly valid question, what is the reason for the secrecy?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There is no question of secrecy, Mr Speaker, and indeed I would accept the point which the Hon Member has made. The cost will be an element in the financial out-turn and relevant to the financial accounts of GSL so let us consider the matter when we are discussing GSL affairs on the occasion which we have promised the Opposition a debate.

HON J BOSSANO:

Mr Speaker, when the Hon Member says that we should do it then is he not saying that we are going to be given the information months if not years after the event? We are asking what is currently happening because we believe the Government committed itself to keeping the House up-to-date on an on-going basis not when it is all over. If we find in two year's time that there has been a colossal loss a great part of which is accounted for by the salaries and allowances of expatriate managers what do we do in the House then, what is the point of discussing it then?

MR SPEAKER:

Next question.

NO. 76 OF 1985

ORAL

THE HON J E PILCHER

Is Government now in a position to state what is the annual salary of Mr Brian Abbott as General Manager of the Gibraltar Shiprepair Limited and what allowances will be paid over and above this salary?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir. The matter was discussed by the GSL Board in its February meeting and it is understood that the Board decided to seek independent professional advice on international salary levels for comparable posts before reaching a decision.

SUPPLEMENTARY TO QUESTION NO. 76 OF 1985

HON J BOSSANO:

So the matter is being negotiated currently? The General Manager is negotiating with the company on salary levels, is that the position then?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It was discussed by the GSL Board, Mr Speaker. I don't think the slightly lurid inference which the Hon Member has drawn from my statement necessarily follows.

MR SPEAKER:

Next question.

NO. 77 OF 1985

ORAL

THE HON J E PILCHER

Can Government state whether the rates in respect of 46 properties leased to Gibraltar Shiprepair Limited are paid by Gibraltar Shiprepair Limited or form part of the contribution in lieu of rates, paid globally by the UK Departments?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the rates in respect of the MOD properties leased to Gibraltar Shiprepair Limited are met from the contribution in lieu of rates paid globally by the UK Departments.

NO. 78 OF 1985

ORAL

THE HON J E PILCHER

Can the Government state whether the levels of productivity achieved so far by Gibraltar Shiprepair Limited are within the targets aimed for by the company?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, it is too early for anyone to take a firm view on levels of productivity achieved by Gibraltar Shiprepair Limited. The Company's preliminary assessment is that current productivity levels are higher than those previously achieved in the Naval Dockyard, but there is still some way to go before reaching targets.



26 3 85

NO. 79 OF 1985

ORAL

THE HON J E PILCHER

Will the Government make available to the Opposition a copy of the Management Agreement signed between Gibraltar Shiprepair Limited and A & P Appledore?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Government is prepared to let Hon Members opposite see a copy of the Agreement at the Secretariat on an undertaking being given that the confidentiality of the Agreement will be observed. I am sure that disclosure of the contents of this document would be commercially damaging to both Gibraltar Shiprepair Limited and A & P Appledore.

NO. 80 OF 1985

ORAL

THE HON J L BALDACHINO

Is the cost of the remedial work to the Tower Blocks going to be amortized on the same basis as the cost of the backlog of heavy maintenance?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir. The costs of the heavy maintenance programme incurred during the three years to March 1981 are being amortised over 20 years. In the case of the Tower Blocks which is still a relatively new building, the usual amortisation period of 60 years will be applied.

SUPPLEMENTARY TO QUESTION NO. 80 OF 1985

HON J L BALDACHINO:

Isn't it the practice in UK local authorities to amortize such things as the remedial work on the Tower Blocks on the same basis as heavy maintenance?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think there is nothing rigid about depreciation policy, Mr Speaker, it is a question of judgement of what life is appropriate for various assets in differing and changing circumstances. The point here is that as the Hon Mr Featherstone pointed out in answer to Question No.57 on the backlog of heavy maintenance, this was a property which was already in a fairly rundown state, I think the phrase used was a reasonably rundown state, whereas the Tower Blocks are, relatively speaking, new and hence the difference. We don't follow UK local authority practice rigidly and neither, I think, would the UK local authorities. I am sure they would exercise their judgement, too.

HON J L BALDACHINO:

I understand that, Mr Speaker, but the thinking behind the then Financial Secretary when he announced this in 1981 when he was amortising for a period of 60 years, the thinking behind that was that it was going to be for new buildings and modernised buildings, no such things as the cladding of the Tower Blocks. I understand the reason for the 60 years for new buildings and modernised buildings because it could be the expected life of that building. Mr Speaker, as I understand it the Tower Blocks most probably will be around 20 years old. If we amortize the remedial works on the same basis as the Hon Member has said, in

theory the Government should then be thinking of replacing the Tower Blocks forty years from now when the remedial works will be shown in the accounts on an amortized basis to be there 20 years after the Tower Blocks should have been replaced, is that right?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think, obviously, we are dealing with theoretical situations, Mr Speaker, because depreciation policy is concerned with the theory, you make a judgement and you review your judgement in the light of experience. It may very well be that in the light of experience it may be found that an amortization period of 60 years for a modern highrise block is too long and I do not rule out that possibility in which case we will have to change our depreciation policy.

MR SPEAKER:

Next question.

26 3 85

NO. 81 OF 1985

ORAL

THE HON J BOSSANO

Can Government state how the amount that is contributed to the Government Insurance Fund is determined?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Answered together with Question Nos. 82 and 83 of 1985.

26 3 86

NO. 82 OF 1985

ORAL

THE HON J BOSSANO

Can Government state on what basis was it decided in 1984 that the sum of £800,000 in the Government Insurance Fund provided sufficient increase cover for assets with an estimated value of £180 million?

ANSWER.

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Answered together with Question Nos. 81 and 83 of 1985.

NO. 83 OF 1985

ORAL

THE HON J BOSSANO

Can Government state whether the advice they had from the consultancy on insurance cover was that the system should continue as it had in the past with annual contributions to the Government Insurance Fund?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, about three or four years ago the Government considered the question of insurance cover for Government assets, taking advice from insurance brokers and other specialists in insurance analysis. This advice was not uniform and various opinions were received. The Government also took account of Local Authority practice in the UK, notably the GLC. At the conclusion of these enquiries, it was decided that a comprehensive programme of insurance cover for all Government assets would be neither desirable nor justified having regard to the likely cost of providing comprehensive cover and the fact that the losses sustained by the Government were insignificant in relation to total assets. The Government however decided, first, to continue to self insure by making contributions to an insurance fund, and to increase the contribution from £20,000 per annum to £100,000 per annum, and, secondly, to take out direct cover in respect of a number of assets which were considered vital for the running of the Government's essential services - namely, the Generating Station, the Distillers and the Refuse Destructor. That is still Government policy. The determination of the amount of the annual contribution is largely a matter of judgement. If claims on the Insurance Fund were to increase relative to contributions and erode the value of the Fund, that would establish a prima facie case for increasing the contribution. However, the converse has applied in recent years and this is a factor which weighed with the Government in deciding not to make any contribution to the Insurance Fund during the current Financial Year.

SUPPLEMENTARY TO QUESTION NOS. 81, 82 AND 83  
OF 1985

HON J BOSSANO:

Then the Hon Financial and Development Secretary is saying that there is no established ratio of premia to the value of the assets that have to be covered, that no such thing exists, it is purely a matter of judgement?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think it is very largely a matter of judgement, I don't think there is an established ratio, no, Mr Speaker, but as I said, we did take account of the UK Local Authority practice and the GLC.

HON J BOSSANO:

Surely, the Hon Financial and Development Secretary must recognise that there is no other insurer in the world that works on that basis. People who charge insurance premia don't actually put their hand in a hat, Mr Speaker, and pick out any number, do they? There is actually an actuarial system which relates the cover that is provided to the premia that is charged or is that not the case?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon Member said there is no other insurer in the world that operates that way. I think he is comparing the Government with commercial insurance companies, that is their professional business. We are talking about the Government which is like other Government Departments or Local Authorities if you like, who self insure, whose situation is rather different from that of a commercial insurance company and I certainly know from my own experience that a decision to self insure is one which takes the question which distinguishes between the Government's position and that of an insurance company, you are self insuring, you are self insuring your risks, this is essentially a matter of judgement. If the Hon Member is concerned about the relationship between the size of the Fund and the premia and the value ascribed to the Government assets, I can assure him that the relationship between the GLC Fund, the self insurance Fund, and the value of their assets represent a much wider one, the ratio is far higher than is the case in Gibraltar. The GLC, when enquiries were made, they valued their self insurance Fund at about £1m in relation to properties with an assumed value of £10,000m and in Gibraltar we are talking about an Insurance Fund with a balance of £870,000 related to properties which were given a replacement value a few years ago of approximately £180m.

HON J BOSSANO:

Mr Speaker, but if in fact the Government contracted at public expense consultants to advise them on this, isn't the Hon Member saying that they disregarded the advice from the consultants that they contracted because the advice from the consultants was contrary to what the Hon Member is saying because the Government Insurance Fund existed before the consultancy and the GLC existed before the consultancy and we certainly don't need to pay £20,000 to find out how the GLC operates, surely, Mr Speaker?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I didn't at any time say that we had engaged consultants, Mr Speaker, I said we took advice from insurance brokers and specialists in insurance analysis. I would only make the further comment that very often the advice one gets from such people is not prejudiced and at least related to the advice they would like you to take. The advice received from one source was that we should take up comprehensive cover for a variety of risks which we felt was not justified.

HON J BOSSANO:

Mr Speaker, is the Hon Member not aware that we did engage consultants and that in fact the cost was charged to the Government Insurance Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As is so often the case, Mr Speaker, the Hon Member has the last word.

HON J BOSSANO:

No, Mr Speaker, I haven't had the last word yet. I would like to ask the Government, Mr Speaker, apart from the question of its own Insurance Fund, if in fact the premia paid to external insurers are charged to the Government Insurance Fund then, Mr Speaker, isn't it a misconception to claim that we are self insuring to the tune of £100,000 when in fact the premia is effectively a deductible expense from that £100,000?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't quite follow the Hon Member's argument, Mr Speaker, I think I take the point in part but the premia for direct insurance is paid out of the Government Insurance Fund, the Government Insurance Fund covers all the Government's requirements as far as insurance in much the same way that when one votes the contribution to the Fund the outgoings from the Fund, whatever they might be, are charged to the Fund.

HON J BOSSANO:

But, Mr Speaker, isn't it in fact a contradiction to say that we have got two ways of providing cover for Government assets; (1) outside insurance and (2) running an in-house Insurance Fund and then we charge the cost of the outside insurance to the in-house Insurance Fund, surely the Hon Member must understand that there is a contradiction which is the one that I referred to in



an earlier supplementary had been pointed out by Auditors in the past, that if we got an expense payable to an outside insurer that should be shown as an item of expenditure in Government expenditure and not an expenditure of the Insurance Fund which is to cover the assets that are not insured?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I understand the point the Hon Member is making now and I don't think I would agree at all. We show the contribution to the Fund, the House votes the contributions to the Fund, the outgoings from the Fund are not voted by the House because the Insurance Fund is a Special Fund. If Principal Auditors have raised objections to that, well, of course Principal Auditors are entitled to raise objections but I don't necessarily have to agree and as far as the generality of the arrangements then if what we are doing is contradictory so is what the GLC and others are doing.

MR SPEAKER:

We are now debating, with respect.

HON J BOSSANO:

I am afraid the Hon Member is not following the gist of the question that I am putting to him. Surely, Mr Speaker, if you have got a situation where some assets are insured with an outside insurance and some assets are self-insured and there is a premium charged for the self insured assets, how can the expense of the outside insurance be a charge on the Fund that is a self insurance, it doesn't make sense, Mr Speaker, it is a contradiction in terms.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, the Fund is not a self insurance fund it is the Government Insurance Fund out of which the Government meets any charges, it is a Government decision to self insure the majority of its assets but the contribution which it makes to its Fund has a contingent provision against the possibility that it might have to meet the cost of fire, or whatever it may be, an earthquake, then that along with the actual specific charge for those assets which are directly insured, that is part of the charge on the Fund.

HON J C PEREZ.

Mr Speaker, following the Hon Member's argument, in a year where the Government doesn't make a contribution to the Insurance Fund one would have thought that the sum charged for insurance on direct insurance cover from outside would be transferred first

to the Consolidated Fund and then from the Consolidated Fund paid out direct to the insurance and not from the Government Insurance Fund since there hasn't been any contribution.

MR SPEAKER:

With respect, I must stop this, we are debating. If you need to ask a question to get information you are free to do so but no more. We can debate this at a later stage if you feel you ought to. What are you asking?

HON J C PEREZ:

I am asking, Mr Speaker, that if the Insurance Fund covers both the self insurance and the contribution of direct insurance then there should have been at least a minor contribution for direct insurance to the Insurance Fund if the Government thought that there was enough insurance cover for the self insurance.

MR SPEAKER:

That is exactly what the Hon Leader of the Opposition has been trying to extract from the Financial and Development Secretary for the last quarter of an hour and the Hon Financial and Development Secretary has explained quite clearly that he has got an Insurance Fund and he uses it for whatever purpose he considers necessary insofar as the insurance of Government property is concerned. It is a matter of approach and perhaps the Government and the Opposition disagree but it is a matter of policy. Next question.

NO. 84 OF 1985

ORAL

THE HON J BOSSANO

Is there a time limit beyond which the Government can no longer recover payments of arrears of revenue?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, there is no time limit beyond which Government can no longer receive payments in settlement of arrears of revenue. Generally speaking, there is a time limit after which legal action to recover the debt cannot be taken. Under Section 4 of the Limitation Ordinance an action for an account shall not be brought in respect of any matter which arose more than six years before the commencement of the action, and, where judgement has already been obtained, no action can be brought on that judgement after the expiration of twelve years from the date on which the judgement became enforceable.

This applies to action founded on simple contract or tort. However the law provides differently in cases of fraud, and there are special statutory provisions in the case of Income Tax and for the recovery of any tax or duty under the Imports and Exports Ordinance and the Licensing and Fees Ordinance.

SUPPLEMENTARY TO QUESTION NO. 84 OF 1985

HON J BOSSANO:

So, in fact, the arrears, for example, from the Funded Services would in practice be limited to six years?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is correct, Mr Speaker.

HON J BOSSANO:

Does the Government, in fact, write off arrears after six years or do they still keep on showing them as assets?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I don't like that sort of nastiness in the tail of that question, Mr Speaker, which is unworthy of the Hon Member but the Government does write off and I can say that the Government has had to write off debts which are of over six years duration.

MR SPEAKER:

Next question.

NO. 85 OF 1985

ORAL

THE HON M A FEETHAM

Can Government say what steps have been taken to secure a sensible arrangement with regard to EEC directives that will assist the development of the Finance Centre activities?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, proposals for EEC legislation which might affect Finance Centre activities are monitored by the Government. Representations are made to Her Majesty's Government so that the UK in its consultations with the EEC can give full regard to Gibraltar's interests at an early stage in consideration of any draft Community Legislation.

SUPPLEMENTARY TO QUESTION NO. 85 OF 1985

HON M A FEETHAM:

Can the Hon Member say what steps have been taken to secure a sensible arrangement with regard to the Fourth Directive on company law and a possible Ninth Directive which is in the pipeline with regards to banking laws in Gibraltar?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There is, of course, the matter of existing directives which still have to be implemented in Gibraltar and directives on insurance company law are obviously amongst those. It has been made clear in response to representations that have been made to UK and to the EEC that special derogations for Gibraltar will be difficult to obtain and notwithstanding this it is the Government's aim that Gibraltar's financial sector should develop profitably and successfully within the framework of Community law which will enable Gibraltar to sell its services freely in the EEC market.

HON M A FEETHAM:

Is the answer then that nothing can be done with regard to derogations on the Fourth Directive, is that what we are being told?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, it doesn't mean that in quite the terms the Hon Member has mentioned, he is talking now about the Fourth Directive. There is amongst the various Members of the Community, amongst the Member States, far from unanimity on the desirability of the

Fourth Directive and a certain hostility towards its monolithic character and I think I can assure the Hon Member that Gibraltar's representations to the UK and, indeed, its concern for the future of the Finance Centre both point very firmly in the direction of Gibraltar sharing that view and, so far as we can, taking advantage of the views of other Member States on the particular subject.

HON M A FEETHAM:

I am trying to get an answer which I can possibly understand, Mr Speaker. Is the Hon Member opposite saying that having made representations to Her Majesty's Government who is responsible for our negotiations with regard to derogations in whatever matter in dealing with the Common Market, in this respect the British Government has already told the Gibraltar Government that it cannot do anything with regard to this Fourth Directive, am I correct in this assumption?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think that is not quite so, there are continuing representations, Mr Speaker, on this and other matters between ourselves and the UK and between the UK and Brussels, between other Member States and Brussels and in some cases there is a difference between the formal position under Community law and the practice in other Member States which is a relevant consideration as well.

HON M A FEETHAM:

When should this Fourth Directive have been implemented should it have been acceptable as far as the Government of Gibraltar is concerned?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have just described the views of the Government of Gibraltar on the application of the Fourth Directive, Mr Speaker, I don't think I wish to say anything more on that.

MR SPEAKER:

Next question.

NO. 86 OF 1985

ORAL

THE HON R MOR

Is Government aware that there are a number of civil servants of retirement age who are unable to give up their employment because Government has not yet fulfilled the undertaking given in the House in 1979 to treat part-time service for pension purposes as a matter of urgency?

ANSWERTHE HON THE ATTORNEY GENERAL

Mr Speaker, I am painfully aware of the considerable inconvenience suffered by a number of present and former civil servants by reason of my failure to implement the decision taken in this House on the pensionability of part-time service. However, I am hopeful that their and my sufferings are almost over.

I completed the drafting of the Pensions (Amendment) Regulations 1985 on the 7th of March last.

The draft has now been submitted to the Secretary of State in accordance with Section 3 (2) of the Pensions Ordinance. Once the sanction of the Secretary of State has been obtained the draft Regulations will be brought to this House for approval in accordance with the proviso to Section 3(3) of the Pensions Ordinance. The Regulations will have retrospective effect to the 16th August 1977.

NO. 87 OF 1985

ORAL

THE HON J E PILCHER

Does Government intend to submit compensation claims for damages sustained to our waterfront and expenses incurred in cleaning up operations now that the oil leak has been identified?

ANSWERTHE HON MINISTER FOR HEALTH AND HOUSING

Sir, responsibility for the leak has not so far been ascertained. When the entity responsible is known, Government will make the requisite claim and to this end the departments are quantifying the extent of the pollution.

SUPPLEMENTARY TO QUESTION NO. 87 OF 1985

HON J E PILCHER:

Mr Speaker, does quantifying the extent of the pollution include quantifying all the money that the Gibraltar Government has spent in, for example, the fluid that they used for oil dispersant and the actual manpower used in respect of the cleaning up operation?

HON M K FEATHERSTONE:

Yes, Sir.

MR SPEAKER:

Next question.

NO. 88 OF 1985

ORAL

THE HON M A FEETHAM

Can Government confirm that Government contracts currently contain a fair wages clause?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 88 OF 1985

HON M A FEETHAM:

Can the Minister state if it is being complied with?

HON DR R G VALARINO:

Yes, Sir, Government intends to retain this clause in the future therefore it will be complied with.

MR SPEAKER:

No, you are being asked whether Government can say whether the fair wages clause is being complied with, in other words, whether it is being applied.

HON DR R G VALARINO:

Yes, Sir, as far as I am concerned the fair wages clause is in existence and it is the Labour Department which deals with it, I am sure that it is in Government contracts.

HON M A FEETHAM:

Has the Minister or his Department received any representations to the contrary?

HON DR R G VALARINO:

No, Sir.

HON J BOSSANO:

Mr Speaker, isn't it the case that the Minister's Department has been asked since July last year to enforce the fair wages clause in Government contracts and that they have been saying that they have been considering this so how can the Hon Member say he has not received any representations that it is being breached?



HON DR R G VALARINO:

Simply because the word representations means direct figures and wishes of a particular section. What we have had have been amicable discussions but I don't think representations come into it.

HON J BOSSANO:

Is there, in fact, Mr Speaker, a formal request for the enforcement of the fair wages clause pending with the Hon Member's Department since July last year?

HON DR R G VALARINO:

Yes, Sir.

HON J BOSSANO:

And doesn't the Hon Member consider that that is representations, does he think that a formal written request for the enforcement of the fair wages clause is not representations?

HON DR R G VALARINO:

Yes, Sir, there is a representation as far as that is concerned and I do believe that there is a meeting tomorrow between the interested parties, ie the employers and the unions, Sir.

HON J BOSSANO:

Then the Hon Member is saying that the Government is committed to retaining the clause and to ensuring that it is complied with, that is the position?

HON DR R G VALARINO:

That is correct.

MR SPEAKER:

Next question.

NO. 89 OF 1985

ORAL

THE HON J C PEREZ

Is Government now able to state whether the requirement for an import licence in order to buy sand from any Member State of the EEC, is contrary to the requirements of the Treaty of Rome in respect to the free movement of goods between Member countries?

ANSWERTHE HON THE ATTORNEY-GENERAL

No, Sir. This is a difficult matter and the answer is far from clear. I am at present looking into the problem and will let the Hon Member have an answer as soon as I can.

NO. 90 OF 1985

ORAL

THE HON R MOR

Can Government now say what the value of plant and equipment in the Gibraltar and Dockyard Technical College is and whether this is being transferred free of charge?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT  
AND POSTAL SERVICES

Mr Speaker, there has been no need to assess the value of plant and equipment at the College as they are being taken over 'as is'. It should be noted, however, that the Government has contributed 50% towards the running expenses of the College since its inception. Half the cost, therefore, of all plant and equipment has already been met from local funds.

SUPPLEMENTARY TO QUESTION NO. 90 OF 1985

HON R MOR:

Mr Speaker; I am given to understand that the equipment contained in the College is in fact a substantial amount. Can the Government state exactly what that amount is?

HON G MASCARENHAS:

Mr Speaker, I think I have answered. There has been no need to assess the value of the equipment, it is being taken over as it is.

MR SPEAKER:

Next question.

NO. 91 OF 1985

ORAL

THE HON J C PEREZ

Can Government state what are the problems in connection with the commencement of direct dialling with Spain and when is it envisaged this will take effect?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, all the arrangements for the implementation of direct dialling with Spain were finalised during the course of the technical talks held in Madrid and Gibraltar on the 28th January and 19th February, 1985, respectively. Direct dialling to Spain is expected to be a reality before the end of the year. The delay is attributed to the lead time required when ordering exchange equipment.

SUPPLEMENTARY TO QUESTION NO. 91 OF 1985

HON J BOSSANO:

Mr Speaker, didn't the Hon Member say in an earlier question last year that he could not determine the charges for international calls until this matter was finalised? Are we being told that he is now in a position to determine it and will in fact that wait until it is actually implemented or not?

HON J B PEREZ:

I think what the Hon Member recalls me saying in the House is that I was negotiating the question of fees with Cable and Wireless. This was another matter but the main delay is due to the negotiations at present being carried out with Cable and Wireless.

HON J BOSSANO:

No, Mr Speaker, I think if the Hon Member checks the record he will find that he said in the House that part of the reason why the study which the Government had on the finances of the Telephone Accounts were being delayed was because the end result of the nature of the agreement on direct dialling with Spain would be one of the factors to be taken into account. I am therefore asking him if he is now saying that this is going to be implemented towards the end of 1985 does that mean that that is when the Government will be in a position to fix the charges and not before that?

HON J B PEREZ:

It doesn't directly arise from the question but I don't mind answering, Mr Speaker. The position is that the question asks on the commencement of direct dialling with Spain, that is, on the technical side, the full matter in connection with charges which I did point out in the House before we were looking at, that has not been completed, in other words, what percentage will the Telephone Department collect from calls being made from Spain to Gibraltar, that has not been concluded but I have taken the question to mean the technical side and that will be before the end of the year.

MR SPEAKER:

What you are being asked, I think, is whether the question of agreement on charges is going to delay the implementation of direct dialling.

HON J B PEREZ:

No.

MR SPEAKER:

Next question.

NO. 92 OF 1985

ORAL

THE HON J C PEREZ

Can Government state what has been the total cost of employing Hawker Siddeley Power Engineering for the running of Waterport Power Station and how many weeks work was the payment to the contractors for?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, the total cost of employing Hawker Siddeley Power Engineering Ltd for the running of Waterport Power Station has been £2,062,400. This includes a sum of £353,500, which was included as part of the contract payments. They operated the Station over a period of 95 weeks.

SUPPLEMENTARY TO QUESTION NO. 92 OF 1985

HON J C PEREZ:

Mr Speaker, was that the operational cost only or did that involve maintenance work?

HON J B PEREZ:

As far as I am aware it is for operational work.

HON J C PEREZ:

Was the maintenance work carried out paid over and above the amount mentioned by the Hon Member or was there no maintenance work carried out by Hawker Siddeley?

HON J B PEREZ:

Two issues arise, one is the obligations of HSPE in connection with the contract with the Gibraltar Government. The question he is asking me is on the question of the operational costs over and above, in other words, when they had completed the contract and we were unable to take over the Station.

MR SPEAKER:

Next question.

NO. 93 OF 1985

ORAL

THE HON R MOR

Mr Speaker, can Government explain what is the present position of Spanish nationals in the Campo Area who contributed to the Social Insurance Scheme prior to 1970 as regards their eligibility for social security benefits?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, Spanish nationals in the Campo Area who contributed to the Social Insurance Scheme prior to 1970 will be eligible for social security benefits if they satisfy the necessary contribution conditions.

SUPPLEMENTARY TO QUESTION NO. 93 OF 1985

HON R MOR:

Mr Speaker, has that been the case during the time that the frontier has been closed?

HON DR R G VALARINO:

Spanish nationals in the Campo Area who contributed to the Social Insurance Scheme prior to 1970 and who satisfy the necessary contribution conditions are eligible for social security benefits. A person may receive the current rates if they have been insured or are ordinarily resident in Gibraltar for at least 104 weeks in aggregate since the 2nd July, 1970 but some of these factors have still not been finalised and will need further work from the Department which I will be glad to give to the Hon Member at a later stage either during this meeting or at a subsequent meeting.

HON R MOR:

Mr Speaker, would the Government confirm that Spanish nationals who live outside the Campo Area have been receiving payments from the social insurance?

HON DR R G VALARINO:

As far as I am aware there are two things. There is a way in which certain Spaniards have been receiving payments but when the frontier opened and Spaniards came in and put their names down for social insurance contributions this is still in the melting pot and we are having discussions with our counterparts over.....

MR SPEAKER:

I think what you are being asked is whether Spaniards living in the Campo Area are being treated differently to Spaniards living elsewhere.

HON DR R G VALARINO:

That is really as far as the pensions are concerned, Sir, the three pensions, the Old Age Pension, the Widows' Pension and the Disablement Pension and nothing else but that. The social system which means unemployment, maternity grants and family allowances just do not come into the picture.

HON M A FEETHAM:

Mr Speaker, can I just ask a specific question. Have there been any claims made direct by any Spaniard in the Campo Area requesting a specific benefit which is owed to them and has not been paid to him?

HON DR R G VALARINO:

Sir, there is an office at the Key and Anchor where we put in extra staff but this will have to be looked into.

HON M A FEETHAM:

Have there been any specific cases which have been paid up to now?

HON DR R G VALARINO:

No, Sir, no new cases are being paid at present. The only cases that are being paid are the old cases but there have been no new cases that have been paid so far because it requires close cooperation between the local level, between ourselves and our counterparts on the other side of the frontier and the other thing is it also requires further afield discussions between ourselves and the Government in Spain which is the deciding body. There are people who have put their names down but still no decision has been taken.

HON M A FEETHAM:

I am not asking for answers to a question that I haven't put. What I am asking is have there been cases submitted and if they are eligible under the laws of Gibraltar why haven't they been paid? It has nothing to do with the Spaniards, it is a claim, they are eligible, how many have actually asked and who are being paid or why haven't they been paid?



MR SPEAKER:

I think the answer has been given, I think the answer has been reasonably clear. All old cases which have been considered and decided upon continue to be paid and all new cases which have been submitted are under consideration. Is that correct?

HON DR R G VALARINO:

That is right.

HON R MOR:

Mr Speaker, according to the newspaper 'Area' not so long ago when the frontier opened, the Hon Minister is quoted as saying that they were accepting all claims. Is that correct?

MR SPEAKER:

No, you are talking at cross purposes. It has been said that claims have been submitted, they are being considered but no new claims have been allowed. That is what I understand.

HON J BOSSANO:

If in fact the Hon Member is saying that people who are entitled to a social security benefit on the basis of their contributions have had claims in since 1982 and have not had those claims met, what is the position with regard to the limit of time to which claims can be paid retrospectively?

HON CHIEF MINISTER:

They will be deemed to have been payable from the date in which they put their names down.

HON J BOSSANO:

So that in fact the situation is that although there is nothing in the law to say that a person who has contributed to the system can be refused the payment to which he is entitled, what has been happening is that the Government has not been replying to any claims in the last few years?

HON CHIEF MINISTER:

That is right.

MR SPEAKER:

Next question.

NO. 94 OF 1985

ORAL

THE HON R MOR

Mr Speaker, can Government explain what are the requirements that have to be met by persons over 65 years of age to be eligible for supplementary benefits stating whether nationality or a given level of income can disqualify a person from such payments and give details of the payments involved?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, various factors are taken into account before an award is made, eg current earnings, income, capital assets, family composition, etc. I am circulating the relevant information to Hon Members.

The Supplementary Benefit Scheme applies to Gibraltar and non-Gibraltar British Subjects who have been resident in Gibraltar for at least three years.

SUPPLEMENTARY TO QUESTION NO. 94 OF 1985

HON J BOSSANO:

Mr Speaker, this is, surely, before the Hon Member started paying people who were previously entitled to elderly persons pensions out of supplementary benefits, what is happening since the 1st January?

HON DR R G VALARINO:

That is right, Sir. In fact, if you remember rightly you are talking about the EPP?

HON J BOSSANO:

Which no longer exists, Mr Speaker.

HON DR R G VALARINO:

Which no longer exists because it was moved out from one section to what we call the social assistance and it was moved out from one side to another and in a way it is not subject to EEC legislation. This is the advantage and in the meantime we have made it tax free.

HON J BOSSANO:

Mr Speaker, we are not debating whether the Hon Member made it tax free or made it taxable. We are asking in Question No. 94, what are the requirements to qualify. The Hon Member has given us an answer and according to that answer none of the previous recipients of EPP qualify. If these were the conditions determining eligibility to supplementary benefits prior to the 1st January, these conditions should have been amended on the 1st January to enable the Hon Member to pay the money out otherwise how is he paying it, on what authority?

HON DR R G VALARINO:

As I stated in reply to Question No. 54 of 1985, I am talking about the various factors taken into account before an award is made and at the time I invited the Hon Member, Mr Robert Mor to visit the Department with myself to talk about this and any other matter to his satisfaction and give him full details. I repeat the invitation and I feel that if he takes up this invitation we can go into this at length, we can discuss this at length and both of us will benefit. I am sure that it is much easier to do it in the Department and be able to go over the whole system and not here as the system is rather complicated. The Hon Member has been to the Department various times and I again invite him to come to the Department and we shall go over all the factors.

HON R MOR:

Mr Speaker, I will be delighted to accept the invitation although the Hon Member hasn't yet answered the question and I would have thought that this would be the right forum to ask this question.

HON J BOSSANO:

Mr Speaker, I think whatever long chats the Minister wishes to have with the Hon Mr Mor, that is a totally separate issue. What I would like to know from the Hon Member is how is he paying supplementary benefits currently to people over 65. I don't see what the complication is, can he tell me that?

HON DR R G VALARINO:

There is a table and, in fact, I hope it has been circulated, and this is the way we are paying the supplementary benefits to people over 65. It is a very large table and one would have to go item by item so I feel it is much better for the Hon Member who shadows me to come to my office where we can go over the whole page, we can discuss it and if there is anything that he doesn't like he could then bring it up and it could be thrashed out here but it

is certainly, I feel, rather time consuming to go into this at this present moment in time and to go over every particular item. Again, I repeat my invitation to the Hon Member of the Opposition to come in, he has come in before and we bend over backwards to help him and explain the situation and I will be very glad to see him any time he would like and we can discuss this.

MR SPEAKER:

The answer is you will not give the information now, is that correct?

HON DR R G VALARINO:

It is far too complicated.

HON J BOSSANO:

No, Mr Speaker, it is not far too complicated. Can the Hon Member tell me, am I correct in saying that the information that he has circulated is related to means tested supplementary benefits, yes or no?

HON DR R G VALARINO:

Yes, Sir.

HON J BOSSANO:

Can the Hon Member tell me whether there is also supplementary benefits which is not means tested, yes or no?

HON DR R G VALARINO:

Yes, Sir.

HON J BOSSANO:

Can the Hon Member then tell us how the non-means tested supplementary benefit is paid which he has left completely out of his answer?

HON DR R G VALARINO:

The social security benefits are basically divided into two. There is one which come under and are applicable to Spaniards like the old age pension, the widows' pension, disablement pension, things like this.....

MR SPEAKER:

Let us not complicate the issue. I think you are being asked a simple question. How is the non-means tested benefit paid out?

HON DR R G VALARINO:

I must again reiterate that social security benefits are twofold, some conform to EEC Regulations and others do not conform to EEC Regulations but there are certain Regulations laid down by the EEC where we have a commitment to pay certain pensions and things like this whereas the EEC Regulations do not take into account another chunk of my Department.

HON J BOSSANO:

I am talking about supplementary benefits not social security payments. We are not asking about social security payments, we are talking about supplementary benefits, it has nothing to do with the EEC.

HON DR R G VALARINO:

Supplementary benefits, if I may correct the Hon Member, are not social security benefits, they are what we call social assistance benefits and they do not come under any EEC Regulations.

HON J BOSSANO:

I haven't asked the Hon Member whether they come under any EEC Regulations. I am asking the Hon Member how does he determine who is entitled to it?

HON A J CANEPA:

Is the question in respect of people aged over 65?

HON J BOSSANO:

That is right, Mr Speaker, that is the original question.

HON A J CANEPA:

Who are not means tested?

HON J BOSSANO:

That is right.

MR SPEAKER:

Precisely, those who were EPP before. If the Minister requires notice he can give the answer at a later stage.

HON DR R G VALARINO:

Yes, Sir, I require notice of the question.

HON J BOSSANO:

But, Mr Speaker, we gave notice of the question. Question No. 94 says: "Can Government explain what are the requirements that have to be met by persons over 65 years of age to be eligible for supplementary benefits stating whether nationality or a given level of income can disqualify a person...?" That is the question of which we gave notice and we haven't had an answer. How can he say he needs notice, he has had notice?

MR SPEAKER:

Yes, but he is deferring his answer to a later stage. We cannot delay the matter, I will have to call the next question and leave it at that, I am sorry.

HON J BOSSANO:

Mr Speaker, will the Hon Member then say that he will give us the information.....

HON A J CANEPA:

That is not what the answer says, I saw the answer in draft. My understanding is that in respect of people who were formerly in receipt of elderly persons pension, the conditions applicable for entitlement have been transposed into the supplementary benefits scheme. If my understanding is correct, therefore, the answer ought to be that anybody aged over 65 regardless of nationality who has been resident in Gibraltar for ten years prior to the date of application should be entitled to receive supplementary benefits on reaching the age of 65 at what in the scheme would be known as the non-householders rate which was always equivalent to the rate of elderly persons pension. That is my understanding, that is what I think ought to have been done, I hope that that is what has been done in transposing one from the other.

HON J BOSSANO:

Mr Speaker, if that is the answer which is the answer we were expecting and we have not had, then can the Hon Member say how can he explain a scheme which in his answer is a social assistance scheme, that is, which is a scheme which is not social security as defined by EEC Regulations because it is means tested which in fact is payable in some respects to persons irrespective of nationality, purely on residential grounds, and without an incomes test?

MR SPEAKER:

You are now asking for justification for policy and not for information.

HON J BOSSANO:

I am asking, given the answer that we have had, Mr Speaker, as to how eligibility to supplementary benefits is determined, how can the Minister explain that the development in the supplementary benefits scheme which says that if somebody, for example, is 64 years and 11 months he can only claim supplementary benefits subject to a means test provided he is a Gibraltarian or a British Subject with ten years residence, yet a month older you have got another person whose income may be much higher, who may be of a non-EEC nationality and who then gets an entitlement to a benefit which is purely determined by residential qualifications and not any other criteria, doesn't the Hon Member think that that makes the whole supplementary benefits scheme a very peculiar one.

HON A J CANEPA:

Yes, it is anomalous, it is an anomalous situation, I would agree, but here you have the Government faced with a situation in which we were being advised that the Elderly Persons Pensions Ordinance, we were in danger as a result of that Ordinance of opening the door to applications from outside Gibraltar. The elderly persons pensions were never intended to be payable to people outside Gibraltar, they were intended to be paid to people who had a connection with Gibraltar and hence the residential qualifications and faced, as I say, with that choice, whilst breaching what I would call the logical integrity of the supplementary benefits scheme, it was the only way that we could see our way to preserving not just for existing beneficiaries under the Elderly Persons Pensions Ordinance but also for future beneficiaries the only way of preserving their rights. But I agree, it is anomalous that somebody aged 64 years 11 months to qualify for supplementary benefits has to be means tested, he reaches the age of 65 and then there is no means testing. It is an anomalous situation but I cannot for the life of me for as long as we have a substantial number of people entitled to the elderly persons pension and we do now and we are likely to have for many years to come, I do not see how we can tackle the rather incongruous situation of on the one hand preserving benefits for existing beneficiaries and for future beneficiaries and yet not opening the door to a spate of applications from outside Gibraltar. This is the conundrum in which we find ourselves in the Government and we would rather have a separate provision in the supplementary benefits scheme which is anomalous but which at least enables us to achieve that which we were doing previously.

MR SPEAKER:

We will leave it at that because we are not seeking information

now, we are trying to justify the position and we are trying to see whether it should be justified.

HON J BOSSANO:

I am sorry, Mr Speaker, it is just that we have wasted a lot of time between the time we have had the answer to the original question and we have had answers which really had nothing to do with the original question and, quite frankly, there are supplementaries arising out of those answers which, with due respect, Mr Speaker, we would have put ten minutes ago if we had had the chance.

MR SPEAKER:

Fair enough, if you are seeking information I have no objection but let us not debate. We are debating most certainly now, we are trying to justify policy and the Opposition is asking the Government to justify an anomalous position and that is not for question time.

HON J BOSSANO:

We are trying to establish, Mr Speaker, what is happening today with the payment of supplementary benefits which is different from what was happening three months ago because of the fact that people who were previously getting elderly persons pension and retirement pensions.....

MR SPEAKER:

With respect, you can establish at question time matters related to the manner in which things are done and information and not justification but go ahead, ask another question.

HON J BOSSANO:

I am asking, Mr Speaker, in fact, is there a third set of regulations or criteria or whatever, to enable a different kind of payment to be made to people who were previously getting retirement pensions and will now be a third category of beneficiaries to supplementary benefits?

MR SPEAKER:

You mean people over 65?

HON J BOSSANO:

Also over 65, yes, Mr Speaker.



MR SPEAKER:

On this one if you require notice you require notice, it is as simple as that.

HON A J CANEPA:

I think I ought to apologise to Hon Members opposite for the answer to Question No. 94 because I did see it in draft and it escaped my notice that the answer was really dealing mainly with the general category of people under the scheme and not the specific case of people aged over 65 so I apologise for that. I think the Hon Member is now asking what has happened to people who were in receipt of retirement pensions? Is it that we repealed the Ordinance before the end of the year? Well, if we repealed the Ordinance what I think has happened is that we have also safeguarded their rights in a similar fashion, I think that that is what has happened but I would have to check.

MR SPEAKER:

Next question.

NO. 95 OF 1985

ORAL

THE HON R MOR

Mr Speaker, are persons employed on ships registered in Gibraltar required by law to pay social insurance contributions?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 95 OF 1985

HON R MOR:

Mr Speaker, are persons employed on ships registered in Gibraltar paying social insurance contributions?

HON DR R G VALARINO:

No, Sir, they are not. The matter has been raised before and for practical reasons it is extremely difficult to be able to ensure that these people do pay social insurance contributions and I myself wonder why this section was put into the law in the first place, possibly because this part is in the UK legislation. What I would like to tell the Hon Member is that the whole situation is now being looked into and once we have a definite answer I will tell the Hon Member and I will keep him informed of any developments in this sphere as far as the social insurance contributions of persons working on ships registered in Gibraltar is concerned.

HON R MOR:

Mr Speaker, I think it is hardly an answer to say that you don't agree that that law should be there, I think the fact is that it is there and it is a question of whether you comply with it or you don't. Is the Government saying that they are not complying with one of their own laws?

HON J BOSSANO:

What is the answer?

MR SPEAKER:

The answer is that the law is there, that if they are required to pay contributions that contributions are not actually being paid and that the Government is reviewing the law.

HON A J CANEPA:

In fact, the immediate thing that is going to happen is that there are officials of the Department of Transport arriving this week. I shall be meeting them myself on Friday and we want to find out how the United Kingdom Department of Transport goes about ensuring compliance with their own law. That might throw some light as to our ability to achieve enforcement. If it is going to be impossible in a situation where there is growth in the Gibraltar Registry to ensure enforcement, if we are not going to be able to get people to comply, then there is no point in having these provisions in the Ordinance. If they are there we must make sure that there is compliance and that we have the machinery for enforcement. As I say, I shall be taking advice from the Department of Transport officials later on this week and then the position might be somewhat clearer. The provision in the law is in the Employment Injuries Insurance Ordinance oddly enough but, apparently, whatever is payable under the EII Ordinance automatically requires payment of social insurance contributions as well but the position is that there hasn't been enforcement of this provision of the law.

HON R MOR:

Mr Speaker, non-compliance with this particular law could well be against EEC directives.

MR SPEAKER:

Yes, but we are expanding the orbit of the question.

HON J BOSSANO:

Could I ask then, is it not in fact an obligation on the part of the employer in law to make sure that the contributions are paid and if the employers are companies registered in Gibraltar what is preventing the Government from enforcing the law with the employers?

HON A J CANEPA:

That is probably the case but, as I say, there hasn't been compliance with the law. For some reasons that I cannot fathom no one has chased up employers of ships registered in Gibraltar to ensure that social insurance contributions are payable. I think it is a lamentable state of affairs but there you are, it is the state of affairs and, as I say, either we ensure that it is enforced or we amend the legislation. I have my own views as

to which I prefer but there we are and I think what I prefer is that the owners of ships registered here in Gibraltar should pay social insurance contributions in respect of their crews and that we should follow that up because that is the practice elsewhere and therefore it can be done here as well.

HON J BOSSANO:

Mr Speaker, don't we have an anomalous situation in that through obviously an oversight this section of the law has not been enforced but what is the position of somebody working on a Gibraltar registered ship who technically is working on Gibraltar soil, as it were, and under Gibraltar jurisdiction, and that person is not covered for an accident at work or anything like that?

HON A J CANEPA:

Of course, that is a wrong state of affairs and that is why I am sure the original provision was in the Employment Injuries Insurance Ordinance to cover him at least for injury if not for long term benefit. I think it is essential that ships that are registered in Gibraltar and therefore the crews of those count as people who are working in Gibraltar under the law, I think that there should be compliance.

MR SPEAKER:

Next question.

26 3 85

NO. 96 OF 1985

ORAL

THE HON M A FEETHAM

Can Government confirm that the Regulation of Conditions of Employment Board has recommended to Government that the weekly rate for maximum compensation for unfair dismissal should be increased to twice the weekly minimum wage for shop assistants?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Answered together with Question Nos. 97, 98 and 99 of 1985.

26 3 85

NO. 97 OF 1985

ORAL

THE HON M A FEETHAM

Can Government say when the introduction of minimum wages for Bar and allied Staff was recommended by the Regulation of Conditions of Employment Board and why it has not been implemented?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Answered together with Question Nos. 96, 98 and 99 of 1985.

NO. 98 OF 1985

ORAL

THE HON M A FEETHAM

Can Government say when the increase in minimum annual leave to a level of three weeks for employees with less than three years service and four weeks for employees with more than four years service was recommended by the Regulation of Conditions of Employment Board and why it has not been implemented?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Answered together with Question Nos. 96, 97 and 99 of 1985.

NO. 99 OF 1985

ORAL

THE HON M A FEETHAM

Can Government say when the 5% increase in wages for shop assistants was recommended by the Regulation of Conditions of Employment Board and why it has not been implemented?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, the increases concerned were recommended by the Regulation of Conditions of Employment Board following meetings held on the 24 and 31 October, 1984.

Notices were published in the Gazette on 6 December, 1984, as required by law and allowing 21 days during which written representations could be made. No representations were received. A Council of Ministers Paper covering the four items in question was submitted on 7 2 85 in order to secure Government's approval to the recommendations. Pressure of work both in my department and in the General Division has led to delays in the inclusion of the paper in the agenda for Council of Ministers.

SUPPLEMENTARY TO QUESTION NOS. 96, 97, 98  
AND 99 OF 1985

HON M A FEETHAM:

Mr Speaker, can the Minister state whether, in fact, Government intends to accept the recommendations or not?

MR SPEAKER:

It hasn't gone to Council of Ministers.

HON M A FEETHAM:

In view of the delay can Government ensure that a decision will be made next week?

HON DR R G VALARINO:

Mr Speaker, Sir, there are two things I would like to say on this. First, I will ensure that the matter does not repeat itself and that such a delay does not occur again and, secondly, I assure Hon Members that subject to Government approval the paper will go before Council as soon as possible and that these recommendations, if agreed by Council, will be implemented very shortly.



HON M A FEETHAM:

In view of the unnecessary or necessary delay which has deprived employees of their increase and betterment conditions, will the enforcement be made retrospectively?

HON DR R G VALARINO:

Mr Speaker, Sir, I am afraid there is no provision in the law as to that but I will certainly look into the excellent suggestion proposed by the Hon Member.

HON M A FEETHAM:

Can I take one particular point on this and request Government that they should seriously consider in the recommendations that particular aspect of Section 28(m) of the Regulation of Wages and Conditions of Employment Ordinance which sets the limit on double the statutory minimum wage payable to an adult shop assistant and instead of quoting a figure that in fact it should be as I have stated twice that of the adult shop assistant so that it is not necessary to come to the House to continually alter a figure which has become outdated.

MR SPEAKER:

The answer is yes, is that right?

HON DR R G VALARINO:

Yes.

HON J BOSSANO:

Mr Speaker, there is a point, I think, of principle involved in this. How can the Government reconcile the fact that having had a recommendation from the Board as long ago as October, we are in March and the thing still hasn't been given effect to and yet they have previously in the House refused to adopt a motion moved by me because they said that that would be an unwarranted interference in the independence of the Board that determines the wages of shop assistants and then at the end of the day if the Board is only there to advise the Government then the Government, surely, can go ahead and implement things irrespective of the Board which was something they said couldn't be done a year ago.

MR SPEAKER:

No answer to that? Next question.

NO. 100 of 1985

ORAL

THE HON R MOR

When will the ex-St Margaret's School in Town Range be ready to accommodate the pupils of St Mary's First Schools?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Mr Speaker, the work will be put out to tender in mid-April 1985. It is intended that a start on the site should be made at the end of June 1985. The Contract duration is 9 months. The expected completion date is the end of March 1986 and the School could be occupied for the summer term, 1986.

SUPPLEMENTARY TO QUESTION NO. 100 OF 1985

HON R MOR:

Mr Speaker, could I ask the Government why the delay in issuing the tender?

HON MAJOR F J DELLIPIANI:

Mr Speaker, the delay has been due to alterations to original designs due to problems encountered with the structure of the existing building and the high estimated cost and also the delay by the nominated steelwork supplier in supplying detailed information for inclusion in the bill of quantity.

HON R MOR:

Mr Speaker, how many children will eventually be accommodated at this School?

HON MAJOR F J DELLIPIANI:

I am not the Minister for Education any more but the School is intended to replace what has been called the 'Belsen' of our school system which is the primary school at the bottom of Hospital Hill. All the children will be there.

MR SPEAKER:

Next question.

NO. 101 OF 1985

ORAL

THE HON J C PEREZ

Are local contractors able to obtain supplies of building materials from Spain on the strength of their licence to trade as building contractors provided it is for their own use?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, from a Trade Licensing point of view, the answer is 'yes, Sir'. Under the Trade Licensing Ordinance, 1978, 'trade' means the buying or selling whether by wholesale or retail of any goods by way of business; and also means the importing of any goods into Gibraltar in commercial quantities. As inter alia 'commercial quantities' means any goods that is in fact intended for resale, or to be disposed of, for profit or gain, to a person other than the importer, it is obvious that local building contractors cannot sell, exchange, barter, offer for sale or expose for sale, any building materials which they may import on the strength of their business licences. They may do so, however, if in addition to their business licences as building contractors, they also hold trading licences to deal in building materials.

SUPPLEMENTARY TO QUESTION NO. 101 OF 1985

HON J C PEREZ:

I take it that that is only if they want to sell it but if it is for their own use they are quite entitled to import it?

HON A J CANEPA:

If it is for their own use on the strength of their licences as building contractors they are entitled to import.

MR SPEAKER:

Next question.

NO. 102 OF 1985

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state when they expect the completion of Glacis Estate voids to be finalised?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

Mr Speaker, the works are due for completion on 14th August, 1985.

SUPPLEMENTARY TO QUESTION NO. 102 OF 1985

HON J L BALDACHINO:

After the completion of the voids, how long will it be before Public Works pass it on to the Housing Department?

HON MAJOR F J DELLIPIANI:

I would hope, Mr Speaker, immediately afterwards.

MR SPEAKER:

Next question.

NO. 103 OF 1985

ORAL

THE HON J E PILCHER

Mr Speaker, how many times has the Government undertaken periodic inspections of the Aerial Ropeway Installation since 1977 and on which dates?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Mr Speaker, inspecting engineers have recently been appointed to carry out periodic inspections. The first inspection of the installation since 1977 was carried out during January and February this year.

SUPPLEMENTARY TO QUESTION NO. 103 OF 1985

HON J E PILCHER:

Mr Speaker, this question follows comments by the Auditor that there should be and, in fact, agreed by the Government, periodic inspections of the Ropeway Installation. I take it the answer is there has been no periodic inspection since 1977. Will this situation continue in the future or will periodic inspections mean periodic inspections?

HON MAJOR F J DELLIPIANI:

Mr Speaker, obviously the inspection that was required under the terms of the lease was that it should be inspected by an outside body and not by Blands Aerial Ropeway Ltd. It was quite obvious that they have been inspecting it themselves. The situation arose because the engineer who was doing this work left Gibraltar and no one was able to replace him. We tried somebody from another Department and we couldn't. In fact, the Principal Auditor raised the question not because he was concerned about the safety of the ropeway but as to who was paying for the inspection and it has taken a lot of people to come with the right answer on the question of indemnifying the inspector who does the inspection and the whole thing has been sorted out and it will not be a question of an annual inspection but periodic inspections throughout the whole year if necessary. The situation will be that what has happened over the past four or five years will not happen again.

MR SPEAKER:

Next question.

NO. 104 OF 1985

ORAL

THE HON M A FEETHAM

Will Government state what the total cost of the Viaduct Causeway is now estimated to be and whether ODA funds will need supplementing from local funds to meet this cost?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Mr Speaker, the total cost is £2,090,000 made up £1,439,000 from ODA funds and a contribution by the PSA of £651,000.

Local funds will not be required.

NO. 105 OF 1985

ORAL

THE HON J E PILCHER

Will Government provide adequate signposting and traffic control systems to cater for the influx of tourists into Gibraltar?

ANSWERTHE HON THE MINISTER FOR TOURISM

Mr Speaker, £3,000 have been provided by the Tourist Office to the Public Works Department for the erection of tourist directional signs.

SUPPLEMENTARY TO QUESTION NO. 105 OF 1985

HON J C PEREZ:

Mr Speaker, can the Hon Minister responsible for traffic inform me whether any new arrangements for traffic control have to be made as a result of the tourist influx?

HON M K FEATHERSTONE:

I don't quite see how this arises from this question but the traffic situation is monitored by a Traffic Committee who meet roughly every fortnight. At the moment no new changes have been made but the situation is being kept under review, as I say, at regular intervals.

HON J E PILCHER:

Mr Speaker, it is not only a question of signposts but things that lead to a better movement of traffic. On the first part I accept the answer given as regards signposting for tourists saying things like 'St Michael's this way' but on the traffic control situation we all know the type of influx of vehicles coming into Gibraltar daily and the inadequate situation that we have at the moment especially in areas like the Glacis Estate area and Queensway where buses and vehicles are unfortunately sometimes parked in the middle of the road deciding which way they are going to go. These are tourists in vehicles who want to come to Gibraltar to see Gibraltar and all they see when they come in is a few roads which are not marked and they don't know where they lead to. The Police are doing a very good job in actually trying to help these individuals but, surely, it must be costing Gibraltar much more to provide police escorts for buses than it is to put a signpost.

MR SPEAKER:

We are making statements. What are you asking?

HON J E PILCHER:

I am asking, following the answer that this is being monitored by a Traffic Committee, whether the Traffic Committee has proposed things like new signposting, pelican crossings and has this been given top priority by the Government?

HON M K FEATHERSTONE:

Yes, more signposting is going to be done. The difficulty is there is only one signwriter at the moment and he works as well as he can but he cannot perform miracles.

HON J E PILCHER:

Mr Speaker, I don't want to insist on the point and we look towards the future and not towards the past but, surely, if we had contingency plans for the opening of the frontier, surely, we must have thought that the moment the frontier opened cars were going to come in and coaches were going to come in and we needed signposting and now we are told we have only one man doing signposts. When are we likely to see the signposts up so that we do have an adequate system of traffic?

HON J C PEREZ:

Mr Speaker, could the Hon Member commit himself to inform the House of any new arrangements that are to be made if there are any and could he let us know at the next meeting of the House?

HON M K FEATHERSTONE:

This is a continuing process. I am sure Hon Members have seen one or two areas where the blue line has been put to allow traffic to move through more easily. Castle Road is one example of it. There is going to be a lay-by with a blue line in Willis's Road so that traffic can move down Willis's Road more comfortably. There is also a scheme near the Queen's Cinema so that traffic will flow more conveniently by reversing the give way signs, this is a continuing process. I cannot be bringing it to the House each and every time. I think you will be hearing later on in answer to another question that further pedestrianisation and traffic flows in Main Street are being got ready for the 1st May.

HON J E PILCHER:

Just one final point, Mr Speaker, I don't want to insist but



the Hon Minister for Tourism said that money had been earmarked, £3,000 for signposting for tourists. Is there any money being allocated to the traffic signposting and things like pelican crossings, new traffic lights, things like that, or has there been no provision as yet made for any money to this area?

HON M K FEATHERSTONE:

Yes, there is provision for general signposting as such.

MR SPEAKER:

Next question.

NO. 106 OF 1985

ORAL

THE HON J E PILCHER

Will Government give consideration to the creation of a Monkey Park taking into account the number of visitors calling at the Upper Rock?

ANSWERTHE HON MINISTER FOR TOURISM

Mr Speaker, as the Hon Member will recall from my answer to Question No. 150 of 1984 the History and Heritage Committee was considering the option of a Monkey Park or a Nature Reserve on the Upper Rock. They have recommended a Nature Reserve and the Tourism Consultative Board have accepted this recommendation. This will now be referred to Government.

26 3 85

NO. 107 OF 1985

ORAL

THE HON J E PILCHER

Can Government state whether they have requested the United Kingdom Government to allocate funds to Tourism and if so, what amount and with what result?

ANSWER

THE HON THE MINISTER FOR TOURISM

Answered together with Question No. 108 of 1985.

NO. 108 OF 1985

ORAL

THE HON J E PILCHER

Can Government state whether the Consultative Committee on Tourism has now submitted their recommendations and whether the Government are now in a position to proceed with them?

ANSWERTHE HON THE MINISTER FOR TOURISM

Mr Speaker, the Tourism Consultative Board met on 12 February 1985, to consider the recommendations submitted by the Standard and Prices Committee, History and Heritage Committee, Amenities Entertainment and Special Interests Committee and the Committee on the Environment. At this meeting the Board agreed a wide range of recommendations which have been submitted to me and which will shortly be presented to Government.

As I indicated in reply to Question No. 32 of 1985, an order of priority has to be established for the recommendations which Government accepts. These will then have to be costed. The Government will then be in a position to determine the extent of local funds which can be committed to these projects and the extent to which it will be necessary to approach the British Government for assistance.

NO. 109 OF 1985

ORAL

THE HON J E PILCHER

Will Government continue to advertise Gibraltar in the United Kingdom given the current occupancy levels in Hotels?

ANSWERTHE HON THE MINISTER FOR TOURISM

Mr Speaker, Government has always considered the UK as its most important market and most of our advertising has been conducted there.

However, for the immediate future UK advertising has been cut back and will now, as far as possible, be limited to support advertising run in conjunction with those Tour Operators featuring Gibraltar in their programmes.

In addition, promotional activity will be conducted in other markets to encourage the flow of tourist traffic during shoulder and out of season periods.

NO. 110 OF 1985

ORAL

THE HON R MOR

Mr Speaker, can Government state how many persons were in receipt of Rent Relief at December, 1984, giving a breakdown of Government and private tenants?

ANSWERTHE HON MINISTER FOR HEALTH & HOUSING

Sir, there was a total of 336 tenants in receipt of Rent Relief as at December 1984. Of these, 305 are Government tenants and 31 are tenants of privately owned accommodation.

NO. 111 OF 1985

ORAL

THE HON R MOR

Mr Speaker, has Government now completed its study of the operation of the Rent Relief Scheme in respect of private dwellings?

ANSWERTHE HON MINISTER FOR HEALTH AND HOUSING

Sir, Government will shortly be considering whether the Rent Relief Scheme should now be further extended to enable persons living in furnished accommodation to be eligible for rent relief and also persons occupying premises under Section 7A of the Landlord and Tenant (Miscellaneous Provisions) Part II.

NO. 112 OF 1985

ORAL

THE HON J L BALDACHINO

Mr Speaker, by how much does Government estimate Gibraltar's housing needs to increase on average each year due to increased demand?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, there are at present about 2000 applicants for re-accommodation and this figure is increasing annually on average by 240. However the crude housing need to solve these applications is approximately 700-750 houses. Eight years ago this figure was assessed at about 400. You might therefore say the increase is at a level of 40-50 houses extra per year.

The recent increase in housing applications is largely owing to persons wishing to register as entitled in connection with the house ownership schemes.



NO. 113 OF 1985

ORAL

THE HON J L BALDACHINO

Mr Speaker, by how much does Government estimate that its housing stock is depleted on average each year as a result of some properties no longer being repairable at reasonable cost?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the following are the figures for the period 1981/1984 of those tenancies which have been deleted from Government's Rent Roll:-

1981	-	16
1982	-	7
1983	-	81
1984	-	102

Of these, 133 have been disposed of by tender, 60 have either been demolished for subsequent development and the remaining 13 have either been converted to offices, stores or have become unfit for human habitation.

SUPPLEMENTARY TO QUESTION NO. 113 OF 1985

HON J L BALDACHINO:

Mr Speaker, is it the Government's intention to replace these houses that have been depleted through the years by new ones?

HON M K FEATHERSTONE:

As fast as Government can provide the money to build further housing it is the intention to replace housing, yes.

MR SPEAKER:

Next question.

NO. 114 OF 1985

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state how many Government dwellings are at present vacant and how many of those are:

- (a) Pre-war dwellings
- (b) Post-war dwellings?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, there are at present 6 post-war and 6 pre-war flats vacant which are all in the process of being rehabilitated prior to allocation.

SUPPLEMENTARY TO QUESTION NO. 114 OF 1985

HON J L BALDACHINO:

Mr Speaker, for how long have these dwellings been vacant?

HON M K FEATHERSTONE:

Normally, the rehabilitation process takes between two months to three months. The difficulty mainly is that most of these properties are of considerable age and they need electrical re-wiring and that is what takes the time.

HON J L BALDACHINO:

How long does the Minister consider that it will take for these twelve buildings to be put back into the Government housing stock?

HON M K FEATHERSTONE:

Not later than three months at the outside.

MR SPEAKER:

Next question.

NO. 115 OF 1985

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state if there has been an increase of homeless families since January 1985?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, there are at present 8 homeless families, 4 of which have become homeless during 1985.

All these cases have been investigated by the Family Care Unit and have been recommended by the Housing Advisory Committee for pre-war accommodation on availability.

SUPPLEMENTARY TO QUESTION NO. 115 OF 1985

HON J L BALDACHINO:

Mr Speaker, can the Minister say how this arises, how there are now more people becoming homeless than before?

HON M K FEATHERSTONE:

I am afraid I didn't hear that question, could you repeat it?

HON J L BALDACHINO:

Can the Minister state how is it that there are now more people becoming homeless than was the case before.

HON M K FEATHERSTONE:

I think there are various reasons. One of the perhaps unfortunate reasons is that one hears that if one becomes homeless one gets the opportunity of being re-housed reasonably quickly and therefore certain persons, whether it is true or not, say there is trouble at home and they are thrown out by their in-laws or by their parents and they then become homeless. Whether this is a try-on or not I am not exactly sure or able to say but there have been instances of people who have claimed to be homeless and yet seem to find accommodation at night somewhere.

HON J L BALDACHINO:

That could be the case but there could also be cases that are genuine ones.

HON M K FEATHERSTONE:

Yes, I agree some are genuine.

HON J L BALDACHINO:

What action is the Government taking to alleviate people becoming homeless?

HON M K FEATHERSTONE:

As I have said, as fast as pre-war accommodation becomes available so they are being re-accommodated.

HON J L BALDACHINO:

Mr Speaker, the Minister said on the previous question that he has got six pre-war houses which are also allocated to social cases such as families in a homeless situation. He said that those premises were vacant because they were being rehabilitated. In a previous question in this House he said that pre-war houses could be given to people in social cases where they could carry out the repairs if they needed to be repaired.

MR SPEAKER:

What are you asking?

HON J L BALDACHINO:

I am asking why doesn't he allocate those six pre-war houses to people who are social cases and they will carry out the repairs?

HON M K FEATHERSTONE:

As I have said, many of these houses are very old and they need re-wiring electrically and this is not thought to be one of those items that people should be allowed to carry out for themselves.

MR SPEAKER:

Next question.

NO. 116 OF 1985

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state how many families are considered to be squatters by the Housing Department and, if any, how many are squatting in:

- (a) Pre-war dwellings
- (b) Post-war dwellings?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, there are 12 families squatting in pre-war dwellings. This figure includes 4 families in 'La Cueva', Town Range and the homeless family under Referendum House. Legal action is proceeding to have all of them evicted.

SUPPLEMENTARY TO QUESTION NO. 116 OF 1985

HON J L BALDACHINO:

So there are none in post-war dwellings?

HON M K FEATHERSTONE:

No, Sir.

MR SPEAKER:

Next question.

NO. 117 OF 1985

ORAL

THE HON J L BALDACHINO

Mr Speaker, in view that the Government now considers tourism to be the future pillar of our economy and in view that the Minister for Economic Development and Trade agreed in Question No. 76 of 1984 that White Rock Camp buildings are an eyesore to tourism, has Government now got a policy for the reallocation of White Rock Camp tenants?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, there are at present nine tenants living at White Rock Camp who have to be decanted before the area can be redeveloped touristically.

As already stated in reply to Question No. 76 of 1984, Government has yet no definite plans for developing White Rock Camp and the whole question would have to be considered in the light of housing requirements for the inhabitants of Catalan Bay.

My colleague the Minister for Economic Development and Trade has recently held a meeting with the Chairman of the Village Council and proposals for a new build which could include an element of home ownership were discussed. These proposals were, I understand, to be the subject of further consideration with the Village Council.

SUPPLEMENTARY TO QUESTION NO. 117 OF 1985

HON J E PILCHER:

Mr Speaker, since we are tackling the eyesores as far as tourism is concerned, did the Government not have a policy as regards eyesores and was it not the policy of the Government to gradually take legal action against people who were, in fact, creating eyesores especially in areas like Devil's Tower Road?

MR SPEAKER:

No, we are not going to increase the scope of this question of eyesores all over Gibraltar otherwise we will never end. Next question.

NO. 118 OF 1985

ORAL

THE HON J E PILCHER

Is it Government's intention to proceed with the pedestrianisation of Main Street?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Yes Sir, Government has already decided that the next stage of pedestrianisation will comprise the length of Main Street from its junction with City Mill Lane to Library Street.

SUPPLEMENTARY TO QUESTION NO. 118 OF 1985

HON J E PILCHER:

Is the pedestrianisation going to be done on the basis as proposed to the ODA with a very high cost or is it just going to be closed to traffic and that is what we term pedestrianisation?

HON MAJOR F J DELLIPIANI:

Mr Speaker, what we intend to do is that we have extended the Main Street section from the Emporium to Library Street on a six months trial basis and most of the offshoots, the alleys and the lanes coming from this extra section. It is not intended to go ahead with the actual re-pavement of the area because we are going to allow parking after nine o'clock at night because I think it is a bit unfair on the public of Gibraltar if we start taking away all the parking facilities that they have when we are not in a position to reprovide suitable parking spaces in other areas. I think it would be a bit draconian to pedestrianise half of Gibraltar and not offer the people of Gibraltar alternative parking facilities.

HON J E PILCHER:

Mr Speaker, the Hon Member opposite has said it is going to be on a six months period but what he hasn't said is when Government propose to actually start.

HON MAJOR F J DELLIPIANI:

The 1st of May.

HON J E PILCHER:

And I take it, Mr Speaker, that already all the people concerned have been approached. We were talking at one stage of

pedestrianisation and I think there were times that we had to reprovision taxi areas, taxi offices, the reprovisioning of certain things. Has this already been done?

HON MAJOR F J DELLIPIANI:

Taxis will not be affected.

MR SPEAKER:

Could I ask a question of my own. Is Government considering on pedestrianisation making the strip of Main Street travelling from north to south, the strip Engineer Lane and Casemates, a one-way street?

HON MAJOR F J DELLIPIANI:

Sir, there is an area of Main Street from Casemates to where Parliament Lane is, and thinking now on this part of pedestrianisation will be that only cars travelling down Engineer Lane northwards will be allowed and that area will also be free of cars parking, etc, because at the moment we are finding that people who don't know our system who are going right up and then they find themselves in Parliament Lane and they have got to turn round into Parliament Lane.



THE HON MISS M I MONTEGRIFFO

Mr Speaker, can Government confirm that it is their policy to put into general wards private patients when there is no room in the private wards?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Yes Sir, so long as this does not deprive any patient who is in need of a bed in the General Wards, and with the agreement of the private patient.

SUPPLEMENTARY TO QUESTION NO. 119 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, does the Minister not agree that the situation could easily develop when the public patients could start to demand the same privileges as a private patient and they will both be together in the same ward and that this could in turn put pressure on the nursing and medical staff to cope with a totally new situation in the general wards.

HON M K FEATHERSTONE:

No, I do not agree, Sir. The person who is put into the general ward will get the same treatment as any other person in the general ward.

HON MISS M I MONTEGRIFFO:

Mr Speaker, what additional privileges would private patients enjoy in the general ward?

HON M K FEATHERSTONE:

None whatsoever.

HON J C PEREZ:

Mr Speaker, can the Minister explain what incentive is there to go private in those circumstances?

HON M K FEATHERSTONE:

If you are a person in the Costa del Sol and you feel that you need an operation urgently and there is no other method of having it other than going into the general ward then it is up to you to make your decision.

HON J E PILCHER:

Surely, Mr Speaker, a private patient has the right to have visitors all day or at least a more comprehensive system of visitors than a patient in the general ward.

HON M K FEATHERSTONE:

They would not be allowed to, if they go in the general ward they will have to follow the discipline of the general ward.

HON J BOSSANO:

Mr Speaker, the Hon Member said in the answer to the original question that this would only happen if the bed was not required for a local patient presumably under the Health Service. Am I correct in saying that that is the answer he gave?

HON M K FEATHERSTONE:

Yes.

HON J BOSSANO:

How would he cope with a situation where the local patient appears after the bed is occupied, what does he do, turf out the private patient?

HON M K FEATHERSTONE:

We always keep one or two beds vacant for emergencies.

MR SPEAKER:

Next question.

NO. 120 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

Can Government confirm whether they have in fact studied in the Council of Ministers the report on getting Gibraltar nursing qualifications recognised in UK and if so with what results?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

No Sir, the report has not yet been considered by Council of Ministers. One of the main requirements in order to bring training to a standard acceptable to the General Nursing Council thereby meeting EEC Directives on Nursing is to provide tuition at a recognised level. Management is considering how to fulfil the EEC requirements.

SUPPLEMENTARY TO QUESTION NO. 120 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister explain why it has taken them five years to resolve this matter since in 1979 the Government said that they would be looking at it as a matter of urgency?

HON M K FEATHERSTONE:

I think the position was that a certain person on the nursing staff was sent to qualify to come up to the recognised level but this person after a certain period of time gave up that tuition and did not get himself to the recognised level required.

HON MISS M I MONTEGRIFFO:

Mr Speaker, the Minister is saying that because someone abandoned the course in UK it has taken the Government five years to finalise the matter, is that the position?

HON M K FEATHERSTONE:

Would you repeat that please?

HON MISS M I MONTEGRIFFO:

The Minister has actually said that because somebody abandoned the course in the UK, they didn't complete the course in UK to bring up the tutorial standard up to UK level, this is the reason why it has taken them five years to solve the matter?

HON M K FEATHERSTONE:

No, that is part of the reason. The Tutor of the nurses is not at the recognised level, was taking the course to get to the recognised level, abandoned the course and reverted to the slightly lower level which is not acceptable to the EEC.

HON J L BALDACHINO:

Mr Speaker, I understand that the Tutor abandoned the course in UK. Wasn't there another suitable person in the nursing profession who could have taken that job and it wouldn't have taken five years?

HON M K FEATHERSTONE:

Not necessarily so, no, Sir.

HON J BOSSANO:

Mr Speaker, didn't the Government introduce a number of changes as a result of the requirements that were identified, apart from the question of the Tutor, wasn't the contents of the course changed, the syllabus of the examinations, the recording system and everything else, didn't in fact the Government inform the House during different points of that study following the visit of Mrs B riggs that all these things were being introduced?

HON M K FEATHERSTONE:

Yes, Sir, the resources of our hospital were found to fall short in a number of areas, not all these areas have yet been caught up but some of them have been already.

MR SPEAKER:

Next question.

NO. 121 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, can Government confirm whether there is an increase in the number of visitors using our medical services and if so, what additional resources they intend to provide?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, there has been no significant increase in the number of visitors using our medical services.

SUPPLEMENTARY TO QUESTION NO. 121 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, the information that we have is that the numbers that are arriving are putting a strain on the medical and the nursing staff.

HON M K FEATHERSTONE:

The information I have is to the contrary.

HON J BOSSANO:

Mr Speaker, can the Hon Member say when this innovation of putting the overflow of patients into general wards was first introduced?

MR SPEAKER:

That is going back to the last question.

HON J BOSSANO:

I know, Mr Speaker, but if the Hon Member has just answered that there are people in the Costa del Sol who may want sufficiently badly to have an operation to go into a general ward and pay as a private patient.....

MR SPEAKER:

Mr Bossano, with respect, the Minister has not said that, he hasn't said that there has been an influx or that this is happening.

HON J BOSSANO:

But if the Hon Member, Mr Speaker, is saying that he has no

indication or evidence that there is an increase in the number of patients then why is he making provision for the overflow of which he has no evidence to be put into the general wards?

MR SPEAKER:

But he has not made provision.

HON J BOSSANO:

But the Minister said that it is their policy, Mr Speaker, and the question arises out of the fact that such a policy has been introduced on the 27th February, 1985, or is this not the case?

HON M K FEATHERSTONE:

Yes, Sir, I don't think there has been any actual person put into the public wards yet because the private wards are still capable of coping with the actual requirements but it is there should the need arise.

HON MISS M I MONTEGRIFFO:

But, Mr Speaker, the Minister said in the last House of Assembly that he would monitor the situation as far as visitors were concerned to the hospital. Does he have a figure of the actual number who are visiting, for example, St Bernard's?

MR SPEAKER:

Perhaps it is due to the fact that there has not been any influx. Next question.

NO. 122 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

What steps has Government taken to expand the domiciliary nursing service for geriatric patients?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the domiciliary nursing service is not restricted to geriatric patients. This service is constantly under review and will be expanded as resources permit.

SUPPLEMENTARY TO QUESTION NO. 122 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, is the Government creating additional posts for this purpose or are people just going to be re-deployed?

HON M K FEATHERSTONE:

At the moment we cannot expand the service because we don't have the finances so to do.

MR SPEAKER:

Next question.

NO. 123 OF 1985

ORAL

THE HON J C PEREZ

Mr Speaker, can Government explain why the Minister for Public Works stated in March, 1984, that the MOT Vehicle Testing Centre would be fully operational as soon as the necessary staff was recruited if the necessary legislation was not ready then and is still not ready a year later?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, in answer to Question Nos. 70 and 152 of 1984 I informed the House that the Motor Vehicle Testing Centre would be fully operational as soon as the necessary legislation is promulgated and the staff recruited and trained.

SUPPLEMENTARY TO QUESTION NO. 123 OF 1985

HON J C PEREZ:

Mr Speaker, I am aware of the replies that he gave but in March last year the Hon Member said that the only thing holding it up was the negotiations with the relevant unions and that once that had been settled the post would be advertised and there would be no other delay. Since the excuse of the promulgation of legislation came after that, I am asking the Minister why he mislead the House in March last year?

HON M K FEATHERSTONE:

Well, if I did say that then I apologise. I cannot remember having said that, I am sure that I couldn't have said it because the two things are contingent with each other, it is necessary to have the legislation and to have the staff. I was hoping, of course, that we would have had the legislation by now.

HON J C PEREZ:

Mr Speaker, for the benefit of the Hon Member it was in answer to Question No. 22 of 1984 last March when he said that.

MR SPEAKER:

Would you then perhaps quote what he said.



HON J C PEREZ:

Yes. "The delay in getting the staffing was a certain amount of considerably difficult negotiations with the relevant union but I understand this has now been finalised. The Government will shortly be advertising for the extra posts that are needed to cover this and it is hoped that the Vehicle Testing Centre will come into operation at the beginning of April" - that was in March last year. Could the Hon Member give a definite date when the necessary legislation is going to be ready?

HON M K FEATHERSTONE:

That is not in my hands to say, the promulgation of the legislation is in the hands of the Attorney-General's Department. I know it is being dealt with with the utmost despatch but I cannot give an exact date.

HON ATTORNEY-GENERAL:

The legislation was sent to London for the draughtsman to start on, I think it was the beginning of March this year. I was hoping I could do it myself, I found I couldn't do it myself so I sent it to a draughtsman in London, I think it was at the beginning of March.

HON J C PEREZ:

Mr Speaker, perhaps it is not directly relevant to this question but could we get an answer from Government as to what they are doing in staffing the Attorney-General's office in that we have a situation here where we have a project funded by ODA which has been ready for over a year and cannot get off the ground and cannot get started because the necessary legislation is not ready?

HON ATTORNEY-GENERAL:

As I think Hon Members are aware we have had enormous trouble trying to find a law draughtsman. We have interviewed two candidates for the post of law draughtsman, an offer has been made to one of those candidates and we haven't yet had an acceptance. It is an enormous problem trying to recruit a law draughtsman and it is an enormous problem trying to draft legislation and run an office. A law draughtsman should be away from an office, away from telephones to be able to draft in his own good time and this is the problem about the delays in legislation.

MR SPEAKER:

Next question.

26 3 85

NO. 124 OF 1985

ORAL

THE HON J L BALDACHINO

Mr Speaker, how many of the extra 700 flats estimated by Government to be needed to solve the housing problem does Government plan to commence construction of in 1985/86?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Answered together with Question No. 125 of 1985.

NO. 125 OF 1985

ORAL

THE HON J L BALDACHINO

Does Government have a target of the number of new flats they plan to start building in the three remaining years of the current term of office?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, the Government has already stated its commitment to build more houses to alleviate the housing situation, but exactly how many flats can be built over the next 3 years will depend to a large extent on the response to the selective sale of flats to some 250 tenants which the Government has launched recently.

The total potential sale value of these selected Estates is about £3 million which together with the sale of Shorthorn Estate, which has already raised £¼m, will go some way towards financing the construction of further houses for rental.

Although the Vineyards (Old Gasworks) is to be developed as a private housing complex it is also expected to alleviate the housing situation by providing for over 200 units for sale to entitled persons.

SUPPLEMENTARY TO QUESTION NOS. 124 AND 125  
OF 1985

HON J L BALDACHINO:

Mr Speaker, the building of new houses will depend on how the sale of houses to sitting tenants go, is that the case?

HON A J CANEPA:

Very much so, Mr Speaker. The funds which the Government at the moment could make available to housing are very minimal indeed.

HON J BOSSANO:

What is the sequence of events, Mr Speaker, because if in fact the situation is that, for example, I think the Hon Member indicated that there were legal complications in the sale which had led to the payment for Shorthorn perhaps not reaching the Government in the current financial year, I think this was given in an answer to a question in the last House, then how does the Government go about planning or putting out to tender? Presumably, they will have to pay contractors and they could

find themselves in a situation where they themselves have not yet received payment so how do they propose to do it?

HON A J CANEPA:

The legal complications surrounding the sale of Shorthorn had to do with the fact that lawyers were to-ing and fro-ing in proposing amendments on behalf of the tenants.

HON CHIEF MINISTER:

Not me.

HON A J CANEPA:

No. The lawyers representing the prospective purchasers spent years to-ing and fro-ing in trying to achieve the best possible deal for their clients and trying to get satisfactory arrangements entered into the lease. That was necessary also in order that the banks would be prepared to earmark the funds for these mortgages. I think we have overcome those problems. I cannot envisage, with the standard leases, that the Crown Lands office will be providing for prospective purchasers having regard to the conditions which have been made clear to Government tenants, I don't foresee that we shall have these same difficulties. We should be able to make progress on the sale of these flats provided that there are sufficient takers, provided that there are over 50% in the estates involved. So it should be possible to mobilise funds at a much earlier date. But notwithstanding that, if the financial situation of the Government were to improve dramatically over the next twelve months, I think that the Government could then see its way towards drawing on other funds notably say, hopefully, from the Consolidated Fund, to start housing schemes in the knowledge that it will be possible to replenish those funds by the sale of these other estates. That is how, thinking aloud, I would hope that we can approach the matter.

HON J L BALDACHINO:

Mr Speaker, just one final question. If the sale to sitting tenants does not materialise then the Government will not be able to build new houses for renting, is that correct?

HON A J CANEPA:

The Government will not be able to earmark those funds for the building of houses, it will have to put its thinking cap on to see what do we do in that situation. I should also inform Hon Members that we do propose in the next development aid submission to make a bid for housing. We do not accept, just like that, the

stand that ODA are taking. We think that we have got very sound, social and political arguments that we can advance in support of a submission for assistance on housing. If the Government of Gibraltar is not able to provide housing for its people the danger is that they will leave Gibraltar and take up accommodation elsewhere and that has got grave, social, economic and political implications for Gibraltar.

MR SPEAKER:

Next question.

26 3 85

NO. 126 OF 1985

ORAL

THE HON J L BALDACHINO

Mr Speaker, is it a condition of sale of Government flats to sitting tenants such as the Shorthorn Estate, that they should take out insurance cover for the properties as is required for pre-war properties sold for modernisation by owner-occupiers?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir. This is a condition in all Crown leases.

NO. 127 OF 1985

ORAL

THE HON J L BALDACHINO

Mr Speaker, is it still Government's intention to develop Engineer House site for the construction of houses?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, the Engineer House site is at present used as a car park and will continue to be so used in the immediate future. If funds become available for housing as a result of the home ownership scheme or from any other sources, perhaps, I should add, which I explained earlier in reply to a former question, it will be necessary to review its future use bearing in mind that it is at present earmarked for public housing.

SUPPLEMENTARY TO QUESTION NO. 127 OF 1985

HON J L BALDACHINO:

Mr Speaker, if everything that the Hon Member has said materialises will it be for renting purposes or on the same basis as the one in the Vineyard site?

HON A J CANEPA:

At the moment it is earmarked for public housing, in other words, for the type of accommodation which the Government builds to rent to tenants on the waiting list, that is the present position.

HON J L BALDACHINO:

Mr Speaker, I understand there is also the possibility that if the Government does not have the funds for the construction of houses in the Engineer House site it could be used for something else, is that correct?

HON A J CANEPA:

I think we would have to weigh up a number of considerations there, Mr Speaker. There is the environmental point to be borne in mind that it is in the centre of town in what is already a fairly heavily built-up area. There is the question of the actual cost of new housing on that site to be weighed up against alternatives. There are other sites, fortunately, still available on which houses could still be built for general allocation. The outgoing Chief Planning Officer, the outgoing

Director of Public Works, has also come up with an idea which has got certain problems from an environmental point of view but from an economic point of view makes sense. For instance, is it possible to build another floor on some of the blocks at Laguna Estate? It might be possible to do that at a relatively cheap cost but what are the implications in respect of other matters. For instance, what are the implications in respect of schooling, what are the implications in respect of over-congestion, parking. These are things that have got to be weighed up and I think we shall have to come to grips with that over the next twelve to eighteen months.

HON J L BALDACHINO:

Mr Speaker, if the site is used for something else apart from housing.....

MR SPEAKER:

With respect, I think you have had an answer and we must not debate. Next question.



NO. 128 OF 1985

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state what categories of persons will be eligible to purchase dwellings in the Gasworks development project?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, the categories of persons eligible to purchase dwellings in the Vineyards development project will be either persons who are on the Housing Waiting List or are eligible to apply for Government housing.

SUPPLEMENTARY TO QUESTION NO. 128 OF 1985

HON J L BALDACHINO:

Mr Speaker, isn't this against EEC Regulation 1612/68?

HON A J CANEPA:

I require separate notice of that question, Mr Speaker.

MR SPEAKER:

Next question.

NO. 129 OF 1985

ORAL

THE HON M A FEETHAM

Can Government state whether it anticipates that commencement on the Gasworks site will start in 1985?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes Sir. The Government has already selected two out of the three schemes submitted in the first stage of the selective tendering procedure. The two parties will now be asked to tender for the site on the following principal conditions, with a closing date of 17th April:

- (i) that they specify their selling prices;
- (ii) that if they adhere to these selling prices they will be entitled to a refund of 75% of the tender sum;
- (iii) that if the selling prices are increased for whatever reason they will forgo the refund and in addition pay a penalty equivalent to 50% of the increase in selling price.

It is hoped in this way that the scheme will be instrumental in keeping prices within the reach of the average Gibraltarian family.

NO. 130 OF 1985

ORAL

THE HON M A FEETHAM

Can Government state whether it anticipates that commencement on the Rosia Bay site will start in 1985?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, the Government has recently selected the two parties who submitted proposals for the development of the site. They will now be invited to tender for the site and upon selection, the successful tenderer will be permitted to enter the site for the purpose of carrying out the development as soon as the land is transferred to the Gibraltar Government.

We anticipate that work will commence in 1985 although perhaps towards the latter half of the year.

SUPPLEMENTARY TO QUESTION NO. 130 OF 1985

HON M A FEETHAM:

Could the Minister give further details as to who are the selected parties and what sort of conditions we are talking about?

HON A J CANEPA:

I can give details about the selected parties. One is Marples International Ltd which is a company from outside Gibraltar. The other one is a Gibraltar company, Gibraltar Land Development is the second company.

MR SPEAKER:

Next question.

NO. 131 OF 1985

ORAL

THE HON M A FEETHAM

Can Government say whether work on the multi-storey car park will commence this year?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, the developer is presently pursuing the question of finding alternative accommodation for the Gibraltar Shiprepair Limited employees presently housed at Casemates. If he is successful work could well commence this year.

SUPPLEMENTARY TO QUESTION NO. 131 OF 1985

HON M A FEETHAM:

In view of the numerous questions which have been put over a period of time regarding this particular project and the answers that we have been getting which has as yet not resulted in the commencement of this project, is the Minister sure that the real answer for the non-commencement of this project has got nothing to do with the question that he has answered to me in the past?

HON A J CANEPA:

This project has not got off the ground because there have been serious problems encountered in re-providing the MOD quarters which at the time that the project was launched were not surplus to defence requirements and which later on, some year or so ago, were allocated by the Ministry of Defence to employees of Gibraltar Shiprepair Limited. I think that that is the main reason for the serious delays that there have been in commencement on the project. I have had a number of meetings with the developer and I have been impressed by the extent to which he considers that his reputation is at stake on this project. I have no doubt about their desire to get on with it.

HON M A FEETHAM:

As far as the Minister is concerned the assurance he is giving to this House is, in fact, that the developer provided he can find the necessary accommodation to replace the existing tenants of the Casemates area, that commencement will start and that it is not a question that the developer is finding it difficult financially at all, he is giving an assurance of this?

HON A J CANEPA:

I think the Government is satisfied that the financial resources are there. The only reason why the project might not be completed as envisaged could be technical geological reasons found once a commencement is made, once holes are bored, foundations are laid and problems could be encountered of a technical nature, I am just covering myself, that could pose difficulties but as far as the financial resources are concerned I think these are available and have been for some time and there are these other practical difficulties which, in a way, are embarrassing the developer concerned because he considers that he has got a reputation, a good track record, he considers that one of the main reasons why he was a successful tenderer was precisely his track record and they are very concerned that their reputation is at stake but I repeat, the money is there, the main bugbear all along has been this problem of re-provisioning.

MR SPEAKER:

Next question.

NO. 132 OF 1985

ORAL

THE HON J C PEREZ

Mr Speaker, can Government confirm that their decision to disallow an application by the Gibraltar Quarry Company to trade in cement was arrived at as a result of representations by the Chamber of Commerce?

ANSWERTHE HON THE CHIEF MINISTER

No, Sir.

SUPPLEMENTARY TO QUESTION NO. 132 OF 1985

HON J C PEREZ:

Mr Speaker, does the Hon and Learned Member recall that in his annual speech to the Annual General Meeting the President of the Chamber of Commerce referred to this issue and said that your decision was a result of representations by him?

HON CHIEF MINISTER:

I am not here to answer what other people say.

HON J C PEREZ:

Then are you saying that that is not the case?

HON CHIEF MINISTER:

No, it is not the case and perhaps if I explain it it may well be understood and perhaps nobody may strictly be lying. As I explained on the 30th October, 1984, in answer to Question No. 145, the company, not the Government, published a notice stating that it was applying for a licence and when the Government saw this application it drew the attention of the company to it. As I said then and I say now, there was no question of disallowing the application, the Government stopped the company from applying. Insofar as dates are concerned, the notice appeared in the press on the 4th October. Council of Ministers took a decision on the 10th October. Panorama's Chamber of Commerce column, where you know whether the President goes to the loo or not, was published on the 15th October which said: "The Chamber is very seriously disturbed by some of the recent moves made by the Government-owned Gibraltar Quarry Company" - that was on the 15th and the decision was taken on the 10th, and following the decision of the 10th by the time the decision was minuted

and this comment had been published, the Minister for Health and Housing informed the Chamber of the Council's decision taken on the 10th October.

HON J C PEREZ:

Then one can say that there were no official representations by the Chamber of Commerce to the Government?

HON CHIEF MINISTER:

No, none at all.

HON J BOSSANO:

Mr Speaker, I would like to know if the Government has not done this under pressure from the Chamber of Commerce, as they say they haven't, are they still of the view that the Gibraltar Quarry Company should not trade in cement, is that still Government policy?

HON CHIEF MINISTER:

Council of Ministers took a decision on the 10th October and the matter has not been reviewed at all.

HON J BOSSANO:

Would the Hon and Learned Chief Minister not agree that in the light of the answer given previously to another question that building contractors are now able to obtain supplies from Spain direct from people selling, for example, cement in Spain, that there is little sense in the Government-owned company not being able to trade in this product?

HON CHIEF MINISTER:

Consideration was not available on the 10th October.

HON J BOSSANO:

I am aware of that but I am asking the Hon and Learned Member whether he does not think that in the light of the answer that has been given today the matter should be reviewed?

HON CHIEF MINISTER:

I will look at it carefully.

MR SPEAKER:

Next question.

NO. 133 OF 1985

ORAL

THE HON J BOSSANO

How many certificates of permanent residence have been granted each year since 1st January, 1973, and to which nationalities?

ANSWERTHE HON THE CHIEF MINISTER

The information required by the Hon Member is contained in the list which I am circulating.

SUPPLEMENTARY TO QUESTION NO. 133 OF 1985

HON J BOSSANO:

Mr Speaker, can I ask if, in fact, since the bulk of this appears to be the result of marriage, and I assume this works 'for either spouse', is this an automatic thing or are there circumstances where the spouse is denied or can be denied a certificate of permanent residence?

HON CHIEF MINISTER:

No, the spouse cannot be denied a certificate of permanent residence but the difficulty is for a non-British spouse to obtain nationality to become a permanent resident, that is the thing, and that is that whereas before on marriage a wife obtained British nationality on registration which was done locally and reasonably quickly, now, say, for example, a Gibraltar woman marries a Portuguese subject, the Portuguese subject must have been here for five years in Gibraltar, three years married and then makes an application and it takes a long time to shift it through. It is when the application is available that he gets his certificate of permanent residence. In that respect it is more difficult now for a spouse than it was before.

HON J BOSSANO:

I think the Hon and Learned Member made a reference to nationality. How does the new Nationality Bill limit the right of residence since under EEC Regulations a non-EEC spouse of an EEC national is entitled to the same residential rights as the EEC national is?

HON CHIEF MINISTER:

I made a slight slip in my previous statement. You can be registered as a permanent resident even though you do not acquire your spouse's nationality but then you require five years residence.



HON J BOSSANO:

So the five years residence is for the purpose of converting permanent residence into nationality but permanent residence can be obtained, in fact, on marriage?

HON CHIEF MINISTER:

No, three years residence after marriage for permanent residence. There are two areas involved, I have been involved in quite a number of cases and I am a bit mixed up. There are two areas involved. First of all, I don't think you can get a certificate of permanent residence unless you are a British Subject but you need it if you are not from here you require permanent residence under the Immigration Control, I think it is Section 15 I don't know whether it has been altered, of the Immigration Control Ordinance. You can get what I think is called a supplementary certificate of permanent residence if you are not a British Subject and your spouse is a British Subject and you have been resident here three years.

HON J BOSSANO:

Mr Speaker, what I am suggesting is that under the amendments carried out to the Immigration Control Ordinance as a result of EEC obligations and having looked at the relevance of EEC requirements, is it not the case that an EEC national can pass his rights or her rights to a non-EEC national on marriage and if that is the case then, Mr Speaker, it would seem that if, for example, the husband of a Gibraltarian person needs to wait five years and the husband of a French person does not need to wait five years then our laws are more generous to other EEC nationals than they are to our own nationals if that is the case because certainly my understanding of the law is that if you have got a French person with residence in Gibraltar then that person joined by their dependents or their spouse cannot have new requirements put on the spouse whether it is five years or anything else, they automatically have got to be granted the same residential rights.

HON CHIEF MINISTER:

Yes, but I think, subject to what the Attorney-General may say and we are getting into a rather difficult subject to distinguish, I think the certificate of permanent residence is given under the Immigration Control Ordinance, Section 15, which was done for another purpose completely in order to attract people with money to come here and settle that was in the days when we were attracting people to come and buy flats here. The Hon Member is right in respect of the right to reside but when you refer to permanent residence it means permanent residence under the

Immigration Control Ordinance and therefore that status does not have anything to do with EEC rights, the EEC Subject lives here and has a five-year permit at the time or whatever and permanent residence in certain cases but qualifying under our own Immigration Act and not under any EEC Regulation.

HON J BOSSANO:

Mr Speaker, what I am saying is, in order to obtain a certificate of permanent residence is it something that is obtained automatically on marriage to an existing permanent resident?

HON CHIEF MINISTER:

Yes.

HON J BOSSANO:

There is no question of the person marrying and then having to wait five years before they can apply, that was my question.

MR SPEAKER:

Next question.

NO. 134 OF 1985

ORAL

THE HON J BOSSANO

Can Government state what is the policy being followed in respect of non-EEC women who become pregnant and wish to have their child in Gibraltar?

ANSWERTHE HON THE CHIEF MINISTER

Under present policy, non-EEC women are not allowed to remain in Gibraltar to give birth and are required to leave before the seventh month of pregnancy. The immigration authorities put this policy into effect and all non-EEC women who are allowed to reside in Gibraltar are informed in writing of this condition on their stay. Appeals against the requirements to leave are, according to the provisions of the Immigration Control Ordinance, made to the Governor who considers them on their individual merits. The Governor, in his discretion, allows appeals only in exceptional cases on humanitarian grounds or in cases where a family appears genuinely to have settled in Gibraltar. Non-EEC short term female visitors to Gibraltar who are pregnant are not refused entry provided they satisfy the immigration authorities at the point of entry that they are bona fide visitors and that they are not seeking to come to Gibraltar for their confinement.

SUPPLEMENTARY TO QUESTION NO. 134 OF 1985

HON J BOSSANO:

Is it Government's intention to continue with this policy?

HON CHIEF MINISTER:

The answer is yes and no.

HON J BOSSANO:

It sounds familiar.

HON CHIEF MINISTER:

The immigration policy in general is being reviewed in the light of the British Nationality Act to see if a more humane and generous policy can be devised. The question on non-EEC pregnant women and that of visiting families is receiving particular attention. In the case of non-EEC women who give birth in Gibraltar there is no longer the consideration that the children so born would acquire British Nationality under the new Act, since under the Nationality Registration birth in a dependent territory does not by itself confer nationality unless one of the

parents is British or is settled in that territory. In the light of that I think the authorities are revising the matter in a more humanitarian way. If the Hon Member wishes me to deal with matters that prompted this question I am prepared to answer that.

HON J BOSSANO:

Mr Speaker, do nationals of the Kingdom of Spain get treated currently under the policy applicable to non-EEC nationals or to EEC nationals?

HON CHIEF MINISTER:

Insofar as entry is concerned the same, that is to say, if they are bona fide visitors and it is clear that they are not intending to come here to deliver, they are treated exactly the same.

HON J BOSSANO:

But if they reside here are they told on taking up residence, presumably they have been in the past, but has that changed as a result of the Brussels Agreement and the advance implementation of EEC rights?

HON CHIEF MINISTER:

I think I would need separate notice of that question but I will find out and let the Hon Member know. I think I know what the answer is but I don't want to give it in case I am not right.

MR SPEAKER:

Next question.

NO. 135 OF 1985

ORAL

THE HON J BOSSANO

Is Government aware whether it is still the intention to fill the post of General Manager of GBC by recruiting an expatriate officer?

ANSWERTHE HON THE CHIEF MINISTER

Sir, the Government understands that the Board has decided to invite Mr Michael Massey of the BBC, who has undertaken similar tasks in the past, to look into GBC's structure and staffing and make recommendations. Steps will then be taken to fill the post.

SUPPLEMENTARY TO QUESTION NO. 135 OF 1985

HON J BOSSANO:

Mr Speaker, isn't what the Hon and Learned Member saying in the nature of a staff inspection which has been done before, in fact, by Mr Massey, is he saying that whether the post is required or not it is being looked at?

HON CHIEF MINISTER:

I must say that I am trying to help the House in giving this answer on information given to me by GBC which is, as the Hon Member knows, an independent body. My understanding is (a) that it has nothing to do with the structure that was done before by Mr Massey, that it comes as a result of some difficulties which have been found in the recruiting of a General Manager and the kind of money that is required and so on and they want to have a re-think as to what should be done but that is all, I cannot say any more on that.

HON J BOSSANO:

Mr Speaker, doesn't the Hon Member think that since the House will obviously be involved in financing the cost that we ought to be made aware of the consideration before irrevocable decisions are taken?

HON CHIEF MINISTER:

Absolutely and, in fact, it is as a result of the knowledge that was gained in the original way they went about recruiting the

required officer that made them think again because the kind of money that was being suggested by GBC for the job was one that I don't think anybody in this House could contemplate a subvention for GBC.

MR SPEAKER:

Next question.

NO. 136 OF 1985

ORAL

THE HON J L BALDACHINO

Mr Speaker, is it still Government's intention that the Landlord and Tenant Ordinance 1983 should come into operation in April, 1985?

ANSWERTHE HON THE ATTORNEY GENERAL

Sir, the Landlord and Tenant (Amendment) Ordinance, 1984 will be discussed in detail in Committee at this session of the House.

The Government intends to bring into operation on the 1st July next:

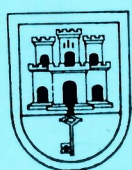
- (i) Parts I, II and III of the 1983 Ordinance.
- (ii) Sections 70 - 74 (inclusive), 77, 80 to 82(1) (inclusive), 83 and 84 in Part V of the 1983 Ordinance.
- (iii) The First Schedule, the Second Schedule and the Fourth Schedule (except paragraph 5 of the Fourth Schedule).

The 1st July, 1985, has been chosen as it is considered that this is the most convenient date having regard to the need for Landlords to serve notices to increase rents and also for accounting purposes.

The Government wishes to consider in detail the provisions of Part IV of the Ordinance (dealing with Business Premises) in the light of the changed circumstances arising from an open border situation.

GIBRALTAR

HOUSE OF ASSEMBLY



QUESTIONS AND ANSWERS

Meeting of  
26 June 1985  
137 to 201



Can Government state whether the restriction on the importation of bread to one loaf per person is still in force?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 137 OF 1985

HON J BOSSANO:

Is it Government's intention to continue to retain this restriction?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, Government considers that the time which has elapsed since the opening of the frontier is too short to reconsider the matter at this stage until trading operations have normalised and settled but it is reviewing the matter on a regular basis and I suspect that some serious reconsideration of this particular restriction may be taken towards the end of the year.

HON J BOSSANO:

Is the Hon Member aware that in practice it doesn't seem to be enforced?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not aware of that, Mr Speaker.

HON J BOSSANO:

Would the Hon Member agree that if it is in fact the case that in practice it is not being enforced it is better to remove it officially since what happens is that the people who choose to ignore the restrictions bring in as much bread as they want whereas those that continue to observe it are effectively imposing a limit on themselves? Would he not agree that that is the situation if what I am saying is true?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If it is true that in fact it is not being enforced, Mr Speaker, then obviously there isn't much point in operating the restrictions

but that is a hypothetical question as far as I am concerned. I accept that in fact there may be certain difficulties but there are clear instructions to the Collector of Customs that this particular restriction has to continue to be enforced.

HON J BOSSANO:

Has the Hon Member any information of how many cases there have been in the last six months of people who have had bread confiscated because of not observing the restriction?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I do not have that information with me. I will undertake to obtain it for the Hon Member.

HON J BOSSANO:

Would the Hon Member agree with me that if the information is that there has been not one single case it would indicate that it isn't being enforced?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It may or may not, Mr Speaker.

HON J BOSSANO:

Would the Hon Member agree that if in fact on investigation he establishes that in practice it is not being enforced it would be better to say so officially?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I will undertake to look into it, Mr Speaker, that is as far as I can go.

HON J. L. BALDACHINO:

The Hon Member said that the policy would be looked into at the end of the year. Is he speaking on the same date that Spain officially joins the EEC?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I was not drawing any parallel between the two. I was just merely saying that some time needs to elapse before the Government can consider the matter seriously and I think, perhaps, towards the end of the year - it may be before that or it may be after - there is no connection.

HON J BOSSANO:

Is the Hon Member then saying that accession of Spain to the Community would not have any effect on this decision?

MR SPEAKER:

In fairness to the Hon Member, he has been asked whether there has been any connection between that date and the accession and you have been told no.

HON J BOSSANO:

But is the implication then that if there is no connection, Mr Speaker, that in the Government's view the restriction could still be continued after Spanish accession?

MR SPEAKER:

He has said that he had drawn no parallel, that is all he said.

HON J BOSSANO:

And I am asking him, Mr Speaker, is it Government's view that the restrictions could be continued after Spanish accession?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Government is of the view that if it so wishes it will continue to operate this restriction even after the entry of Spain into the Common Market.

MR SPEAKER:

Next question.

THE HON J BOSSANO

ORAL

Can Government state how long a resident of Gibraltar needs to be away from Gibraltar to be entitled to duty free allowances on personal purchases and what these allowances consist of?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

The Regulations providing the information requested by the Honourable Member were published as Legal Notice No.20 of 1985 on 4 February, 1985.

SUPPLEMENTARY TO QUESTION NO. 138 OF 1985

HON J BOSSANO:

And is the Hon Member saying that those Regulations are in fact being currently applied and that people are being allowed to bring in duty free purchases provided for in those Regulations?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I take the Hon Member is referring to residents of Gibraltar?

HON J BOSSANO:

I am, Mr Speaker.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Regulations, as the Hon Member is aware, allow for duty free allowances to apply to residents of Gibraltar provided they have been away for not less than 24 hours and there is a further condition on this in that a resident of Gibraltar may only be entitled to the allowance if he regularly enters or leaves Gibraltar not more than once a month. As to the practical enforcement of this Regulation, I can only say, Mr Speaker, that the Collector of Customs is instructed to follow the letter of the law and the necessary steps are taken by Customs Officers to ensure that this is applied as far as it is possible.

HON J BOSSANO:

But, Mr Speaker, is the Hon Member not aware that it is frequently the case that the passports of Gibraltarians resident in Gibraltar are not stamped on exit or entry and if so, how do the Customs establish whether they have been out for 24 hours or longer?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I take the point. It is really up to the Customs Officer to enquire and challenge the individual concerned and ascertain whether or not he has been away from Gibraltar on more than one occasion or whatever. I accept that there are practical difficulties because of the non-stamping of passports.

HON J BOSSANO:

Would the Hon Member not agree that in view of the practical difficulties and the fact that those practical difficulties are likely to increase on Spanish accession, would he not agree that it is a system that is open to different individuals being accorded different treatment?

MR SPEAKER:

That is a matter of opinion, I think.

HON J BOSSANO:

Well, then I will put it another way. How does the Hon Member intend to ensure that different individuals are not afforded different treatment?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Government considers that having regard to the increase in the number of Customs Officers in recent years and months, that there are sufficient resources to enforce this particular measure. If, for any other reason, different individuals manage to evade this particular restriction then obviously different individuals are not receiving different treatment but I think they are getting away with different allowances or conditions which affect the transfer of goods between one frontier and another.

HON J BOSSANO:

Can the Hon Member say what recourse is open to individuals who are in fact prevented from bringing in their duty free allowances and disagree with the assessment of the Customs that is denying them that right?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I stand to be corrected by the Hon Attorney-General but it is really up to the Customs Officer to exercise his

judgement having regard to the regulations. If a particular individual is aggrieved by a decision to confiscate certain goods then he can, I am sure, take the matter up either with the Financial Secretary or, if necessary, in the Courts.

HON J BOSSANO:

Would the Hon Member agree that if there are allegations that this is being administratively operated in excess of what the Regulations require that it is a matter that requires investigation and correcting?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If that is the case, yes, Sir.

THE HON J BOSSANO

ORAL

Is it Government's intention to continue to require minimum quantities of certain foods to be imported before commercial importation can take place and does this apply equally whether the foods are for resale or processing in a catering establishment?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 139 OF 1985

HON J BOSSANO:

Does the Government intend to continue with this practice after Spanish accession to the European Community?

HON A J CANEPA:

I intend to, I haven't discussed it with the Government yet.

HON J BOSSANO:

When will we know, Mr Speaker, whether the Hon Member has been over-ruled by his colleagues or not?

HON A J CANEPA:

Before the end of the year.

MR SPEAKER:

Next question.

THE HON J BOSSANO

ORAL

Can Government state what is the current position regarding entitlement to personal allowances under the Income Tax Ordinance of non-resident individuals?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Under the Income Tax (Permitted Individuals) Rules 1985 a non-resident individual who carries on, exercises or undertakes in Gibraltar any trade, business, profession, vocation or employment is entitled to the personal allowances set out in Section 20 (Personal Allowance); Section 21 (wife and children); Section 22 (Life Insurance, Social Insurance and Contributions to approved Pension Schemes) and Section 19B (Age Allowance). There is also a Section which applies to a non-resident British Subject, a non-resident director of an exempt company and a non-resident individual who is in receipt of a pension accruing in Gibraltar, they are also entitled to claim personal allowances provided they make a return of income from all world sources.

SUPPLEMENTARY TO QUESTION NO. 140 OF 1985

HON J BOSSANO:

Can the Hon Member say when these Rules came into force?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Income Tax (Permitted Individuals) Rules, 1985, came into force on the 5th February, 1985. They were published as Legal Notice No. 42 of 1985 on the 11th April this year.

HON J BOSSANO:

Mr Speaker, is it not the case that under the Income Tax Ordinance there is a requirement that this should be tabled in the House of Assembly before they come into force?

HON ATTORNEY-GENERAL:

I think the Rules purport to be made, Mr Speaker, under Sections 23 and 74 of the Income Tax Ordinance. I cannot see anything in Section 74 which requires them to be brought to this House. The Governor-in-Council may from time to time make Rules generally for carrying out the provisions of this Ordinance, in particular for anything which under the provisions of this Ordinance is required or permitted to be prescribed. Every Rule made under



Section 27(a) shall be laid before the House of Assembly and Section 27(a) deals with rates for qualifying companies. So the answer is no, Mr Speaker.

MR SPEAKER:

Next question.

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HON J BOSSANO:

Mr Speaker, I wonder if you would allow me to revert to the supplementary that I got on the income tax where, if you will recall, Mr Speaker, the Attorney-General gave me a negative answer by referring me to a clause on the question of the non-resident allowances. Is it not the case, Mr Speaker, that Legal Notice No. 42 of 1985 to which the Hon and Learned Member referred, states that this has been done in exercise of the powers conferred by Sections 23 and 74 of the old Ordinance, under the re-printed law these have now become Sections 34 and 98?

HON ATTORNEY-GENERAL:

Yes, Mr Speaker, I haven't got my copy. The existing law, Section 74(1), reads: "The Governor-in-Council may from time to time make rules generally for carrying out the provisions of this Ordinance and in particular for anything which, under the provisions of this Ordinance, is required or permitted to be prescribed". Then we inserted Ordinance 24 of 1983, as subsection (1)(a) which is probably completely differently numbered in the revised edition, and subsection (1A) says: "Every rule made under subsection (1) for the purposes of Section 27A" - which has probably been re-numbered in the revised edition - "shall be laid before the House of Assembly". And if you look at Section 27A this was a Section which we inserted by Ordinance No. 24 of 1983 and Section 27A reads: "Rates for qualifying companies", and Section 27A(1) reads: "The Financial and Development Secretary, where he is satisfied that a company complies with the prescribed requirements, may in his absolute discretion issue under his hand a qualifying certificate under this section to the company, subject to such conditions as he may think fit, and the company shall, etc, etc". The current law is available and it would help the Hon Leader of the Opposition but whenever you see a 1A in the present law I hope Sir John has called that subsection (2) or subsection (3), 1A indicates an insertion in the existing law.

HON J BOSSANO:

But am I right, Mr Speaker, in thinking that whatever may have happened to the law in being reprinted what has not happened is that its contents have been changed, that is, it may have been re-numbered but the new law will say the same as the old law did?

HON ATTORNEY-GENERAL:

Yes.

HON J BOSSANO:

If the new law says that any rules made under Section 98 in order to apply the reliefs and allowances to which the Hon Member has referred, has to be tabled before the House of Assembly then presumably in whatever section it is under the old law it must be because otherwise it couldn't be in the new law.

MR SPEAKER:

The Hon Attorney-General has said that that particular thing has not come into force.

HON ATTORNEY-GENERAL:

It hasn't come into force. Could the Hon Leader of the Opposition read Section 98?

HON J BOSSANO:

Section 98 starts as the Hon Member has said: "(1) The Governor may from time to time make rules, generally, for carrying out the provisions of this Ordinance and in particular for anything which, under the provisions of this Ordinance, is required or permitted to be prescribed" and (2) "Notwithstanding subsection (1), no rule shall be made for the purposes of section 41 unless it has been approved by a resolution of the House of Assembly". But I am not talking about a resolution of the House of Assembly, I am talking about the rules made under Section 98 for the purposes of subsection (3) of Section 34, having to be laid in the House of Assembly and subsection (3) of Section 34 says: "Rules made under section 98 may prescribe that a non-resident individual shall on such conditions as may be specified in the rules, be a person to whom the proviso to section 36 applies, and shall be entitled to the deductions, allowances and reliefs set out in sections 23, 24 and 26 to 33". And since the Legal

Notice refers to these rules having been made under Section 23 and Section 74 and since the introduction to this new edition says that Section 23 has become Section 35 and Section 74 has become Section 98, I am assuming, Mr Speaker, that this is not new law.

MR SPEAKER:

May I suggest that this is a matter which perhaps the Hon the Leader of the Opposition and the Hon and Learned the Attorney-General can discuss over the lunch recess.

HON ATTORNEY-GENERAL:

I think that is a good idea.

MR SPEAKER:

Next question.

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HON ATTORNEY-GENERAL:

Mr Speaker, may I refer to the point raised by the Hon Leader of the Opposition this morning with regard to the Income Tax (Permitted Individuals) Rules, 1985. On looking at the law carefully at the luncheon adjournment I find that they have to be laid on the table and I seek leave under Standing Order 7(3) to lay on the table the Income Tax (Permitted Individuals) Rules, 1985, out of the Order of the Day.

MR SPEAKER:

In other words, you have realised that there is a requirement for the Rules to be laid.

HON ATTORNEY-GENERAL:

They should have been laid, Mr Speaker. They were published in the Gazette of the 11th April, I don't know if there has been a meeting since the 11th April.

MR SPEAKER:

Leave is granted so let the Rules be laid.

HON J BOSSANO:

Can I ask, Mr Speaker, if there is a requirement for the Rules to be laid does it mean that they don't come into effect until they are laid?

HON ATTORNEY-GENERAL:

No, Section 23(3): "Rules made under Section 74 for the purpose of subsection (3) of this section shall be laid before the House of Assembly". The Rules have been given retrospective effect to and not like, I think, in the Statistics Ordinance where there is one of the motions where you have to lay the draft of the Rules on the table.

THE HON J L BALDACHINO

ORAL

Can Government state how many applicants have applied for tax relief in respect of down payments for home ownership since it started?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir, 28.

SUPPLEMENTARY TO QUESTION NO. 141 OF 1985

HON J L BALDACHINO:

Has the Government got any record of how many people have got home ownership and how they can apply? Are all those 28 using the home that they have got as their own dwelling place?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think the Hon Member is trying to establish the percentage between those in receipt of relief and those who have actually taken up a house. I don't have any figures but I do have some information from the Commissioner of Income Tax that there have, in fact, been more than 28 enquiries. In some of these cases the relief would either not apply or will have come into operation after the date in which the particular house was bought. I am afraid I cannot give a percentage but I will certainly try and see whether we can monitor this on that basis.

MR SPEAKER:

Next question.

THE HON J E PILCHER

ORAL

Can Government state whether the prices currently being charged by GSL for: (a) commercial work, and (b) MOD work, are in line with the figures projected in the submission made by Appledore in May, 1983?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, in general terms, the prices currently being charged by GSL for commercial work are rather better than originally forecast in the May 1983 A & P Appledore Report. Prices for MOD work are generally in line with the May 1983 forecast.

THE HON J E PILCHER

ORAL

Is Government now in a position to state what is the annual salary of Mr Brian Abbott as General Manager of the Gibraltar Shiprepair Limited and what allowances will be paid over and above this salary?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, I understand that the Board of Gibraltar Shiprepair Limited has received information from an international salary research organisation on remuneration terms for comparable posts. The Board will shortly be finalising the detailed terms for the Managing Director's remuneration package having regard to international pay comparisons and the general level of salaries and allowances payable to senior managers of different organisations in Gibraltar.

SUPPLEMENTARY TO QUESTION NO. 143 OF 1985

HON J E PILCHER:

Mr Speaker, I accept the answer and obviously we will have to wait till the next meeting to be told the salary of Mr Brian Abbott but in a situation of arbitration, which is really what is going on in the pay of Mr Abbott, Mr Abbott must be getting a salary at the moment or is he just waiting for his salary to be fixed? Can we at least know what he is getting at the moment?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, there is certainly no question of arbitration. The fact that it is taking so long, I think although perhaps a matter of concern in many respects, is an indication that the Board of Gibraltar Shiprepair Limited want to arrive at a remuneration package on a proper basis and it is undertaking the necessary research to do so. It is not even negotiating or arbitrating with anybody, it is trying to determine what the appropriate rate should be. As to Mr Abbott's current remuneration, all I can say, Mr Speaker, is that I presume that the company must be making some temporary arrangement to ensure that he doesn't fall into the poverty line.

MR SPEAKER:

Next question.

Can Government confirm that if the current level of losses at GSL continue it would have to close its doors next year?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Government is aware of the Company's current financial situation. Equally, it is aware of the reasons for this situation and the measures which are under consideration by the Company. The Government, is also aware that, in large measure, these are currently the subject of an industrial relations dispute between the Union and the Company. The Government therefore considers that the resolution of this is primarily a matter for serious and meaningful discussion between the parties concerned.

The Government will continue to monitor closely the financial situation not just in the context of these measures but generally as GSL makes progress towards a hopeful position of viability and commercial success.

SUPPLEMENTARY TO QUESTION NO. 144 OF 1985

HON J E PILCHER:

Mr Speaker, I think the Hon Financial and Development Secretary has got his facts wrong. There is no industrial dispute as regards productivity levels in the yard which is, in fact, what has stemmed from the letter that Mr Abbott sent all the employees in the yard. What certainly is a Government responsibility and I am perplexed, Mr Speaker, why the answers to questions on GSL, especially this question on GSL, is being answered by the Hon Financial and Development Secretary and not by the Hon Chief Minister as I think he insinuated this in a statement given to us, I think, in the last House of Assembly or the House of Assembly before that, when the Hon Financial and Development Secretary, Mr Brian Traynor, did in fact finish as Chairman of the Board. This is clearly a political question and it is seeking political information. What we are asking the Government is, if this is the case what will the Government do because they are 100% owners of the company and are they happy with the alarmist comments of the Managing Director of their company?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, it is up to the Managing Director or, in fact, it is up to GSL to answer for its own comments and the Government has its own views, it expresses those views to the Company directly.

HON J BOSSANO:

Is it up to the Managing Director to decide to close the company down next year?



HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I don't think that that is precisely what was said but in the event that we may be faced with that possibility it is up to the shareholders and the owners to take the decision.

HON J E PILCHER:

This is exactly what we are trying to get the Government to establish, whether or not, faced with this letter to the employees which, by the way, has created a lot of alarm within GSL because if what we are talking about is making a success of the company and you get the General Manager of the company telling its workers 'that if we proceed the way we are the company will close its doors next year' in complete contradiction to what the Chief Minister himself has said in this House that everything was progressing well and that the Opposition, in fact, had to eat humble pie on GSL, or words to that effect. What we are trying to establish is, faced with this, what is the Government going to do because the Government are the 100% owners of the company, they are the shareholders. I can give the Government a copy of the letter sent by Mr Brian Abbott which, undoubtedly, they will have, to his employees and it was a clear statement that if this was not remedied the company will have to close its doors next year. This is not, as was said by Mr Abbott, issued by the TGWU after parts of the letter were made public, this is the letter and the letter states that the company will have to close down if the situation on productivity was not improved. Were not the Government alarmed, were not the Government in a position to do anything about it and if so, what did they do and this is what the Opposition here are asking for.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I don't want to get involved in a political war of words.

HON J E PILCHER:

That is what we are here for, Mr Speaker.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I should correct one thing and that is that the reference to closure was hypothetical to some extent because I think it was qualified, I think it was 'could' go out of business and the Hon Member is saying 'will' and I think there is a substantial difference between one and the other. I think the important point is that costs are obviously higher than anticipated even though revenues are higher than anticipated. There are certain areas which have been the subject of concern of the management of Gibraltar Shiprepair Limited and these have been put to the workforce. I think the reference is not simply to productivity and even in terms of productivity I do not think it is simply a reference to the fact that people have got to work harder, productivity includes other aspects including management and therefore the Government is aware of what the projections are, what the finances look like, the way in which the company is moving forward and what are the difficulties it is facing. To some extent part of the financial difficulties or part of the increases in cost

which arise stem from problems with regard to industrial relations and it is hoped that both the company and the union will as quickly as possible, in fact, arrive at some sort of agreement on this, a final agreement on this so that the company can move along on a more positive note.

HON J BOSSANO:

Mr Speaker, is the Hon Member aware that in the letter to which we are referring and which is the subject of this question, the company has said that they cannot afford any increase in the rates of hourly paid workers? Is the Hon Member aware of that fact?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think the reference is to 1985, yes, Sir.

HON J BOSSANO:

The reference is to the rates of pay of hourly paid workers in existence currently which are the rates of pay published in the Gibraltar Chronicle in November, 1983, there has been no change. Is the Hon Member aware that the company has said in a letter to all its employees that it cannot afford to increase those rates?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I would not like to get too involved in answering questions on behalf of the company but having looked at the letter in question my reading of it is that the rates of pay which Gibraltar Shiprepair is implementing at the moment are by and large, higher than in most other sectors in Gibraltar and that on that basis they feel any further increases unjustified. My reading of the letter, too, is that an increase in any case would not be possible this year since the company would not be able to afford it.

HON J BOSSANO:

That is precisely what I am asking so the answer is, yes, the Government is aware that the company view is that no increase can be afforded this year for hourly paid workers notwithstanding the fact that the hourly paid rate is the rate established by the company in November, 1983?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Government is aware of the position and has noted that the rates applicable in Gibrepair in 1985 are higher than those in other sectors of the economy irrespective of whether there was a basis for that in 1983, 1984 or 1985.

HON J BOSSANO:

No, Mr Speaker, I am not asking the Hon Member whether they are higher or lower or not, that is a matter of judgement and there are different views because it depends on what you are comparing with what and I am sure the Hon Member doesn't want to get involved in that area which is a matter for negotiation between the two sides but irrespective of whether they are higher or lower, if no increase can be afforded without increasing the losses, does then the Government agree with the analysis that if there is an increase

it will increase the losses and the company could have to close next year because that is the crunch.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, this is certainly obviously one major factor in the equation as far as losses are concerned and as far as costs are concerned and the Government is obviously aware that in a situation where the company is making a loss and that was known in any case for the first year, certainly, that an increase in pay will obviously increase the level of losses.

HON J BOSSANO:

But does the Government agree with the statement in the letter that the consequence of this could be the closure of the yard next year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Government would have to judge that at the right time, it is not simply a question of taking a view now on it. We are approximately six months into the first year of operation and it is perhaps a bit premature to make that judgement but certainly an increase in pay in a situation where the company is making losses would obviously worsen the situation and the Government would obviously have to take note of that.

HON J BOSSANO:

But, Mr Speaker, has the Hon Member not said already that the losses were envisaged initially and that pay increases presumably were envisaged initially and therefore there is nothing unusual or unexpected about this, or is there?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the only point where I did make reference to anticipate events was the fact that there would be losses in the first two years, I didn't say that there would be pay increases in any given year. All I said was that the information that the Government has is that rates of pay in the yard are higher than elsewhere in Gibraltar.

HON J BOSSANO:

Mr Speaker, is the Government aware that in their wholly owned company the rates of pay in existence today are the same rates of pay that were published by the company a year and a half ago, that there has been no increase in the rates of pay? Is the Government aware of that fact?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Government is aware of certain assumptions which were made in 1983 about pay rates as it is now aware of the rates which apply today. I think the matter is not as simple as that, I

think one has to look at how many people fall into each grade. I am sure that in the original assumption or publication of rates etc in 1983, there were also assumptions about how many people fell into each grade. If more people today fall into the higher grade....

MR SPEAKER:

What you are being asked is a simple question. Are the rates being paid now the rates that were published in 1983? I think you have said yes, as a matter of fact.

HON J BOSSANO:

Mr Speaker, the reason why I am asking is that the Hon Member has made a statement in answer to a question which says that the rate of losses envisaged were on the basis of the rates of pay and that no pay increases were envisaged. Is he aware that the rates of pay for hourly paid workers who are the only people who had the letter, nobody else has had the letter, the Hon Member is aware that the different categories to which he was making a passing reference now have not had this letter, is he aware of that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, Mr Speaker, I did not catch the last part.

MR SPEAKER:

That the other categories of people who are not hourly paid have not received the letter, are you aware of that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker.

HON J BOSSANO:

And therefore the letter is directed at the people whose rate of pay when the letter was sent out in June, 1985, was the same rate of pay that the company published in the Gibraltar Chronicle when it invited people to apply for jobs.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Government's understanding of this is that the rates of pay which are in force today were the subject of a pay agreement which has not been ratified, entered into, I think, in November or December of last year, those rates of pay were negotiated with the Union, I think the question of whether the rates of pay are the same or not the same as in 1983/84 is largely irrelevant.

HON J BOSSANO:

Mr Speaker, if the rates of pay in 1983 established by the company are the rates of pay in 1985, surely, it must follow that there has been no change in the intervening period.

MR SPEAKER:

No, but that is not what the Hon Member has said. The rates of pay existing now were those agreed with the Unions not necessarily those published in 1983, I think that is what you have said, is that correct?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Sir.

HON J BOSSANO:

Then, Mr Speaker, will the Government make it its business to find out what is going on in its company because I can assure the Government, as a statement of fact, that there has been no change agreed in the rates of pay and that the rates of pay in existence have not been agreed with anybody, they are the ones established unilaterally by the company in 1983 before any negotiations were done with anybody. I am asking the Government, once they have established the fact of what I am saying because it can be factually established, would they agree with me that if the rates of pay in existence today are those that the company chose to introduce unilaterally in 1983 and on which they chose to offer jobs to applicants in 1983, any losses that they are suffering now cannot be attributed to any increase in wages because there has been no increase in wages. Would the Government not agree that that is a statement of fact?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I think the matter could be looked at in more general terms. Wages are not the only item which will affect the viability of the company. For all I know, wages may be the same, they may be higher, and other costs may increase which will increase the level of losses and vice versa. I don't think that the matter has to be purely confined to the question of wages. If we are going to enter the argument that because pay rates are today the same as they were two years ago then the factors which contribute to the apparent increase in level of losses are not in fact wages, I think this is the point that the Hon Member is getting at but then there are other factors that come into the whole question and I think the Government prefers to look at this in generality, it doesn't want to go into the details of whether wages are too high, too low, whether they should be increased or should not be increased, that is a matter for the company.

HON J BOSSANO:

I know it is a matter for the company, Mr Speaker, but the company, presumably, works to a policy because it is a Government owned company and I am saying is it then the Government policy that the wages of hourly paid workers in GSL should not be increased for as long as the company is making losses even if the losses are due to the cars that they have in Sotogrande or whatever?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Government considers that the question of pay is a matter entirely for the company.

HON J E PILCHER:

Mr Speaker, I want to go back to the generality of the question. I agree with the Hon Financial and Development Secretary that productivity has a lot of areas and it just cannot be tied down but this letter went out to 500 hourly paid workers and to nobody else so the assumption by them was that they were referring to their own productivity and it said: "If the present rate of loss continues the company could go out of business before the end of next year". Could or will, that is splitting hairs. Was this statement by the Managing Director of GSL and, in fact, confirmed in a GBC interview later on that week, cleared with the Board and cleared with the owners of the company?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I have no knowledge of the procedures which operated at the time of the issue of this letter as to the clearance obtained between the Managing Director and other members of the Board. It certainly was not cleared with the Gibraltar Government.

HON J E PILCHER:

Should not the owners of the company, Mr Speaker, insist that a statement like this which has caused difficulties, the company is in fact in difficulties in recruiting workers, this will obviously make it more difficult for the company to recruit workers if at the end of the day the worker who is being asked to join the company does not really know whether the company will be in existence after a year. This is now causing a difficulty.....

MR. SPEAKER:

But we must not go into the consequences. You can ask questions.

HON J E PILCHER:

If it wasn't cleared with the Gibraltar Government, is the Gibraltar Government not going to ask GSL for a statement as to why this happened?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Government obviously consults the company, it has its own director on the Board and it makes its views known through that channel. If I can just go back to the question of the implications for.....

MR SPEAKER:

No, no, we will not go into the implications.

HON J C PEREZ:

Mr Speaker, is the Hon Member prepared to take action against the General Manager of the Shiprepair company for having taken this unprecedented step without consulting the Government who are the owners of the yard?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, no, Sir.

HON J C PEREZ:

Mr Speaker, when is it the intention of the political Government to answer questions in this House about the Gibraltar Shiprepair Limited which they defended in the election, when Abbott runs off with the money and Gibraltar is left without £28m and without a dockyard?

HON J BOSSANO:

Mr Speaker, can the Government say whether the level of losses to which the letter under question in this House refers, is higher than that anticipated?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I think we are talking here of projections. Projections change over time. The level of losses which are envisaged today are subject to certain sensitivities, they could be lower and they could be higher depending on whether, for example, the company is able, as the Hon Member was pointing out earlier on, to recruit additional workers in order to take on more work and cut down on its costs of sub-contract labour, for example. There are many factors. I think it would be wrong to make any statement on the level of losses at this stage.

HON J BOSSANO:

But, Mr Speaker, the Hon Member is answering a question which the Government has chosen to put him in the position of answering instead of taking the political responsibility for, which seeks to find out whether the current level of losses could lead to the closure of the yard. We are not asking him to tell us how much the current level of losses is or what is causing the current level of losses, all that we are asking is is it greater than was envisaged, is it the same as was envisaged or is it lower because if a letter has been sent off referring to the current level of losses somebody must know what they are?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Government is not prepared to divulge that information at this stage.

HON J BOSSANO:

So, in fact, the Government is telling its employees in its 100% owned company that it is not prepared to say whether the current

level of losses is higher than envisaged notwithstanding the fact that the Managing Director says that if they continue - without anybody knowing what they are - it could lead to closure, that is the Government's position?

HON CHIEF MINISTER:

No.

HON J BOSSANO:

I wish the Hon and Learned Member would stand up every time he says no, at least he would be in Hansard. If he keeps on saying no sitting down we won't know what credence we put on the no.

HON CHIEF MINISTER:

You are expecting the Financial Secretary to give you the answer you want and he won't and that is what I say no to, that is all.

HON J BOSSANO:

Mr Speaker, with all due respect to the Hon and Learned Member, I don't want the Financial and Development Secretary to answer my questions I want him to answer my questions. Is it, in fact, the case, now that he has finally managed to unstick or unglue himself from his seat, is it the case that the Government of Gibraltar agrees with us that it is not the prerogative of the Managing Director of the Shiprepair Company to decide whether the yard could or could not close, that this must be of necessity a political decision?

HON CHIEF MINISTER:

Yes, of course.

MR SPEAKER:

Next question.



THE HON J E PILCHER

ORAL

Can Government state what amount of money has been spent to date by GSL of the £28m?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, a total of £15.5m was spent by Gibraltar Shiprepair Limited as at the end of May 1985.

SUPPLEMENTARY TO QUESTION NO. 145 OF 1985

HON J BOSSANO:

Mr Speaker, does the Hon Member have an indication whether the rate of expenditure indicated by the £15m in five months is likely to continue or it is slowing down from now on?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the expenditure covers the period, obviously, greater than the first five months of operation, it goes back to last year. I haven't got the information that the Hon Member is seeking precisely but I can certainly indicate that there is an element of underspending at the moment.

HON J E PILCHER:

Of these £15.5m, Mr Speaker, which seems a great chunk of the £28m, although the information might not be available, what percentage of that, at least if we can tie them down to that, is capital expenditure?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I will give the Hon Member the general rate which I had prepared in case the question cropped up. Expenditure on GSL assets - capital equipment £4.5m; on yard manufacturers equipment which is mainly the slop barge, £1m; on relocation expenses, refurbishment, doors, etc £0.4m; on start-up costs which is training, publicity, computer systems, etc, £1.8m; stocks £1.1m; working capital £2.8m; civil works, which would fall into the Government assets, are generally £3.6m which is largely on No. 1 dock; and general re-allocations and refurbishment works around the yard £0.8m, that adds up to £15.5m.

HON J C PEREZ:

Mr Speaker, since the Minister for Development Aid, Mr Timothy

Raison, said at a press conference during his visit that up to the end of March £12m had been spent, we can take it that in three months £3.5m have been spent, from March to May. Could one use that as a yardstick on how the money is to be spent in the future or will the rate increase as has been indicated by the Hon Member?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I don't think one can use any of these figures or any of the monthly expenditure figures as a basis for the rest of the year mainly because, obviously, the first year is the year in which there has been a considerable investment and the figures fluctuate widely from one month to another depending on, for example, if there is a payment for a large crane which falls due in one month and not the other. Therefore, I don't think we can use the £3.5m since March as an indication of the likely level of expenditure over the rest of the year.

HON JE PILCHER:

Mr Speaker, is the money needed to cover the losses included in the £15m or not included in the £15m?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I referred in the breakdown to working capital of £2.8m, essentially that is generally a large element of the funding for operating losses.

MR SPEAKER:

Next question.

THE HON J C PEREZ

ORAL

Can Government state what is the criteria presently used for the disconnection of electricity supply to subscribers who are in arrears?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the general procedure is to send a letter to a consumer who is three or more months in arrears. This letter requests payment, and invites the consumer to call at the Arrears Section, if he so wishes, to make special arrangements to clear his arrears; he is also advised that failure to comply within ten days renders him liable to have his supply disconnected. In practice it generally takes some thirty days before disconnection, so no disconnection is made unless the arrears are over four months old. Supplies may also be disconnected if a consumer fails to honour an agreement previously entered into for the settlement of his arrears, and ignores a warning letter requesting payment of the outstanding instalments within ten days.

SUPPLEMENTARY TO QUESTION NO. 146 OF 1985

HON J C PEREZ:

Mr Speaker, does this policy change depending on the amount owed, for example, if the amount in the first two months of arrears exceeds let us say, £1,000, does Government take action depending on the amount rather than on the months that the person or the company is in arrears?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There is no difference in treatment irrespective of the amount billed, I think the only innovation recently is that the Arrears Section now has a list of persons who are in receipt of supplementary benefits and whenever any one of these cases comes up for disconnection there is now liaison between the Arrears Section and the Department of Labour, that I think is the only departure from the policy.

HON J C PEREZ:

Mr Speaker, can Government assure this House that nobody will be treated less favourably as has been reported to the Opposition in the past?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, all I can say is that this is the policy and this is

the policy that will be applied.

MR SPEAKER:

Next question.

Can Government state whether all the rights that will be enjoyed by Spanish nationals in Gibraltar under Community requirements on accession, are being advanced to 5th February, 1985, as a consequence of the Brussels Agreement?

ANSWER

THE HON THE ATTORNEY-GENERAL

No, Sir. The rights granted to Spanish nationals by Section 6 of the European Communities (Amendment) Ordinance 1985 are subject to the derogations, exceptions and modifications set out in the Second Schedule to that Ordinance.

SUPPLEMENTARY TO QUESTION NO. 147 OF 1985

HON J BOSSANO:

I know that, Mr Speaker, that is not the question I am asking. What I am asking is whether they are going to get rights on the 1st January, 1986, which have not been back-dated to the 5th February, 1985? On accession are there going to be any additional rights beyond those that have been back-dated under the Brussels Agreement?

MR SPEAKER:

In other words, does the Brussels Agreement encompass the whole of the rights to which they will be entitled on accession.

HON ATTORNEY-GENERAL:

We have granted those rights in the Ordinance with the exceptions and modifications as contained in the Ordinance and that continues.

HON J BOSSANO:

So therefore is the answer to my question then, Mr Speaker, that all the rights that Spanish nationals will obtain on accession to the Community subject to derogations and so forth which are applicable throughout the Community, are being back-dated to the 5th February, that is the position, is it?

HON ATTORNEY-GENERAL:

I would have thought, generally speaking, the answer is yes unless the Hon Member has a particular right which he is

suspicious about which they are going to get back from the 5th February, 1985, let him state the point.

HON J BOSSANO:

Mr Speaker, as I understand it under Standing Orders, question time is not for me to give vent to my suspicions but for me to obtain information and I am seeking information from the Hon and Learned Member and the answer, I take it, to my question is yes.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

Does Government agree that the official journal of the European Community should be readily available in Gibraltar?

ANSWER

THE HON THE ATTORNEY-GENERAL

Yes, I agree. I am arranging to obtain three extra copies of the Official Journal. I propose that 1 copy should be kept by the Administrative Secretary, 1 copy should be kept in my Chambers, 1 copy kept by the Clerk of this House.

SUPPLEMENTARY TO QUESTION NO. 148 OF 1985

HON J BOSSANO:

Mr Speaker, I would like confirmation from the Government that the copy kept by the Clerk would, in fact, be available to members of the public.

HON ATTORNEY-GENERAL:

I think that would be a matter for the Clerk of the House.

HON J BOSSANO:

For the public, Mr Speaker, not just for Members of the House because my understanding is that there is a Community requirement that every EEC national should have the right to consult EEC laws.

MR SPEAKER:

I would suggest, perhaps, that the copy held by the Administrative Secretary should be available to the public.

HON ATTORNEY-GENERAL:

That is exactly the idea, that the Administrative Secretary will be responsible for a copy which will be held at the Secretariat and members of the public can go to the Secretariat and if there is any problem they can come to my Chambers.

MR SPEAKER:

Next question.

THE HON J E PILCHER

ORAL

Has Government now submitted compensation claims for damages sustained to our waterfront and expenses incurred in cleaning-up operations for the different oil leaks experienced over the past four months?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, no formal claims have yet been submitted by Government in respect of the different oil leaks over the past four months. Council of Ministers directed on 29 May that Gibraltar Government Departments should assess the cost of anti-pollution operations and submit their separate claims to the Attorney-General who would, in turn, submit a co-ordinated claim to the responsible parties. The matter was also raised at a meeting of the Joint Working Party on Oil Pollution held on 11 June, 1985.

SUPPLEMENTARY TO QUESTION NO. 149 OF 1985

HON J E PILCHER:

So the answer is that the Government is now assessing the amount of money which the Government has spent on cleaning up operations and will decide whether to put any compensation claim or not?

HON M K FEATHERSTONE:

No, Sir, they are assessing the amounts claimed and they will then send through the claim once it is assessed by all the different departments as a consolidated claim. There is no question of deciding whether to make the claim or not, the claim will be passed through.

HON J E PILCHER:

In assessing this does not the Gibraltar Government have to assess what damage has been caused to Gibraltar not as far as oil pollution itself is concerned but damage to, for example, tourism? The fact that Montagu Basin is closed to tourism, the fact that over the past few months there have been two MOD leaks in the Viaduct area and does this not have a detrimental effect on tourism and are you not able to assess the cost and value the cost of this?

HON M K FEATHERSTONE:

Those are potential damages, what we are actually going to claim is the actual factual damages.



HON J E PILCHER:

So the Government has no intention of claiming for damages other than those immediately accounted for?

HON M K FEATHERSTONE:

The main thing is that one wants to make a claim on something that can be fully established not something that is theoretical and will give rise to long and protracted negotiations.

MR SPEAKER:

Next question.

Is the College of Further Education charging Gibraltar Ship-repair Ltd 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

No, Sir. The current term is the last phase of the 1984/85 academic year. The position with regard to all courses, staff and students has been maintained as at the start of the year, for obvious reasons, notwithstanding the fact that the Government of Gibraltar took control on the 1st April of this year.

In the new academic year, the principle of fee-charging for students over the age of 18 years will be established. The level of fees to be charged for the different courses to be offered is currently under discussion.

Is Government aware that a recent Cambridge 'A' level Science subject examination paper had incorrect information and that this confused and unsettled the students who sat this examination?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Sir, the answer to the first part of the question is yes, Sir. The second part is not totally correct inasfar as only some of the students experienced difficulties in carrying out the experiments.

As a result, the Department got in direct contact with the Senior Examiner for Physics in Cambridge. The circumstances were fully explained and duly reported in writing. We have received a written assurance from the Cambridge Board that the candidates concerned will be compensated for difficulties which were beyond their control. This is a normal and tested procedure over the many years we have dealt with the Board. The Cambridge Board has emphasised in their letter that the candidates concerned be reassured on this point.

SUPPLEMENTARY TO QUESTION NO. 151 OF 1985

HON R MOR:

Mr Speaker, can Government explain what exactly happened during that examination?

HON G MASCARENHAS:

Mr Speaker, the examination referred to is the 'A' level physics practical test No. 9240/4 which took place on the 23rd May at Bayside School. Practical examinations are tested by Board Examiners before the instructions are issued to schools or centres. Indeed, in keeping with the due procedure, the science teacher at Bayside carried out the full experiment successfully three days before the actual examination. The test dealt with magnetism which some teachers in the UK reported to Cambridge might give rise to some difficulties given certain locations. Guidance notes were issued by the Board on what could be done if these difficulties arose. It is a common and accepted feature of all practical examinations every year that amendments, adjustments or minor operations are carried often at the professional discretion of the local teachers without direct instructions from the Board. These are acceptable provided the Board receives a full report on the matter. Candidates are not penalised in any way. In respect of this specific examination not all the seventeen candidates were affected. The main difficulty experienced was one of obtaining the required readings. It is relevant to point out that marks for these examinations are awarded for a clear record of observations actually made and not measured against an ideal or correct answer. Evidence of knowing the process is more important at this stage than

obtaining a correct answer. It cannot be emphasised enough that the candidates are not penalised in any way. Due regard is taken by the examiners of any special circumstances if duly reported to them. Every year, in fact, has its share of reports on hay fever, toothaches, excessive heat or, indeed, excessive noise such as the NATO exercise 'Locked Gate'.

HON R MOR:

Mr Speaker, can the Government say whether an amendment was in fact received for this particular examination?

HON G MASCARENHAS:

Mr Speaker, if the Hon Member is trying to fish, perhaps if he asks me what he is fishing for I will tell him.

HON R MOR:

Mr Speaker, I have asked a question whether an amendment was received on that particular examination?

HON G MASCARENHAS:

Yes, Mr Speaker.

HON R MOR:

Would the Hon Member tell the House on what date that amendment was received by the Education Department?

HON G MASCARENHAS:

I will tell the House, Mr Speaker, on what date the amendment was received, it was on the 6th May.

HON R MOR:

If the examination took place on the 23rd May and the amendment was received on the 6th May, can the Government explain what happened?

HON G MASCARENHAS:

Mr Speaker, no human procedure can be foolproof. The Department received the paper amongst the literally thousands of papers that are received in the Department during May every year for the Cambridge examinations. The amendment was actually missed by every single member of the Department. That is a human error on our part.

HON J C PEREZ:

Mr Speaker, had the paper carried on to be missed on the 23rd May would that have meant that the examinations would have been invalidated?

HON G MASCARENHAS:

Mr Speaker, I think I have given a very explicit answer. I must re-emphasise that the candidates will not be penalised in any way. The examination that took place is the examination that will be corrected at Cambridge and any fluctuations in the readings will be taken into account and they will be compensated for it.

HON R MOR:

Mr Speaker, one can understand an accident happening now and again but I think it is ridiculous that in a situation where 'A' level students who have reached the peak of their studies and it would affect their obtaining a scholarship and other considerations, I think it is deplorable that an amendment should have been missed as the Hon Member has said. Would the Government ensure that this does not occur again?

HON G MASCARENHAS:

The Government has been attempting for many, many years to get the Cambridge Board to agree to have on their mailing list the different centres of which there are three in Gibraltar plus the Department of Education as a mailing point for examination papers, to avoid these occurrences. The problem of course is that the Cambridge Board insists that the cost of four separate mails to Gibraltar is quite substantial and their policy is that mailing will be done to one central point outside the United Kingdom and including the United Kingdom. The Department as a result of this anomaly is considering whether we should share the cost with Cambridge, Cambridge have signified that they are prepared to look into the matter and we are waiting for a confirmation of that.

HON R MOR:

Mr Speaker, as I mentioned earlier there is the question of scholarships. Would Government ensure that no student loses out on the opportunity of obtaining a scholarship through the effect of this occurrence? There is a pointage system and there will have to be some application of how many points you are going to award on this specific examination.

MR SPEAKER:

I think the end result of the guarantees that have been given is that the results of the 'A' levels will not be affected and therefore the gradings will not be affected and the pointage is based on the grades. Am I correct?

HON G MASCARENHAS:

Yes, Sir.

HON J C PEREZ:

Mr Speaker, was Government aware of that situation prior to giving out the amendment on the 23rd May?

HON G MASCARENHAS:

No, Mr Speaker.

HON J L BALDACHINO:

Mr Speaker, I am not quite sure what the Hon Member has meant when he said that the results would not be affected. If the paper had incorrect information and the students did the test according to what was on the paper, on that incorrect information, and the answer they gave must be wrong according to the amendment that they received.....

MR SPEAKER:

I think the answer has been given originally. There is a procedure at Cambridge to put matters right when incidents of this nature occur.

HON J L BALDACHINO:

So what he is actually saying is, if the Hon Member can confirm it, is that the gradings will not be affected. Is that correct?

HON G MASCARENHAS:

That is right.

HON J C PEREZ:

Mr Speaker, were representations then made to Cambridge to explain the situation and that is how the safeguard has arisen?

HON G MASCARENHAS:

Mr Speaker, these anomalies occur continuously in every centre which actually holds examinations. The readings in the North of Scotland will differ considerably to the readings in the South of Europe and this is what has happened. Three teachers somewhere in the United Kingdom reported to the Cambridge Board that the examination readings were not exact and they reported that, that is normal procedure. Other schools in Gibraltar have done the same in the past with other readings.

MR SPEAKER:

We must not investigate the whole circumstances.

HON J C PEREZ:

Except, Mr Speaker, that if the amendment would have continued to be lost the Government would have had no idea of what the repercussions would be, they were not sure, they clarified this later, Mr Speaker, because if the Government were sure that it would not affect the students they might have not distributed the amendment on the last day, they were trying to cover their responsibility on the matter.

HON G MASCARENHAS:

Mr Speaker, if the Hon Member will recall, in my answer originally I said that the science teacher at Bayside Comprehensive actually carried out the examination perfectly according to the readings required by Cambridge, that is enough for the Department

HON J C PEREZ:

Mr Speaker, then why did they issue the amendment?

MR SPEAKER:

They didn't issue the amendment.

HON G MASCARENHAS:

Mr Speaker, we did not issue the amendment because it got there too late. The test was carried out as was, on the basis of as was, the Cambridge Board were advised accordingly and the Cambridge Board confirmed that the test would be corrected on the basis of what the children had done and nothing further.

HON J L BALDACHINO:

Mr Speaker, I understand that you answered the question I asked but the Hon Member did not and I would like to have it from the Hon Member.

MR SPEAKER:

No, I could not have answered the question. With respect, I would not have answered the question you asked if the information had not been given by the Minister before. I am not privy to what has happened.

HON J L BALDACHINO:

You clarified the position. Could the Hon Member then answer the question, that this will not affect the gradings.

MR SPEAKER:

He has said that several times.

HON R MOR:

Mr Speaker, can the Government clarify just one point? The Hon Member has stated that the amendment was not issued. My information is that the amendment was issued a short time before the end of the examination, could he verify that?

HON G MASCARENHAS:

Mr Speaker, the amendment was not issued prior to the students sitting the examination.

HON R MOR:

It was issued during the course of the examination.

HON G MASCARENHAS:

I am sorry, my information is that the amendment only came to light after the examination.

HON J BOSSANO:

Mr Speaker, would the Hon Member agree that if in fact he finds his information to have been incorrect he will come back and correct the record in the House?

HON G MASCARENHAS:

Of course.

MR SPEAKER:

Next question.



THE HON R MOR

ORAL

Has Government now reviewed the situation as regards the Social Insurance contributions credit system for unemployed persons over 60 and if so, can they let the House know their conclusions?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, the Government has not reviewed the situation as regards the Social Insurance credit system for unemployed persons over 60.

SUPPLEMENTARY TO QUESTION NO. 152 OF 1985

HON R MOR:

Mr Speaker, does the Hon Member mean that they haven't finalised the review because he did commit himself to keep the situation under review in answer to a previous question in this House?

HON DR R G VALARINO:

Mr Speaker, the Government will be prepared to review the scheme if adequate evidence to justify such a review is brought to its notice.

HON J BOSSANO:

Mr Speaker, is the Hon Member no longer a member of the party that is committed to reviewing this matter and bringing the pensions down to 60 or has he now resigned from the AACR or what is the situation? Is the Government committed, as a matter of policy, Mr Speaker, to the reduction of the age of entitlement to 60, yes or no? Is it a Government commitment or not?

HON DR R G VALARINO:

Mr Speaker, the House will recall that the Government offered to open a special office at the Department of Labour and Social Security last year to consider representations from over 60's who were facing redundancy in the Service Departments and who might suffer hardship thereby. One of the objects of opening this office was to ascertain whether there were adequate grounds for revising the scheme as it stands at present. The response to this invitation was negligible and the Government does not therefore feel that there is any need to revise the scheme at the present time.

HON J BOSSANO:

But, Mr Speaker, didn't the Hon Member, when he originally committed himself to this policy as a small step towards pensions at 60, say that the benefits would be means tested because of the possible cost of making them available to everybody? Wasn't that the original explanation provided by the Hon Member to this House for introducing the present scheme?

HON DR R G VALARINO:

Yes, Sir, but the fact that only fifteen applications have been received for credits under the scheme, there are only 34 Gibraltarians unemployed over the age of 60 and at present Government is only prepared to review the scheme if further adequate evidence to justify such a review is brought to its notice.

HON J BOSSANO:

Mr Speaker, isn't the adequate evidence the figure that the Hon Member has given? How many of the fifteen qualify under the existing rules, of the fifteen who have applied?

HON DR R G VALARINO:

About one-third, Sir.

HON J BOSSANO:

Doesn't the Hon Member think that he can afford to pay to the other two-thirds, which is ten, without breaking the bank?

HON DR R G VALARINO:

Mr Speaker, Sir, a good proportion of persons who retire at 60 receive adequate gratuities and service pensions and there is provision in the Supplementary Benefits Scheme to assist those who may suffer real hardship.

HON J BOSSANO:

Mr Speaker, what is the reason why the Hon Member considers it morally right to require people over 60 who are unemployed and with very little prospect of employment, to continue to have to make voluntary contributions towards their old age pension when, in fact, the Government as a matter of policy is committed to providing pensions at 60 at some future date? Doesn't the Hon Member agree with me that he has to give a reason to the

House why he is pursuing a policy which on the surface of it appears unfair and which victimises ten people?

HON DR R G VALARINO:

Mr Speaker, Sir, I am not pursuing any policy which is unfair and victimising anyone and I would like the Hon Member to retract those words.

HON J BOSSANO:

There isn't the remotest possibility, Mr Speaker, of my retracting those words. Can the Hon Member tell me how it is not unfair and discriminatory to have ten people over 60 with very little prospect of employment having to make contributions so that they can have a pension at 65 which doesn't suffer from enforced unemployment during the last five years of their working lives? Let him explain why that is not discriminatory in his book?

HON DR R G VALARINO:

Because as I have said before, if the Hon Member will listen if he is able to listen. A good proportion of persons who retire at 60 receive adequate gratuities and service pensions and there is provision in the Supplementary Benefits Scheme to assist those who may suffer real hardship and there lies the answer. We are able to make up from the Supplementary Benefits Scheme the amount necessary.

HON J BOSSANO:

So the Hon Member considers that in order to be justified in not having to continue to pay insurance contributions whilst one is unemployed over the age of 60, one should be on the supplementary benefits level notwithstanding the fact that by applying that rule only five people are entitled in the whole of Gibraltar, that is the Government's position?

HON DR R G VALARINO:

Considering, Sir, that only fifteen people have applied.

HON J BOSSANO:

But, Mr Speaker, what is the problem with giving it to the fifteen who have applied?

HON DR R G VALARINO:

As I have said before, the Government would be prepared to review the scheme if adequate evidence to justify such a review is

brought to its notice.

HON J BOSSANO:

Mr Speaker, isn't the adequate evidence that if they gave it to the fifteen instead of to the five they would not be in serious economic difficulty as a result because only ten more people would be entitled to credits and those ten people may be just above the breadline but are being put in a difficult situation. Can the Hon Member say how many of those ten are paying voluntary contributions?

HON DR R G VALARINO:

What I would like, Sir, is for the Hon Member to let me have details of one of fifteen who are suffering hardship and then when I get the name and the household let me consider the facts of the case. If he will do this I will undertake to look at it otherwise this stands.

HON J BOSSANO:

Mr Speaker, I don't know who the fifteen are, he does. What steps has he taken to find out the circumstances of the fifteen people?

HON DR R G VALARINO:

Mr Speaker, what steps has he taken to find out anything that I have said?

MR SPEAKER:

We are now arguing. Next question.

THE HON R MOR

ORAL

What steps are being taken to ensure that persons employed on ships registered in Gibraltar pay Social Insurance Contributions?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, the Minister for Economic Development and Trade raised the question with representatives of the Board of Trade who visited Gibraltar to advise the Government on a number of matters relating to the registration of ships.

The Board of Trade representatives did not have first hand information on how the question of Social Insurance Contributions for ships crews was dealt with in the UK, but they undertook to look into the matter on their return and supply the information in writing.

This information is still awaited.

SUPPLEMENTARY TO QUESTION NO. 153 OF 1985

HON R MOR:

Mr Speaker, isn't it the law in Gibraltar that such persons should contribute to social insurance?

HON A J CANEPA:

That is the law. The problem is how do you go about ensuring compliance with the law with people who are in ships that may never come to Gibraltar. This is what we are trying to find out, how does a slightly bigger country than Gibraltar, namely, the United Kingdom, just a little bit bigger, with many more ships registered, how do they do it.

HON J BOSSANO:

Mr Speaker, isn't the law that the employer and in this case isn't the employer a company registered in Gibraltar, required to pay the social insurance contribution and didn't in fact the Hon Member confirm this when the matter was previously raised?

HON A J CANEPA:

That is the legal position. How do you go about ensuring compliance with that in respect of crews details of which may not be obtainable in Gibraltar. The fact that a company owns a ship and that that company is duly registered in Gibraltar in some legal chambers does not mean that you are able to chase up the question of contributions for specific members of the crew. This is what we are trying to find out.

MR SPEAKER:

It has been a fair answer. There is a legal requirement to pay but how it can be implemented is being investigated.

HON J BOSSANO:

Mr Speaker, can I ask, has the Government written to companies that have got ships registered in Gibraltar informing them that they are required to pay social insurance contribution in respect of the crews of those ships?

HON A J CANEPA:

I don't know, Mr Speaker. I would imagine that is a matter for the Director of Labour and Social Security. He is the enforcement officer in respect of the law but I think that, obviously, enquiries will be made.

HON J BOSSANO:

Mr Speaker, if the question that is down on the Order Paper is 'What steps are being taken', would the Hon Member not agree that that would seem a fairly simply straightforward step to take that would occur to a layman, that the first thing you do.....

MR SPEAKER:

The steps which are being taken is that it is a difficult matter to implement and that advice is being obtained from the United Kingdom to see how it can be done. When the advice comes along perhaps next time we have a meeting the information might be available.

HON A J CANEPA:

I think it is naive, Mr Speaker, to imagine that just by writing letters to legal chambers where companies are registered, that that is going to produce the result anymore than a result is produced by the Commissioner of Income Tax issuing assessments if people don't want to pay. Those that don't want to pay will get away with it unless the manner in which you follow up is effective and that is what we are trying to do.

HON J BOSSANO:

Mr Speaker, the point is that if the company is registered in legal chambers here in Gibraltar then, surely, the Government of Gibraltar can take legal action against the registered company in Gibraltar at the registered legal chambers, surely, that is the difference, Mr Speaker. Therefore what we are asking is has the Government taken what appears to be an obvious preliminary step of informing those companies that they are required by law to pay social insurance contributions in respect of the crews of the ships registered in Gibraltar.

HON A J CANEPA:

I don't know whether that has been done. One should be grateful to the Hon R Mor for bringing the matter to the attention of the Government. What I can say is that this is obviously an area of insurance which has not in the past been followed up by the Department of Labour and Social Security, very little has been done about it and now that the matter is raised the question is how do you go about following the matter up?

HON J BOSSANO:

Mr Speaker, does the Government accept that the people working on the ships where there can be and in fact there have been, to our knowledge, a number of incidents involving industrial injuries could create a problem for the Government in that they are not covered against such accidents and they ought to be covered in law in Gibraltar?

MR SPEAKER:

You are expanding the question.

HON J BOSSANO:

No, Mr Speaker, the whole question is that we have got employees.....

MR SPEAKER:

Well, it is accepted, with respect to the Hon Leader of the Opposition.

HON J BOSSANO:

We are trying to find out whether the Government accepts that this is the case or not. Is there, in fact, a situation where somebody having an injury on a Gibraltar registered ship may create a legal liability here in Gibraltar because he ought to have been covered and he is not covered.

HON A J CANEPA:

Of course, Mr Speaker, but that is the point that was accepted here when the matter was first raised but the Hon Member surely must accept that it is a reasonable course of action for me to take, when there are officials of the Department of Transport specifically in Gibraltar to discuss matters to do with shipping registry, that one should bring the matter to their attention, ask them what is it that is done in UK - and they didn't have an answer - and therefore asked them: "Would you please try to find out how it is that you go about these matters in UK so that we can do likewise". That, I think, is a reasonable course of action. If nothing happens after a period of time, if there is no response from the United Kingdom, we will send reminders, we will follow the matter up and I would imagine that part and parcel of the procedures ought to involve the companies, naturally, because they have got representatives in Gibraltar in some form or other but I am not sure how that is done.

HON J BOSSANO:

Would the Hon Member agree that it is desirable, at the very least, that companies that have got registered offices in Gibraltar and that have got ships registered in Gibraltar, should be informed by Government that under the Gibraltar Social Insurance legislation they are required to take out social insurance for their crews?

HON A J CANEPA:

I would go further, I would say that it is essential that they be so informed by the Director of Labour and Social Security who is

responsible for enforcement of the law. It is not my responsibility, not even the Minister, because I am very conscious of the fact in all the years that I was Minister for Labour and Social Security, that enforcement was not within the province of the Minister. The law is administered by the Head of Department and it is the Head of Department who is answerable. He should issue the instructions but the Minister can bring the matter to his notice and say: "Look, there was heated debate about this matter in the House, please address yourself to it". That is the responsibility of the Minister and the Minister will thereby cover himself by doing that. I can do likewise, I can also have a word with the Director but I am not the Minister for Labour, alright, I have an interest because I am responsible for the Port, naturally, and of course I will bring the matter to the attention of the Director of Labour and Social Security but what neither my colleague nor I can do is to pick up the phone every day of the week or to press instructions everyday of the week so that people in that Department act on the matter. It is ultimately their function.

HON J BOSSANO:

Mr Speaker, we are not asking the Hon Member to do it every day of the week, the House of Assembly doesn't meet every day of the week, it meets every two or three months.

HON A J CANEPA:

Yes, but then the matter comes up again in a few months time.

HON J BOSSANO:

Therefore, in view of the answers that the Hon Member has given me, does he think it is a good idea for his colleague.....

HON CHIEF MINISTER:

He has said yes.

MR SPEAKER:

Next question.



What is Government's policy in respect of employers found to be employing workers without meeting the legal requirements as regards work permits, contracts of employment, social insurance and tax deductions?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, all cases of illegal employment which come to the notice of the Government are investigated by the Inspectorate of the Department of Labour and Social Security. In those cases where after investigation it is considered that there has been a breach of the law, or where there is doubt on the issue, the matter is referred to the Attorney-General's Chambers for appropriate action.

SUPPLEMENTARY TO QUESTION NO. 154 OF 1985

HON J BOSSANO:

Mr Speaker, can I deduce from that therefore that the Government's policy is to prosecute in cases where it is found that there has been illegal employment?

HON CHIEF MINISTER:

No, the Government can never have a policy on prosecuting. The Government can only have a policy of drawing the attention of alleged offences to the Attorney-General whose constitutional responsibility is to decide whether he prosecutes or not. I would like to make that quite clear, that the policy is to refer all matters to the Attorney-General, Government never prosecutes.

HON J BOSSANO:

Is it the Government's policy to refer the matter to the Attorney-General with a view to the Attorney-General prosecuting if it is found that the law has not been complied with?

HON CHIEF MINISTER:

What the Minister has said is exactly what he has said.

HON M A FEETHAM:

Can the Minister state how many such cases have been sent to the Attorney-General's Office and how many such cases have been actually taken to Court?

HON DR R G VALARINO:

Mr Speaker, Sir, I do not have those figures available but I will give those figures to the Hon Member as soon as I have them at hand.

MR SPEAKER:

Next question.

THE HON J BOSSANO

ORAL

What conditions have to be met by firms engaging in labour only sub-contracting?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, the requirement is that such firms should themselves be employing this labour and complying with the necessary requirements as to work permits and accommodation, social insurance and income tax PAYE deductions.

SUPPLEMENTARY TO QUESTION NO. 155 OF 1985

HON J BOSSANO:

Can the Government say whether such firms require a trade licence under the Trade Licensing Ordinance?

HON ATTORNEY-GENERAL:

I would have thought, Mr Speaker, that the answer to that is no. The Trade Licensing Ordinance deals in the sale and purchase of goods and commodities and certain businesses. It is not one of the scheduled businesses. I cannot see that the Trade Licensing Ordinance has any application to a company like this.

HON J BOSSANO:

I would agree with the Hon and Learned Member, Mr Speaker, but would the Government not agree with me therefore that it follows that virtually any of the areas for which a licence is required can be undertaken by a company provided it is supplying labour only?

HON ATTORNEY-GENERAL:

There is no licence required, as I see it, for these firms. Provided that these firms comply with the law of Gibraltar with regard to social insurance contributions, income tax, etc, etc.

HON J BOSSANO:

Perhaps, Mr Speaker, if I can give an example to illustrate the thing because I think this is a matter which we have brought to the attention of the Government before and I think we brought it to the attention of the Government in the context of the Brussels

Agreement when it was debated. Does the Government agree that although a licence is required, for example, to engage in building contracting, it is possible to obtain a building contract with a licence and subsequently to use sub-contract labour from a sub-contractor that is supplying labour only and that sub-contractor does not require a licence of any kind?

HON ATTORNEY-GENERAL:

Building contracting certainly is one of the scheduled businesses and so the building contractor can operate here providing he has a licence under the Trade Licensing Ordinance. Where he gets his labour from then you have got to look at the company, the company who is supplying the labour. There is nothing in the Trade Licensing Ordinance which requires the company supplying the labour to have a licence. It can operate in Gibraltar provided it complies with the law but a firm which is merely supplying labour for building contractors does not need a licence.

MR SPEAKER:

I am afraid we must not go into the interpretation of the laws. You have been given an answer and that is that you do not require a trade licence, the implications is another matter which we must not go into.

HON J BOSSANO:

Mr Speaker, with due respect, the reason why I am pursuing.....

MR SPEAKER:

What are you asking?

HON J BOSSANO:

I know what I am asking, Mr Speaker, if you will allow me. I would wish you to know and I would wish the rest of Gibraltar to know, that is precisely why I wish to get the information recorded in the explicit form that people outside this House will understand. The question that I am asking is, can the Government therefore confirm that there is nothing to stop any firm doing the work in Gibraltar on any contract providing they are supplying labour only without a licence?

MR SPEAKER:

And with respect, that is not seeking information, that is seeking an inference as a result of the law and that is why I

have made the statement that I have made. It is not for Government to confirm or deny what the law requires.

HON J BOSSANO:

Can I ask the Government for information? Can the Government confirm that there is a firm providing labour in the refurbishment of the dockyard and that it is not licensed to carry out construction work and that it does not require a licence to carry out construction work because it is supplying labour only?

HON DR R G VALARINO:

Sir, if the Hon Member will give me details of the company concerned I will look into it and I will send the inspectors to investigate.

HON J BOSSANO:

Mr Speaker, I am trying to establish that that, in fact, is permissible in law and that the firm is not breaking any law because I think that is the important thing that has to come out in terms of information. If the Government doesn't even know it is happening and I need to ask whether it is happening because I know that it is, then can the Government confirm that, in fact, there is nothing they can do about such a situation even if I provide the information?

MR SPEAKER:

With respect to the Hon Leader of the Opposition. The inference of the law is something which you have got to decide upon. You can ask Government whether they are aware that there is a particular firm which is breaking the law but it is not for you to ask Government what the law is.

HON CHIEF MINISTER:

If there is an inspection and it is found that that is illegal we will be told and he will be told. He may get all the facts, he may get part of the facts but before the Government acts or makes a commitment it must have an enquiry.

HON J BOSSANO:

Mr Speaker, I am not saying that it is illegal and I am not saying that this firm is breaking the law. What I am trying to establish from the Government, Mr Speaker, is, as a matter of fact, confirmation that this is not illegal, this is what the question asks.

MR SPEAKER:

With respect to the Hon Leader of the Opposition. I am telling you that Government is not here to confirm what the law is, the Government is here to give information

HON J BOSSANO:

Mr Speaker, the information that I am seeking in a supplementary to a question that says "what is the position with regard to companies supplying labour only", that is, doing labour only sub-contracting, and it has been confirmed by the Hon and Learned Attorney-General that such a firm is not engaged in an activity which requires a trade licence.

MR SPEAKER:

Unless it is in the building trade.

HON J BOSSANO:

No, this is precisely what I am trying to establish, not even then, Mr Speaker. What you have just said shows, Mr. Speaker, that the answer that has been given isn't clear because you have misunderstood it.

HON ATTORNEY-GENERAL:

A firm providing labour simply in whatever company or firm or discipline, does not need a licence under the Trade Licensing Ordinance. Somebody who is carrying out building contracting work does need a licence under the Trade Licensing Ordinance, building contracting work as such and not merely the provision of labour for building contracting.

HON J BOSSANO:

I know that, Mr Speaker, that is precisely the point that I am trying to establish so that it is clearly understood because, in fact.....

MR SPEAKER:

But you don't have to establish the point and with respect to the Hon Leader of the Opposition, that is where you are going wrong. You have to seek information. What is the information you are seeking?

HON J BOSSANO:

The information that I am seeking, Mr Speaker, is one which will not lead you to draw the mistaken conclusion that you have drawn in the comments that you have made five minutes ago.

MR SPEAKER:

With respect to the Leader of the Opposition, you ask the question, what is the information you are seeking?

HON J BOSSANO:

But, Mr Speaker, with respect to the Chair, I wish the Chair would allow me to ask the question and the Government to answer because we seem to be in the.....

MR SPEAKER:

With respect to the Leader of the Opposition, will you please sit down. I will allow you to ask questions if you are entitled to ask them not otherwise. Will you please ask your question now?

HON J BOSSANO:

Yes, Mr Speaker, I want to ask the question but I wish you would limit yourself to not answering them. The question that I am asking is, can the Hon and Learned Attorney-General confirm that in the light of what he has just said that for the provision of labour only no trade licence is required, it means that in any contract the entire contract can be sub-contracted to a firm that doesn't have a trade licence which is supplying all the labour? That is the implication of the answer, can he confirm that that is true and legal and permitted?

MR SPEAKER:

But what I have been telling you for the last ten minutes, with due respect to the Leader of the Opposition, is that neither the Attorney-General nor Members of the Government are here to confirm to you what the law is.

HON J BOSSANO:

But I wish you would let them answer if they want to answer, Mr Speaker, they are not here either to be stopped by you from answering.

MR SPEAKER:

I am stopping you as much as I am entitled to stop anyone who asks a question which he is not entitled to ask. With due respect, I have been very, very lenient and liberal but it gets to a stage when one has to draw the line.

HON/J BOSSANO:

But, Mr Speaker, I think you are drawing too many lines too frequently, this is what I am telling you.

MR SPEAKER:

That, with due respect, I will not accept.

HON J BOSSANO:

You are not allowing me to ask that question, that is the position or you are not allowing the Attorney-General to answer, what is it?

MR SPEAKER:

With respect, what I am stating is that you are asking a question which the Government has no reason to answer.

HON J BOSSANO:

But they may if they wish.

MR SPEAKER:

Do you wish to answer the question?

HON CHIEF MINISTER:

He has answered it.

HON ATTORNEY-GENERAL:

With great respect, I thought I had answered it.

MR SPEAKER:

Next question.



THE HON J L BALDACHINO

ORAL

Can Government state how long is the average time taken by the Family Care Unit to investigate a referred social case?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, social cases referred to the Family Care Unit by the Housing Department are usually investigated within ten to fourteen days of receipt of referral letter.

Office interviews appointments are given six to seven days to ensure that calling cards are delivered to applicants.

The investigation itself takes a few days, depending on circumstances of the individual case plus other work dealt with by the Family Care Unit. In some cases up to three households have had to be visited for one investigation - eg two sets of in-laws and possible rented accommodation.

SUPPLEMENTARY TO QUESTION NO. 156 OF 1985

HON J L BALDACHINO:

What the Hon Member is saying is that the fourteen days might be relaxed where the Department feels that there might be a social case with a real big problem, is that correct?

HON DR R G VALARINO:

Yes, Sir, in fact, to give you some figures on this which I am sure will be of help to the Hon Member, 36 cases have been referred to the Family Care Unit since the beginning of the year and up to the 20th June, 1985, have been dealt with as follows: Cases investigated - 26; cases where applicants have not turned up for interviews - 6; cases outstanding - 4, and, in fact, the outstanding cases have been received within the past week so they have been dealt with fairly promptly all the way through.

MR SPEAKER:

Next question.

THE HON J C PEREZ

ORAL

Can Government state what is the nature of the work being carried out by the Public Works Department at 223 Main Street and what is the cost?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

Sir, work to rehabilitate a flat at No.223 Main Street is being carried out at an approximate cost of £16,000.

SUPPLEMENTARY TO QUESTION NO. 157 OF 1985

HON J C PEREZ:

Mr Speaker, can the Hon Member confirm that the flat in question is Government property?

HON MAJOR F J DELLIPIANI?

Yes, Mr Speaker.

HON J C PEREZ:

Mr Speaker, is the whole block Government property and is it controlled and run by the Government and is the flat to be allocated by the Housing Allocation Committee?

HON MAJOR F J DELLIPIANI:

Mr Speaker, the question refers to a flat at 223 Main Street which we need because we have to decant a Government tenant who lives at St Margaret's School in Town Range which is, as you know, due for modernisation for St Mary's Primary School to move there and we cannot proceed with the work until this lady has been re-accommodated at this building: In respect of the other question that you have asked I haven't got any information. All I am interested is in moving this lady from a flat which she occupies which is stopping the modernisation of that school.

HON J C PEREZ:

Mr Speaker, was that the only flat available to Government for the decanting process?

HON MAJOR F J DELLIPIANI:

That, Mr Speaker, has nothing to do with me. I have been asked to rehabilitate the flat which meets the requirement of the lady

at present occupying a flat at St Margaret's School and I have complied with that request.

HON J C PEREZ:

Mr Speaker, is the Hon Member aware that that flat was at one time, and I would like him to confirm whether it is still today, part of a lease from Government to Mr Mattana and that what is being done at present is that the Public Works is undergoing repairs to a flat which is under the control of Mr Mattana or can Government confirm that they have withdrawn the lease from Mr Mattana and they now allocate the houses in question?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I will ask the Director of Crown Lands what the exact position is on this building, I have no idea at all, it does not come under my Ministry.

HON J C PEREZ:

But, surely, Mr Speaker, when the Public Works Department carries out certain works it should make sure that the work that they are carrying out is in fact on Government property and property which is under the control of Government or is it a fact that we are going to decant a lady to the flat and in the future when that lady leaves we are going to leave a semi-new flat, because it has been repaired by the Public Works, for Mr Mattana to hire again under the lease of the Government and to make profit with a Government asset because the Government leased it to him years ago?

MR SPEAKER:

Next question.

NO. 158 OF 1985

26 6 85

THE HON J C PEREZ

ORAL

Will Government say whether it is still their intention to tarmac the surrounding area of North Gorge building?

ANSWER

THE HON. THE MINISTER FOR PUBLIC WORKS

Mr Speaker, though specific funds for the resurfacing were not provided in this year's estimates, my department will endeavour to carry out some if not all the resurfacing work during the course of the financial year.

THE HON J C PEREZ

ORAL

When does Government intend to commence work at Police Barracks in relation to the dangerous state of the corridors?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

Mr Speaker, as the Hon Member is aware, the corridors are propped-up until repairs can be effected.

The repair work is complex and lengthy and will be tackled as and when labour becomes available. The possibility of giving these remedial works to private contract is also being considered by the department.

SUPPLEMENTARY TO QUESTION NO. 159 OF 1985

HON J C PEREZ:

Mr Speaker, can the Hon Member confirm that the works will be carried out in this financial year?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I will never confirm anything like that because if things happen and I do not meet my word I will be slaughtered. I will say that I will try as much as possible to have it done during the course of this year.

HON J C PEREZ:

Mr Speaker, is the Hon Member aware that in the last session of the House at Budget time he in fact promised to carry this out in this financial year and also said that money had been provided for the works to be carried out?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I am aware that I said so but the report I have is a very complex one. Two measures can be taken, one is called a medium repair which is quite costly and the other one a long-term repair which is even more costly and would, in fact, require all the tenants of that building to be decanted which, as the Hon Member will appreciate, with the housing situation in Gibraltar is almost an impossible task. So the medium repairs to be able to carry them out with the tenants still living there is quite complex, it needs a lot of different skills which the Department is rather short of, especially in the metal trade, and we are considering the best way to do it with the supply of labour that we have available. If we can do it within our labour requirements

we will do it, if not we will have to go out to tender.

HON J C PEREZ:

Mr Speaker, is the only qualification for the job to be done the requirement of labour or is the Hon Member saying that if other projects come up this year and there is no money to do it he will not do it this year because there is no money?

HON MAJOR F J DELLIPIANI:

No, Mr Speaker, I haven't said that. Under the system of accounting, Mr Speaker, I am given certain monies to be able to pay my own labour. If this money is used on a contract it means that the money is deducted from my vote and therefore I will not have the money to pay my own labour so if it does have to go out to contract I will have to submit a Council of Ministers Paper for permission to do it within the budget allocated to me and if I do run out of money to ask for a supplementary at the end of the year.

MR SPEAKER:

Next question.

Has Government recruited all the lifeguards needed for the summer season?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

Mr Speaker, the vacancies for lifeguards were advertised on the 18th April 1985, the minimum qualification required for this post being the Bronze Medallion of the Royal Life Saving Society.

A total of 17 lifeguards are required to cover all beaches.

Only one vacancy has been covered, as the remaining applicants are students and will not be available until the first week in July,

As not enough applications were received to cover the existing vacancies the post was re-advertised on the 25th May. Only 5 applications have been received. These are now being processed.

SUPPLEMENTARY TO QUESTION NO. 160 OF 1985

HON J C PEREZ:

Mr Speaker, is the Government not aware of the seriousness of the situation of operating beaches and bathing pavilions without lifeguards notwithstanding the fact that they themselves admit that they have to wait for the students to come to take over the jobs?

HON MAJOR F J DELLIPIANI:

Mr Speaker, this is, of course, a philosophy which maybe the Hon Member opposite and some Members of my Government share. I do not share the philosophy that it is the duty of the Government to provide lifeguards but as a Member of the Government I respect that. To give an example, try and find a lifeguard in any place in the Costa del Sol or in Jersey or Australia, they are all volunteer bodies. My philosophy, in fact, would be for lifeguards to be provided by volunteer bodies just like there is the St John Ambulance, etc, etc. I think part of the reason why we haven't been able to meet the requirement as laid down by Government of lifeguards during the summer months, is that there are not enough people who are qualified under the Royal Life Saving Society. Perhaps my colleague who is a member can encourage people to take the Bronze Medallion so that they can qualify to cover the lifeguards position.

HON J C PEREZ:

Mr Speaker, one is surprised to hear the personal views of the Hon Member and then to his Department insisting that they should have special qualifications for doing lifeguard work when one will presume that voluntary lifeguards in the Costa del Sol are not necessarily all qualified. What I am asking the Government is, that if they open the summer season and it is the Government policy, notwithstanding the Hon Member's personal views, to supply lifeguards, then why have they not made sure that the lifeguards have been recruited before the official opening of the summer season?

HON MAJOR F J DELLIPIANI:

We advertised on the 18th May, if the people haven't come forward it is not our fault. If you like I will recruit lifeguards from Spain.

HON J C PEREZ:

Mr Speaker, the normal situation every summer is that there are more lifeguards than the Government needs. The special qualifications which the Government is insisting on might not, in my view, be necessary and I am asking whether a test by a qualified person who is employed by the Department would be sufficient to employ the lifeguards and to have lifeguards standby.

MR SPEAKER:

Next question.



NO. 161 OF 1985

26 6 85

THE HON J C PEREZ

ORAL

Mr Speaker, is it the intention of the Public Works Department to recruit a casual labour pool?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

Mr Speaker, the Public Works Department has no plans to recruit a casual labour pool.

Can Government state whether the Consultative Committee on Tourism has now submitted its recommendations and whether the Government are now in a position to advise the Opposition as to what these are?

ANSWER

THE HON THE MINISTER FOR TOURISM

Sir, the Tourism Consultative Board met and considered the reports of the four Tourism Committees on 12th February, 1985.

The recommendations of the Tourism Consultative Board included:

- (a) improvement of shopping facilities;
- (b) improvement and development of tourist sites;
- (c) development of new tourist sites;
- (d) improvement of beach facilities eg changing rooms, toilets;
- (e) improvement of tourist arrival/departure facilities eg Waterport and Air Terminal;
- (f) landscaping and beautification;
- (g) improvement of leisure and entertainment facilities.

Work has already been put in hand on the following:

- (1) Painting of Government Buildings, Collection Office already completed; City Hall and Government Secretariat to be painted in the immediate future. In addition a number of stone buildings have been selected for cleaning.
- (2) Improvements to toilet facilities - Piazza and Corral Road refurbished apart from the Portaloos.
- (3) Changing rooms/toilets on east side beaches refurbished.
- (4) Additional litter bins provided.
- (5) Beaches cleaned and tent frames removed.
- (6) Pedestrianisation extended.

(7) Street cleaning machine now in operation.

(8) Clean up of Europa Point rubbish dump.

A number of major projects have been included in the ODA submission for the next Development Programme whilst the costing and financing options of other smaller projects are being considered at present.

HON J E PILCHER:

Mr Speaker, obviously I don't have the answer in front of me so it is very difficult for me to judge but what strikes me immediately is that these are all in general terms. I thought the Consultative Committees were going to pinpoint specific projects that they wanted done and specific things that they wanted done apart from cleaning up and general tidiness. We have had five Committees, I think, channelling ideas onto the one Consultative Committee which, to my mind at least, from this side of the House, we thought was going to bring forward a process of revolutionary tourist measures. Perhaps, I have got the wrong impression as I don't have the answer in front of me, but all I have heard is just a general idea which I could have stood up and told the Minister five months ago, ie cleaning up, toilets. I am completely baffled, Mr Speaker, perhaps the Hon Minister could enlighten me if this is all that the Committees have been doing?

HON H J ZAMMITT:

Mr Speaker, I think the Committees have done sterling work. The answer, I accept, is rather long and therefore because the Hon Member hasn't got it in front of him he obviously had to ask a supplementary. I think the last paragraph which I will repeat probably summarises what the Hon Member would like me to itemise which I obviously can't because, as it says: "A number of major projects have been included in the ODA submission for the next Development Programme". That, Mr Speaker, I cannot itemise for obvious reasons. If he has anything he would like me to put to the Consultative Board I would very willingly take it.

MR SPEAKER:

I know, for the reasons that you are stating that, we might fall into the temptation of debating and we must not do that.

HON J E PILCHER:

Mr Speaker, I will try not to debate. I think the Minister is being unfair when he said that obviously we have to ask a supplementary and that is why I got up. I know that there are areas which are subject to an ODA submission but that doesn't stop the Minister telling us all the things that the Consultative Committee told the Government that they should do as a matter of priority. My understanding was that the Consultative Committee was going to issue a priority list, a shopping list, if you like, of the things that the Government had to do. I am trying to find out in another question what projects the Government have thought fit to put forward.

HON CHIEF MINISTER:

You will get it there.

HON J E PILCHER:

If I will get it there then I will wait.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

ORAL

Mr Speaker, can Government now confirm whether they have studied in the Council of Ministers the report on getting Gibraltar nursing qualifications recognised in UK?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Yes, Sir. Various details were approved and will be implemented in the coming months. These will lead to acceptance by the UK of Gibraltar qualifications.

THE HON MISS M I MONTEGRIFFO

ORAL

Can Government confirm that there are serious shortages of nursing staff in the Medical Department and when do they propose to remedy the situation?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, there are no serious shortages of nursing staff in the Medical Department. A Selection Board was held on 20 6 85, when 9 nurses were recommended for employment.

SUPPLEMENTARY TO QUESTION NO. 164 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Government confirm that the persons being engaged will be used to fill up posts which have become vacant and that they are not new posts?

HON M K FEATHERSTONE:

They will fill up posts which are already vacant.

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Government confirm that it is the view of the administration in the Hospital that as many as twenty extra staff are needed?

HON M K FEATHERSTONE:

That suggestion has been put forward, I understand, by the Union. The Establishment and Management Consultant Services are looking at it at the moment, I would not agree that there is definitely a shortage.

HON J BOSSANO:

Mr Speaker, can the Hon Member say of the nine people that have been recruited how many of them are already qualified and how many of them will in fact have to undergo training before they are able to do any work?

HON M K FEATHERSTONE:

I think they will all have to undergo training, Sir, but I am not sure, I will find out the information and inform the Hon Member.

HON J BOSSANO:

Doesn't the Government think that that lends weight to the view that has been put over a number of years that the people that are under training should not be counted as part of the establishment employed in the wards because, in fact, they are not physically in the wards.

HON M K FEATHERSTONE:

They are working in the wards, Sir, and therefore they are doing part of the service of the nursing establishment in the Hospital therefore I think they can be counted on the establishment.

HON J BOSSANO:

Mr Speaker, isn't the Government aware, if they look at their own estimates, that trainees in other fields in the Medical Department are supplementary to the establishment and trainee nurses are not and that there is a long outstanding claim from the nursing staff which has the support of the administration going back over a number of years based on the view that if somebody is in school for thirteen weeks then they are not in the wards for thirteen weeks and therefore the ward is short of one body and the shortage will continue while these nine people are in school, surely the Hon Member will understand that?

HON M K FEATHERSTONE:

They are not in school all the time, they do some of the work in the wards and some of the time in the school, Sir.

HON J BOSSANO:

No, Mr Speaker, I am not talking about the two-year enrolled nurse course or the three-year SRN course, I am talking about the thirteen weeks preliminary training before they are actually put on a ward. They don't just get people off the streets and put them straight in care of a patient, it is quite right that they shouldn't, but I am talking about the initial preliminary period, Mr Speaker.

HON M K FEATHERSTONE:

I accept that for the first thirteen weeks they are at school and they are taking initial training after which they then start work in the wards and they become part of the establishment.

HON J BOSSANO:

I know but the point is, Mr Speaker, if the Government recognises that there is now a shortage and the answer is that they have recruited nine who are not going to be available for thirteen weeks, then the shortage is going to stay for the next thirteen weeks, surely?

HON M K FEATHERSTONE:

That is so but it is a shortage which is going to be filled very shortly.

HON J BOSSANO:

But, Mr Speaker, is it not a fact that there is documented evidence that by the time the people in the school come out of the school to join the ward, enough people have left in the thirteen weeks to have created another nine vacancies? Isn't there a long history of this having happened in the last two years, Mr Speaker?

HON M K FEATHERSTONE:

Not as far as I know, Sir, but as I said, the question of the union's claim that there are an extra twenty nurses needed is being studied by Management Services and by the Establishment.

HON J BOSSANO:

I am not dealing with that matter, Mr Speaker, I am dealing with a separate issue which is that if you have got recruits on the basis of vacancies at the beginning of a three month period, if those recruits are then not available to work for three months while they are being trained, by the time they are available for work the vacancies have increased because more people have left during those three months and therefore the people during the three month training should be considered supernumerary. Will the Minister look into this matter in view of the fact that the information is available there and the arguments have been there for a very long time?

HON M K FEATHERSTONE:

I shall be happy to look into it, Sir.

MR SPEAKER:

Next question.



THE HON MISS M I MONTEGRIFFO

ORAL

Has Government now given further consideration to the requirement for extra staff in the grade of Mental Welfare Officer?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, consideration has been given to creation of a second post of Mental Welfare Officer. The matter is now for decision by the Council of Ministers.

SUPPLEMENTARY TO QUESTION NO. 165 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, is the Minister aware that in 1979 the Mental Welfare Officer was responsible for 300 outpatients and attended to twelve patients weekly in his office? In 1984 these figures had increased to 1,310 and 40 respectively. It is also difficult to find relief whenever he is on annual leave, therefore does the Minister not agree that an additional post is urgently required?

HON M K FEATHERSTONE:

I am putting forward that the creation of this post should be approved by Council of Ministers, I hope my colleagues will respond to my request.

HON MISS M I MONTEGRIFFO:

So the Minister is, in fact, committed to creating this post?

HON M K FEATHERSTONE:

Yes, I agree.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

ORAL

Is Government proposing to provide an additional post of Dental Clinic Assistant to correct the anomaly where the post is being covered by someone from the nursing establishment?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, this matter is still under consideration.

SUPPLEMENTARY TO QUESTION NO. 166 OF 1985

HON J BOSSANO:

Mr Speaker, can the Hon Member explain what is the fact that is still under consideration? Is it not a fact that there are two Dental Clinic Assistants at the Health Centre and that there have been for some time although only one is shown in the establishment?

HON M K FEATHERSTONE:

It is being considered whether it can be filled from the nursing establishment or whether it should be a separate post by itself.

HON J BOSSANO:

But, Mr Speaker, if somebody was employed a number of years ago without the money having been provided by the House and effectively that has been offset by not employing somebody else in the nursing establishment, what is there to consider, can the Government explain?

HON M K FEATHERSTONE:

It is being considered whether it should be filled from the nursing establishment or whether it should be a separate post as I have already said, Sir.

HON J BOSSANO:

Mr Speaker, how can the Hon Member consider filling it from the nursing establishment if the nursing establishment he admits is under strength because of shortages? How can he fill a vacancy somewhere from an establishment that is not up to complement, can he explain that?

HON M K FEATHERSTONE:

I think I have said all that needs to be said on the matter, Sir.

HON J BOSSANO:

Is the Hon Member aware that a commitment was given some three years ago by the administration to the staff that this matter would be corrected along the lines of the post that is in existence actually being legalised?

HON M K FEATHERSTONE:

I am not aware of that, Sir, but I will enquire into it.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

ORAL

Is it Government's intention to provide an additional post of nurse to work with the extra doctor provided under the Group Practice Medical Scheme?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Yes, Sir. Approval to this effect has already been given.

THE HON MISS M I MONTEGRIFFO

ORAL

Can Government confirm that they are considering closing Napier Ward because of shortage of staff?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir. Government has no plans to close Napier Ward.

SUPPLEMENTARY TO QUESTION NO. 168 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister give an undertaking that the closing of Napier Ward will not be materialising?

HON M K FEATHERSTONE:

I don't see there will be any deterioration at all. The position is that at the moment with the somewhat shortage of nurses the position is being covered by the actual nurses doing overtime.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

ORAL

Can Government explain why the post of Director of Medical Services due to become vacant in November has already been advertised, and that of Matron, which became vacant this month, has not?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, matron's post has not yet been advertised as it is part of a re-organisation of the senior grades of the department. New job profiles have been approved by Government and are being discussed with the Association concerned.

SUPPLEMENTARY TO QUESTION NO. 169 OF 1985

HON J BOSSANO:

Mr Speaker, can the Hon Member say when they have been discussed with the Association concerned?

HON M K FEATHERSTONE:

I didn't say they had been discussed, I said they are being discussed.

HON J BOSSANO:

Well, if they are being discussed can he say when they are being discussed at this point in time? Can the Hon Member confirm that Government is not planning to advertise the post outside the service?

HON M K FEATHERSTONE:

Initially it will be advertised inside the service, Sir. If there is no suitable candidate then it will be advertised outside.

THE HON J L BALDACHINO

ORAL

Can Government state how many dwellings are registered under the Labour From Abroad Ordinance?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Yes, Sir, there are currently 475 dwellings registered under the said legislation.

SUPPLEMENTARY TO QUESTION NO. 170 OF 1985

HON J L BALDACHINO:

Mr Speaker, can the Hon Member say if the 475 dwellings meet the requirement as laid down in the Ordinance?

HON M K FEATHERSTONE:

If they didn't meet the requirements we would get pressure for the number to be increased and it would be so increased. Since we have had no such pressure I understand it must cover the requirements. The answer to that is, yes, Sir.

MR SPEAKER:

Next question.

THE HON J E PILCHER

ORAL

Can Government state whether there is any further danger of oil pollution as a result of the Refinery explosion?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir, the Refinery is obviously outside our jurisdiction and the sole responsibility of the Spanish Authorities. An early warning system has, however, been agreed to between the Refinery management, the Spanish Police and our own Police whereby any sudden oil leaks emanating from the hulks are notified in order that prompt protective measures can be implemented.

SUPPLEMENTARY TO QUESTION NO. 171 OF 1985

HON J E PILCHER:

Is the Government not aware that one of the tankers that in fact sunk is still holding some 400 tons of crude oil?

HON M K FEATHERSTONE:

Yes, that is why the agreement has been made that should there be a sudden leak we will be informed.

MR SPEAKER:

Next question.



THE HON J E PILCHER

ORAL

Can Government state what measures it is taking to combat the continuing problems resulting from oil pollution?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, a Joint Working Party on Oil Pollution has been in existence for some time now and meets whenever there is a need. Under the said Joint Working Party all oil pollution resources are pooled, if necessary, to deal with emergencies in that field. Constant surveillance by the various authorities is also maintained in order to be able to deal with oil slicks as they arise and, if necessary, convene a meeting of the said Working Party.

SUPPLEMENTARY TO QUESTION NO. 172 OF 1985

HON J E PILCHER:

Following a question which I put in this House about two meetings ago, the Government took it upon itself to look at possibilities of buying things like more oil booms and perhaps machinery to skim oil from the surface of the sea rather than using the measures which sink the oil and which causes more pollution. Has anything at all been done about this because the joining of forces means that what we are using is PSA/MOD equipment but the Gibraltar Government do not hold anything which is our own?

HON M K FEATHERSTONE:

The only thing the Gibraltar Government holds is a certain amount of oil dispersant held by the Fire Brigade and the PWD.

HON J E PILCHER:

Is the Minister happy with this situation that we virtually cannot at any given stage control an oil leak ourselves?

HON M K FEATHERSTONE:

I am not happy but we have not considered it necessary at the moment to go into the fairly heavy expense of providing a double protection when we have the protection available from the MOD at any given time.

HON J E PILCHER:

Following from the last question, if there is a danger of a

spillage of 400 tons of crude oil in the bay, surely, some measures should be taken already to boom that area off rather than await and survey the situation if there is an oil leak emanating at any particular time. It might be too late if we just wait and see whether the thing is going to come to the surface or not.

HON /M K FEATHERSTONE:

We cannot really boom off an area which is not even in our waters.

HON J E PILCHER:

I am referring to booming off our waters.

HON M K FEATHERSTONE:

That would need a gigantic boom which would impede the passage of vessels backwards and forwards and I think would not be really the answer to the situation which, perhaps, may not even arise.

MR SPEAKER:

Next question.

NO. 173 OF 1985

26 6 85

THE HON J L BALDACHINO

ORAL

Is it correct that Government is planning to increase Tankerville House rents once work on the balconies is completed?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, house rents at Tankerville will not be increased as a result of the work being carried out to the balconies.

THE HON J L BALDACHINO

ORAL

Does Government consider that the Housing Allocation Scheme Revised (1980) needs revising?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the Housing Allocation Committee is currently revising the Housing Allocation Scheme Revised (1980) and Clause 7 (Waiting Time) of the Scheme was actually revised and put into effect in October, 1982.

SUPPLEMENTARY TO QUESTION NO. 174 OF 1985

HON J L BALDACHINO:

What the Minister is saying is that the Government considers that the Scheme should be revised in part.

HON M K FEATHERSTONE:

Yes, that is what the Housing Committee is actually looking at at the moment.

HON J L BALDACHINO:

Can the Hon Member say how long has the Committee been looking into what they should revise or not?

HON M K FEATHERSTONE:

I am not sure but I think for at least the last six months.

HON J L BALDACHINO:

Can the Hon Member say when the revised parts will be ready to be brought to this House?

HON M K FEATHERSTONE:

Not entirely in my hands so to do but I will press the Committee to do it with the maximum expediency possible.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

ORAL

Can Government state if interviews are at present being given by the Housing Department?

ANSWER

Sir, interviews by appointment were resumed with effect from Tuesday the 18th June, 1985.

The number of interviews granted weekly has also been increased, at present, in order to overcome the backlog of requests for interviews that accrued whilst the Housing Department was temporarily accommodated at the Government Secretariat.

SUPPLEMENTARY TO QUESTION NO. 175 OF 1985

HON J L BALDACHINO:

Am I correct in saying that they used to take place before the industrial action taken at the Housing Department and that the interviews were stopped, I presume they were stopped because of that, that interviews were given in three months period? How long will it take to clear the backlog that you have now?

HON M K FEATHERSTONE:

I am not sure how long it used to take before but we will do our best to see that interviews are given within a reasonable period.

MR SPEAKER:

Next question.

Is Government planning to increase the number of licences for taxis over and above the present complement?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

The whole question of public transport including taxis is under consideration by Government in the light of the new situation now prevailing.

SUPPLEMENTARY TO QUESTION NO.176 OF 1985

HON J C PEREZ:

But is Government considering the question of granting more licences?

HON M K FEATHERSTONE:

As I have said, the whole question of public transport, including taxis, is under consideration.

HON J C PEREZ:

Will Government commit itself to discuss and consult with the Gibraltar Taxi Association before any measures are taken?

HON M K FEATHERSTONE:

No, Sir.

HON J C PEREZ:

Is that not a reversal of Government policy as advocated by the Hon Member in answer to a question on the same issue in past meetings of the House of Assembly?

HON M K FEATHERSTONE:

We will take into account any representations they make but the consultation with them is not a necessary corollary to the fact that the situation is being studied.

HON J BOSSANO:

Mr Speaker, is it not desirable from the Government's point of

view to consult those affected before a decision is taken which could be detrimental to their interests? Doesn't the Government think it is a good way of governing; to consult people?

HON M K FEATHERSTONE:

Yes, it is a good idea to consult all parties concerned.

HON J BOSSANO:

Will the Government reconsider the statement the Hon Member has just made saying that he will not be consulting those affected?

HON M K FEATHERSTONE:

Not consult them as such, we will take into account their views.

HON J BOSSANO:

How does the Minister intend to ascertain their views without consulting them, Mr Speaker?

HON M K FEATHERSTONE:

They make their representations very clear to the Minister whenever they want to.

HON J BOSSANO:

Mr Speaker, how does the Minister expect people to make representations to him without knowing what is in his mind, are they expected to be able to read his thoughts?

HON M K FEATHERSTONE:

When the time comes, if anything is done there will obviously have to be a promulgation of new laws and they will have the opportunity to make any representations that are necessary.

HON J BOSSANO:

Doesn't the Minister think that it would be better before getting to the stage of drafting legislation to put any ideas that he may have to them to assess the acceptability or the objections that there might be to those ideas because it is better to come to the House with a finished project than come to the House with a project that may subsequently have to be changed?

HON M K FEATHERSTONE:

Perhaps it is better that they should put their ideas to the Minister rather than the other way round.

HON J BOSSANO:

Mr Speaker, isn't it normal that it is people who want to change things to have to take the initiative, not people who want things to remain as they are? How does the Minister expect the Taxi Association or any other organisation to make representations to him without knowing what it is that the Government is considering doing in respect of taxi licences. Would he not think it is perfectly reasonable to expect, if he has ideas which involve changes, that he should explain the ideas and the thinking behind it to those affected?

HON M K FEATHERSTONE:

The normal way is for any new legislation to be published in draft and anybody who is interested can make representations thereon.

HON J BOSSANO:

Mr Speaker, isn't it the experience of this House that quite often legislation is published as it is happening with the Landlord and Tenant (Amendment) Ordinance in this meeting with one week's notice and being taken through all the stages in one meeting? Does he think that that is a sufficient period of consultation? Does the Minister not think that by taking the line that he is taking of not being willing to explain the Government's philosophy and get a feedback it creates the impression that what the Government is thinking must of necessity be something that they know to be as unpalatable and unacceptable to those concerned?

HON M K FEATHERSTONE:

That is not necessarily so and there will be more than a week to make any representations that are necessary, there will be ample time.

MR SPEAKER:

Next question.



Can Government confirm that the Transport Commission is required to work to Government policy and, if so, what is Government's policy with regard to the issuing of up to 75 road service licences for private hire buses?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the Transport Commission is an independent body whose functions are laid down in the Traffic Ordinance. It does not work to Government policy. It would therefore not be proper for Government to comment on the decisions taken by the Commission.

SUPPLEMENTARY TO QUESTION NO. 177 OF 1985

HON J C PEREZ:

Can Government confirm that the Transport Commission was stripped of all its powers in relation to traffic and was left with those solely in relation to licensing some time ago?

HON M K FEATHERSTONE:

No, there was a change in the Ordinance which said that the question under which the Traffic Commission should advise the Governor on matters referring to traffic was taken away but they are still the licensing authority and they are still the authority to deal with public transport.

HON J C PEREZ:

How, Mr Speaker, does the Hon Member think that the Transport Commission can judge whether 75 extra road licences are to the good of the traffic in general in Gibraltar if those powers were stripped from the Transport Commission?

HON M K FEATHERSTONE:

The traffic situation is the detail traffic of whether you drive right around a certain area or left around a certain area, this has nothing to do with the actual requirement of the transport as such.

HON J C PEREZ:

Mr Speaker, is it not true that a great number of heavy vehicles on our roads would have a detrimental effect on traffic

as a whole and has Government got a specific policy on this or not?

HON M K FEATHERSTONE:

It depends what you mean by heavy vehicles, if you mean vehicles of 20 tons or more there is already legislation to prevent them from being within the City areas.

HON J C PEREZ:

I mean buses for tourists which are, in fact, larger vehicles than private cars?

HON M K FEATHERSTONE:

If the Transport Commission feels there is a need for buses for tourists under the present legislation that is their prerogative.

HON J C PEREZ:

So the Transport Commission will act independently of whatever policy if any, the Government has in relation to the whole situation of traffic especially in the Upper Rock?

HON M K FEATHERSTONE:

The way the law stands at the moment, yes, Sir.

HON J C PEREZ:

Is the Hon Member satisfied with the way the law stands at the moment?

HON M K FEATHERSTONE:

That is why I have said that the Government is going to look into the whole question of public transport including taxis in the light of the new situation now prevailing.

HON J BOSSANO:

Is the situation then, Mr Speaker, that the Government considers that the Transport Commission is free in determining road service licences for private hire buses but not free in determining the number of licences for taxis?

HON M K FEATHERSTONE:

The way the law stands at the moment the Transport Commission is free to decide on the number of buses they may authorise and

though the regulations state that the Government may legislate the maximum number of taxis available these need not be given if the Transport Commission does not so consider.

HON J BOSSANO:

Mr Speaker, if the Government has said that it would not be proper for them to comment on the desirability or otherwise of the granting of 75 road service licences for private hire buses because that is the prerogative of the Commission, how is it that the Government is considering the possibility of increasing the number of taxi licences when that is also the prerogative of the Commission?

HON M K FEATHERSTONE:

No, Sir, the Government can only regulate the maximum number of taxi licences which can be given. Whether they are given or not is the prerogative of the Transport Commission under the law as it stands at the moment.

HON J BOSSANO:

Is the Government then saying that in the review that the Hon Member has said they are carrying out in answer to the previous question even if as a decision of that review they were to decide to increase the quota, the Commission would still be free not to make use of that increased quota?

HON M K FEATHERSTONE:

If the law were changed considerably, no, Sir, it all depends on whatever changes in the law should be made.

HON J BOSSANO:

What is the policy of the Government? Does the Government think there is a requirement to change the law in this direction or not?

HON M K FEATHERSTONE:

Yes, Sir, that is why the Government is looking into the question of changing the law completely with regard to public service vehicles and transport in general.

HON J BOSSANO:

So the Government is then saying that they consider that they should be able to direct the Transport Commission as to the number of licences that should be issued.

HON M K FEATHERSTONE:

No, Sir, what the Government is saying is that new laws are now needed because there is a new situation with regard to transport as such.

HON J BOSSANO:

Mr Speaker, the Government has said it would not be proper for them to say so in the context of 75 extra private hire buses? How can it not be proper in that case and be proper in the case of taxis?

HON M K FEATHERSTONE:

It is not proper at the present moment under the present law to make a comment on the actions of the Transport Commission with regard to the 75 buses, under a new law it may be completely proper so to do.

HON J BOSSANO:

Mr Speaker, I am not talking about whether the Government has got the legal right to dictate to the Commission, it is quite clear that they do not. I am asking what is the Government's policy in respect of transport and is it the Government's policy that there ought to be more than 75 or less than 75, surely, they are entitled as a Government to indicate to the House in answer to a question what their policy on the subject is?

HON M K FEATHERSTONE:

That has not yet been considered by Government as a specific item.

HON J BOSSANO:

If the Government has got all this under consideration doesn't that in fact add weight, Mr Speaker, to the suggestion made in the previous question that the Government should not commit itself to following one particular path until it has consulted those people already operating in that area of the economy and earning their livelihood in it?

HON M K FEATHERSTONE:

All people interested in transport would be consulted or be asked to make their viewpoints known on the draft legislation before it is finalised.

HON J BOSSANO:

So the Government will, in fact, invite views from those affected before the draft legislation is produced?

HON M K FEATHERSTONE:

After the draft legislation is produced, Sir.

HON J BOSSANO:

But doesn't the Government consider looking at it objectively, Mr Speaker, that it is in their own interest because once they publish draft legislation they will find it more difficult, because it is human to react like that, to have to change things? Isn't it reasonable that they should consult before committing themselves to a policy? Surely, once they publish the legislation they are effectively making public a policy decision. Isn't it better before they commit themselves to a specific policy to invite the views of those who are likely to be affected by the different options that they may have under consideration?

HON M K FEATHERSTONE:

At the moment there are a number of conflicting options and therefore Government feels it is wiser for them to put forward their option and to get the viewpoint of the conflicting options on it rather than to have the conflicting options first.

HON J BOSSANO:

Then if there are a number of conflicting options and Government is going to make a decision itself before consulting people.....

HON CHIEF MINISTER:

No.

HON J BOSSANO:

Well, that is the impression the Hon Member has just given me, if it is not the case I stand to be corrected, Mr Speaker. But if the Government has said that they consider it better rather than putting in front of people the different options to make up their own minds and choose one particular option, isn't it more difficult then to go back to the options that have been discarded when they might have been discarded because some arguments have not been put forward because the people who don't know what the options are cannot be expected, Mr Speaker, to come along, surely the Hon Member will agree, and make representations about every

conceivable option there might be unless the Hon Member is prepared to give some indication of what the options are?

HON M K FEATHERSTONE:

No, Sir, the legislation will be basically on what are the powers of the Government to inform the Transport Commission to follow its directives.

HON J BOSSANO:

Surely, Mr Speaker, there are two separate issues. One is the issue of whether it should be the prerogative of the Commission to determine the policy or the prerogative of the Government which in itself is a matter of policy but is not so much a policy decision about transport as such but a policy decision about legislative prerogatives, if anything, and that I would accept from the Hon Member is not a matter for the operators, it may be a matter for political judgement and possibly for the views of the Commission but I am saying in terms of determining a transport policy that has an impact on people who are already in that sector, isn't it consistent with the policy that has been advocated in the past by the Government of consulting staff associations about Government policies before the Government makes up its own mind, it can still make up its mind in conflict with the views that are put to it because it has the authority to do that but, surely, it is better not to make up its mind in ignorance of the views that might be put to it?

HON M K FEATHERSTONE:

We will have all the views necessary from the bus owners, the taxi owners as long as they are willing to give their views to us, taxi drivers, everybody.

HON J C PEREZ:

Mr Speaker, is it not the case, although it is hard to know what the Government is thinking, but is it not the case that already without knowing what the direction of the Government is, there are certain proposals with the Minister and it is the subject of another question?

HON A J CANEPA:

No, not with the Minister, look at the question.

HON J C PEREZ:

The Minister has a copy of the letter.

HON A J CANEPA:

But they haven't been made to the Minister.

MR SPEAKER:

We will come to that question in due course. Next question.

Can Government explain why they have taken the unprecedented step of preventing cars used as taxis in Gibraltar from going into Spain in a private capacity?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, it is not a question of preventing local taxis going to Spain in a private capacity. It is a question that under our Traffic Ordinance it is an offence to use a motor vehicle for any purpose not authorized by the terms of the licence issued in respect of the vehicle, ie a motor vehicle registered as a goods vehicle can only be used as such and similarly, one registered as a taxi can only be used as such - not for private use.

SUPPLEMENTARY TO QUESTION NO. 178 OF 1985

HON J C PEREZ:

Mr Speaker, is the Hon Member saying then that this has never happened in Gibraltar before and that a policeman should, in fact, stop a person from using a taxi to give a ride to his family and is that law enforceable in Gibraltar?

HON M K FEATHERSTONE:

That is the law.

HON J C PEREZ:

But is it enforceable, Mr Speaker?

HON M K FEATHERSTONE:

Why shouldn't it be?

HON J C PEREZ:

Can the Hon Member explain how a policeman goes about checking whether the persons being driven in the taxi are the family and, if so, whether the father of the children is charging his children from driving them in their car?

HON M K FEATHERSTONE:

That is a matter for the policeman to find out.



HON J C PEREZ:

But, Mr Speaker, if that is the law and it is a law which is not enforceable because of the nature of it.....

HON A J CANEPA:

That is your view, we do not agree with you.

HON J C PEREZ:

Can the Hon Member then explain how the law is enforceable?

HON M K FEATHERSTONE:

If a taxi which has on its licence plate 'public service vehicle' is attempting to go through the frontier it can obviously be asked: "Are you taking your family or are you taking a fare". Whatever the answer is so they can be told straightaway: "This is against the law".

HON J C PEREZ:

Mr Speaker, under those circumstances no taxis are able to go into Spain for anything because they are barred from doing it on both counts. What I am saying is that the enforcement of the law in relation to Spain is applicable but the enforcement of the law in relation to Gibraltar is not because it is impossible to judge whether the taxi driver concerned is driving his family and if so, whether he is charging them or not. What is the point of having the law?

HON J L BALDACHINO:

Am I correct in stating that a taxi can only take fare paying passengers and is not meant for private use and that equally applies to goods vehicles and therefore a goods vehicle that is being driven into Spain for the sole purpose of pleasure can also be stopped by the police, is that what the Hon Member is saying?

HON M K FEATHERSTONE:

That is correct, that is the position in law. The reason behind it is that taxis, for example, pay considerably less import duty than private cars. Goods vehicles and taxis pay a considerably lower licence fee than private cars and therefore they are restricted to the categories for which they actually pay their licences.

HON J C PEREZ:

Mr Speaker, is it not ridiculous to expect a person who is a taxi driver or who has a goods vehicle to have two cars, one for his work and one for driving his family?

MR SPEAKER:

The law can be amended but as it stands now that is the law.

HON J BOSSANO:

Mr Speaker, the Hon Member has said that this applies to all vehicles and not just to taxis, he has mentioned good vehicles. Are there any exceptions? Is it a fact that a vehicle that is imported for a specific purpose and registered for such a purpose cannot be used for another purpose, is that what the Hon Member saying?

HON M K FEATHERSTONE:

Yes, that is the position in law.

HON J BOSSANO:.

Therefore am I correct in deducing from that, Mr Speaker, that the vehicles that were imported for GSL and which consequently didn't pay any duty because they were financed by ODA should not be used by GSL managers for pleasure in Sotogrande over the week-ends?

MR SPEAKER:

Order. I will not have any interruptions from the public gallery. This is the House of Assembly and people are entitled to come and to listen but not to interfere. If I have another outburst like this I will clear the public gallery. Members must be entitled to carry out their duties and responsibilities in the House without any influence, inhibition or interruptions. You may now continue, Mr Bossano.

HON J BOSSANO:

Mr Speaker, I am trying to establish whether what I have said is factually correct.

HON M K FEATHERSTONE:

Yes, Sir, if GSL are flouting the law in the same way as other

people tend to flout it and they can be brought to account they should so be brought to account.

HON J BOSSANO:

Does the Government not agree that it is a well known fact and has been a well known fact to the Government and the authorities for many years, that there are a whole range of vehicles, including Government vehicles, that are used to ferry private individuals at all times of the day to all sorts of places and is the Government now going to enforce the law for everybody or just for taxis? If it is the police that is going to enforce the law, Mr Speaker, is it that the police are paying particular attention to taxis because they have been pointed in that direction as a result of Government policy or not?

HON M K FEATHERSTONE:

No, Sir, it is not Government policy as such, it is Government policy that the law should be compiled with. If taxis are openly flouting the law by going to Spain against the situation under law, it is up to the police that they don't.

HON J BOSSANO:

I am not concerned about going to Spain, Mr Speaker, I am asking the Government if they have suddenly woken up to the fact that the law is being broken because people are using vehicles other than for the reason for which those vehicles have been registered and imported. Is it, having woken up to that, if it is a policy that they support which, I think, they haven't yet said whether they do or they don't, but if it is a policy which they support is it their intention to apply it exclusively to taxis or are they going to apply it to everybody and are they going to inform the police authorities that either they stop everybody or they don't stop anybody?

HON M K FEATHERSTONE:

It has always been the law. For example, if the police see a goods vehicles going to Spain which has no right so to do they would stop it just the same.

HON J BOSSANO:

Mr Speaker, I am not talking about Spain.

HON M K FEATHERSTONE:

The question did refer to Spain.

HON J BOSSANO:

I know and the answer that the Hon Member gave to which I am entitled to ask a supplementary, Mr Speaker, was that that is the law in Gibraltar and presumably it was the law in Gibraltar before the Brussels Agreement and before the full opening of the frontier, the law has always been there, it isn't a new law. I am asking the Government if their position is that that is the law and the law has to be observed, is it not also their position that the law has to be observed by everybody and consequently it has to be observed by all the people who are flouting it here in Gibraltar which the Government knows is the case and the police know is the case? So are the police now going to stop everybody that is ferrying people all over the Rock on vehicles that are not licensed for that purpose?

HON A J CANEPA:

The law applies but it doesn't apply to Transport House.

HON J BOSSANO:

When I am on that side, Mr Speaker, I will answer questions but on this side I cannot.

HON M A FEETHAM:

Can the Minister clarify.....

HON CHIEF MINISTER:

Doesn't the Hon Member have an interest in this?

HON M A FEETHAM:

No, not in this, this is a Traffic Ordinance matter, I haven't asked any questions on taxis, I am asking a question on a point of law. Doesn't Section 40 relate to licenced motor vehicles and isn't it a fact that there is a separate section which comes under public service vehicles where regulations and equipment and use are related to it which does not in any way prevent a taxi or a public service vehicle from being used privately? I think the Minister is quoting the wrong section relating to this particular problem, isn't that a fact?

HON M K FEATHERSTONE:

That is a matter for the Attorney-General. The advice I have been given is exactly as I have already stated.

HON ATTORNEY-GENERAL:

I think it is a matter for me, Mr Speaker. I cannot give off-the-cuff opinions, I have given one off-the-cuff opinion this morning which was wrong.

HON J BOSSANO:

Can I have an answer then to the question that I asked before? Perhaps the Hon and Learned Attorney-General can say whether it is in fact the case that now that the police have decided to enforce the law in respect of whatever instances there might be of owners of taxis using the taxis for pleasure, is that going to be applied across the board to every instance in Gibraltar?

HON ATTORNEY-GENERAL:

I think, Mr Speaker, this is generally the position. The police enforce the law as directed by the Commissioner of Police, not by the Government of the day. If the Commissioner of Police thinks that a certain offence is prevalent the Commissioner of Police will instruct his officers to enforce that law particular law and I hope that Police Officers who are generally supposed to be aware of the criminal law and the offences if they see anything wrong, if they see an offence being committed, they will stop that chap whoever he is and this is the duty of the Commissioner of Police not the Government, nobody else.

HON J BOSSANO:

That is the theory, Mr Speaker.

HON ATTORNEY-GENERAL:

It isn't a theory, it is a fact.

HON J BOSSANO:

With all due respect to the Hon and Learned Attorney-General and the Hon and Learned Chief Minister, it is a matter of opinion whether it is in practice the case that people who are able to pull strings can get people to turn their face the other way, I happen to belong to the school of thought that believes that...

HON A J CANEPA:

The defender of the oppressed masses.

HON J BOSSANO:

Mr Speaker, I would like an answer to the question that I asked whether it is the person who doesn't defend the oppressed masses or anybody else but I would like to know whether what the Government is saying (a) is that they agree with the legislation that there is there now as a matter of Government policy, that is, that anybody that has got a vehicle licence for one purpose should not be permitted to use it outside his working hours for his own use and if so, whether in fact the police can be expected now to enforce the law which has been ignored until now by everybody? That is my question and I would like to have an answer, Mr Speaker.

HON ATTORNEY-GENERAL:

I am saying that the point which the Hon Leader of the Opposition has made I will bring to the attention of the Commissioner of Police. If the Hon Leader of the Opposition isn't satisfied with the way the Commissioner of Police exercises his powers he should refer it to me and I will speak to the Commissioner of Police because the Commissioner of Police if he comes under anybody he comes under me and not under the Government of the day.

HON J BOSSANO:

Mr Speaker, I don't agree with the policy. I am asking two questions, the first one which I am asking the political side is, do they agree as a matter of Government policy that the law should in fact be used in the way that may be technically correct but which it has never been used before? Nobody before, to my knowledge, has ever been stopped by the police because they were using a vehicle to transport people from A to B when that vehicle was not licensed for that purpose. I am asking the Government, politically, do they agree with the policy that is being reflected in the case of the taxis, and the Attorney-General has now told me that presumably for as long as the law is there the police will now be expected to apply it universally, we will see what sort of chaos that brings. I am now asking the Government of Gibraltar politically whether it is their policy to support that view?

HON M K FEATHERSTONE:

The law is there and as far as the Government is concerned the law can stand. Whether the Commissioner of Police wishes to turn a blind eye to such trafficking inside Gibraltar is entirely up to him. The situation has been that as far as taxis going to Spain or lorries or anybody else not licensed as a private car going to Spain, they should be prevented.

HON J C PEREZ:

Mr. Speaker, would Government consider changing that legislation if after consultation with the police they are told by the Commissioner that it is practically unenforceable in relation to Gibraltar?

HON M K FEATHERSTONE:

When the police tell us that we will consider it.

HON J L BALDACHINO:

Mr Speaker, seeing that the police will now try to enforce the law in that way, it is also relevant that private cars which have a licence for personal use cannot be used for carrying goods, is that the case?

HON M K FEATHERSTONE:

Yes, Sir.

HON J L BALDACHINO:

That will also fall in the category when the law is enforced, will it?

MR SPEAKER:

We are not going to discuss every single specimen enforcement that can be done under the Traffic Ordinance otherwise we wouldn't finish. Next question.

NO. 179 OF 1985

26 6 85

THE HON J C PEREZ

ORAL

Can Government state when will the proposals submitted by the Gibraltar Taxi Association on 28th March, 1985, to the Transport Commission on improvements to the taxi service including the introduction of rosters at the taxi ranks, be implemented?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the Transport Commission has not yet met to consider these proposals.

SUPPLEMENTARY TO QUESTION NO. 179 OF 1985

HON J C PEREZ:

Mr Speaker, since the Hon Member has a copy of the proposals could he commit himself to take these into account in relation to the whole study of public service vehicles which the Government is undergoing?

HON M K FEATHERSTONE:

Of course, yes.

MR SPEAKER:

Next question.



NO. 180 OF 1985

ORAL

THE HON J C PEREZ

Will Government state what are the functions and powers of the so-called Traffic Committee?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

The Traffic Committee is an ad hoc Committee originally set up administratively in 1982, at the time of the announcement of the 20 April, 1982, date for the full frontier opening. It was subsequently resuscitated following the Brussels Agreement, to deal with all traffic matters in an open frontier situation.

It has no statutory powers but coordinates and advises Government on various matters to do with traffic.

SUPPLEMENTARY TO QUESTION NO. 180 OF 1985

HON J C PEREZ:

Does that include advice on licensing?

HON M K FEATHERSTONE:

No, Sir, that is transport not traffic.

HON J E PILCHER:

Mr Speaker, can the Hon Minister tell me what is the composition of this Traffic Committee, who composes this Traffic Committee, not names just the posts that they hold?

HON M K FEATHERSTONE:

Yes Sir, the Minister for Health and Housing with responsibility for traffic; the Minister for Public Works; the Director of Public Works; the Commissioner of Police; the Director of Tourism; the Collector of Customs and the HEO Traffic Section.

HON J E PILCHER:

With all due respect and with the exception of the Commissioner of Police, do you think that all the other people mentioned are in a position to be able to give a real exposé of the traffic situation in Gibraltar?

HON. M K FEATHERSTONE:

I can give you an example. One of the things the Traffic Committee has put into effect recently is the new road system outside the Queen's Cinema where the work by the Public Works in re-aligning the different road sections etc, putting up fencing etc, was very useful and I think they play a very important part.

HON J E PILCHER:

Undoubtedly this is a good idea, this was proposed some two years ago by a weekly called 'The People' - I don't know if you have heard of that - but this was proposed two years ago. It is a serious question, do you not think that a Traffic Committee, a Committee set up to look at all areas of traffic, should include in its composition the professionals of that situation, people like the taxi drivers, transport operators and people who are the professionals in that sphere who can tell you on a minute to minute basis what is going wrong and not people who, for example, like yourself, don't drive or normally you prefer to walk to work?

HON M K FEATHERSTONE:

This is an ad hoc Government Committee, it is not a representative Committee of all parts of the community, it is a Government Committee as such.

HON J BOSSANO:

Mr Speaker, are the people in the Traffic Committee also in the Transport Commission?

HON M K FEATHERSTONE:

I think the Commissioner of Police and the Director of Tourism are on the Transport Commission as well.

MR SPEAKER:

Next question.

Is Government now in a position to state when the necessary legislation, regarding the Motor Vehicle Test Centre, will be promulgated?

ANSWER

THE HON THE ATTORNEY GENERAL

Mr Speaker, I have received a letter dated 29th May, 1985 from the Law Draftsman, Sir John Spry, which states (inter alia):

"I hope to let you have at least the draft Bill, and, all being well, the regulations as well, by the middle of July."

I hope that it will be possible for me to bring the Bill before the House in the Autumn of this year.

The Regulations will be promulgated shortly after the Bill has been passed by the House.

Incidentally, Mr Speaker, I now have a permanent Law Draftsman as from last month.

THE HON J E PILCHER

ORAL

Is Government considering extending further the pedestrianisation of Main Street or the surrounding streets?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, at the moment there are no plans for further major pedestrianisation. However, since the current phase of pedestrianisation has a trial period of 6 months ending on 30 September 1985, Government is monitoring its effects and the possibility of alterations being considered at the end of the trial period cannot be discarded.

SUPPLEMENTARY TO QUESTION NO. 182 OF 1985

HON J E PILCHER:

Alterations, you said, rather than extentions?

HON M K FEATHERSTONE:

It could be both, alterations and extensions.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

ORAL

Are there any safeguards against the prices being increased for the flats due for construction known as the Vineyard Housing Scheme?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir. Should the selling prices stipulated in the tender conditions have to be increased owing to increasing construction costs, there is a penalty payable to Government equivalent to 50% of the increase in Selling Price.

SUPPLEMENTARY TO QUESTION NO. 183 OF 1985

HON M A FEETHAM:

Do I take it that the Minister is saying in construction costs, can he define construction costs?

HON A J CANEPA:

No, I cannot define construction costs and I am not sure to what extent the answer should just be qualified by saying 'owing to increase in construction costs'. Presumably one should just say owing to increasing costs they may not be construction costs, the costs could arise from some other quarter though it is difficult to think in a building contract, labour costs naturally, but I would imagine that labour costs would also be included under construction, costs of materials and labour, what else can construction costs be? Freight, that is cost of material.

HON J BOSSANO:

Does the answer imply then that if a developer chooses to increase the price for no apparent reason then the condition doesn't apply?

HON A J CANEPA:

No, very much the opposite. The price whether it is for a good reason or for not a good reason, the fact is that if the developer wishes to increase the price then the Government is entitled to 50% of the increase in the selling price whatever is the cost of that increase in the selling price.

HON J BOSSANO:

Mr Speaker, could I ask the Hon Member, does he not accept that this doesn't necessarily create a safeguard against price increases, it just means that the Government shares in any price increase?

HON A J CANEPA:

No, because first of all the developer would have to justify any increase, it could be part materially from the primary consideration in the tender and, secondly, the developer is proposing to market the scheme on a 10% deposit plus monthly instalments during the construction period up to 25% of the purchase price therefore he

will have entered into a contract for sale with the purchaser at an early stage in the construction period. He would therefore be prevented from increasing the sale price under that contract.

HON J BOSSANO:

Is there anything to prevent, as has happened in other areas, somebody purchasing the property and re-selling it even if it is completed at a higher price and would the penalty be applicable in such cases?

HON A J CANEPA:

Yes, the penalty would be applicable. I should have mentioned perhaps that in the case of the successful tenderer it wasn't a significant deterrent and that is that included in the conditions of tender was the question of the 75% refund of the tender sum if the developer did adhere to the selling price but, as I say, in the event, that proved not to be significant. There is an additional point, I think, that it is important that Hon Members should keep in mind and that is that the sale of these flats is very much intended to be restricted to a category of persons, namely, by and large, people who are eligible to be on the housing list and therefore the developer would out price himself if he decided to increase the selling price in what I might term a cavalier fashion. Also the scheme, basically, consists of a Housing Estate similar to Alameda Estate. They are going to be six-storey blocks of flats and therefore, in my view, they are hardly the sort of accommodation that would be attractive for speculative sale. I don't think that that is going to arise and having regard to what one hears about the people who are putting themselves down to the scheme and beginning to enter into agreement, I think that the element of speculation will be next to nil.

HON J BOSSANO:

Mr Speaker, I think it is a matter of judgement and hypothetical as to whether the speculation will be attempted or not, I think what we are trying to establish is what safeguards the Government has included to prevent it. Is it, in fact, the case then that the tender condition says that if there is a re-sale of the property the penalty applies on the retail as well?

HON A J CANEPA:

Yes, that is the position.

HON M A FEETHAM:

Do I take it that the Minister has said that the blocks will be six storeys high?

HON A J CANEPA:

Six storeys, yes, of 36 flats per block, very much patterned on what is popularly known as the Humphrey's Estate.

HON M A FEETHAM:

Is it correct to state that the initial tenderer who was not successful suggested blocks of eight storeys high and was told by Government that he would have to submit proposals based on five storeys high, has there been a deviation and was he aware of it?

HON A J CANEPA:

I am just giving factual information, I am telling you what the scheme is. You have raised other matters which I think should be raised more properly under the other question.

MR SPEAKER:

Next question.

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HON A J CANEPA:

Mr Speaker, a number of points came up yesterday in supplementaries arising from Question No. 183 about the Vineyard Scheme and I have got some further information which I would like to give Hon Members opposite. I think it was the Hon the Leader of the Opposition who asked me about the question of the penalty of 50% of the difference between a higher price and the stipulated price in respect of re-sale and I said that yes, there was that penalty. Well, I want to make it clear that the penalty arises in the following way: The developer has to include in the sub-lease to the purchasers, he has to include all the conditions of the head lease which the Government gives him so that would be reproduced in the sub-lease but the penalty would not come to the Government, the amount involved would be to the developer. It is the developer when if somebody were to re-sell at a higher price who would derive the benefit of 50% of the difference in price. Turning now to the question of Casola's building. The Hon Mr Feetham, I think he quoted from clause 3(a) of the agreement for a lease which roughly says that within thirty days the licensee shall submit a programme and timetable for the demolition of existing structures and site clearance. That goes on to say 'to be specified in the First Schedule' and if he looks at the First Schedule he will see that there is nothing in the First Schedule about demolition, what there is is site clearance so I was right when I said that that was in the context of site clearance. Therefore the question of the demolition of existing structures, that would apply, for instance, to the roof of Casola's. If the developer wishes to retain the walls for refurbishment but to remove the roof, that would be seen in the context of site clearance. In the Government Notice on the project it said that Casola's Building was also available for development and at the stage of selective tendering the successful tenderer indicated that he would refurbish Casola's Buildings. That was accepted by the Land Board when he was selected for the second stage of actual tendering, that was accepted so therefore there hasn't been any deviation from the scheme. What the refurbishment will comprise is the following: fifteen units,

those which are 3RKB, in other words, two bedrooms, they will be sold at between £16,500 and £19,000 depending on area; and 4RKB, in other words, three bedrooms, to be sold at between £20,000 and £24,000. Those prices are lower than the prices for units in the other blocks. This advantage in the price has not been reflected in the overall price structure but in the specific fifteen units that we are talking about and they will be built in the last phase of the development. That is the information that I have, Mr Speaker. If the Hon Mr Feetham has anything else that I haven't answered or when the Hansard is reproduced if he feels that I have left anything out then if he would like to write to me I will give him further information.



THE HON M A FEETHAM

ORAL

As regards the Vineyard Housing Scheme can Government state the reasons why a project intended to build 256 flats no higher than five storeys with a completion period of 24 months should be rejected in favour of a project that entails the building of 207 flats of which some are in blocks six storeys high but only envisages 72 flats being built in 18 months?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Answered together with Question No. 185 of 1985.

THE HON M A FEETHAM

ORAL

Can Government state when it envisages that work on the Vineyard Housing Scheme will commence and are there any penalties for non-compliance with the commencement date?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

I will be dealing with Question No. 184 first.

Sir, the reasons are many and varied.

In the first instance I should clarify that the deliberations of the Land Board, which is the Government body responsible for adjudicating tenders related to land, have to be treated in the strictest confidence and the Board is therefore not required to explain why it chooses a particular tender.

Having said this, the Board has always taken the responsible view that it should make public the reasons for its decisions. Hence a Press Release was issued on the 6 May giving details of the selected tender and the reasons why it was the preferred scheme. The reason given for the choice was:-

"In awarding the tender the Government took into consideration the impact on the housing situation in Gibraltar not only in terms of the number and type of dwellings, but also in respect of the lower selling prices having regard to the nature of the scheme. Consequently, the land is to be made available for a nominal consideration".

Hence the major consideration was the proposed selling prices on average were some £2000 lower. In addition, there were other important considerations. For example, the track record of the parties concerned particularly in local developments of a similar nature, the financial arrangements and their financial resources, and indeed the financial viability of the scheme.

The selected scheme also proposes mainly three bedroom units which, on the advice of the Housing Department, is the type of accommodation best suited to make an impact on the housing situation.

On the question of whether the selected scheme consists of six storey blocks instead of five storey buildings, I can find no reason why this should weigh in favour or against either of the schemes. Again the Hon Member may be confused because in the first stage of the selective tendering procedure the Government suggested guidelines of five storey blocks. However, these were

merely guidelines and not Conditions of Tender. In accepting a six storey block in the first stage of selective tendering, the developer was qualified to tender on that basis. But I am glad that the Hon Member has raised that point because I would like to explain that perhaps the main reason why the selected scheme consists of 207 units and not 256 is that there are good structural reasons why certain areas can not be built upon without massive and expensive support structures. This important aspect was highlighted in the Wimpey Laboratory Report which the Government commissioned in 1976 and which was made available to the selected tenderers, and the technical advice given to the Board was that more attention had been given to this important technical consideration by the successful tenderer.

Finally, on the question of the phasing of the development, the Board was satisfied that this was not only realistic but sensible having regard to the marketability and viability of the scheme.

Turning now, Mr Speaker, to Question No. 185, the answer is the following.

On present information it is likely that works may commence in Autumn. Already, detailed site investigation is proceeding which will then enable the preparation of detailed working drawings.

The Agreement for a lease which is to be finalised shortly provides that:-

- (1) the developer shall submit within 30 days of signing the Agreement a programme of works;
- (2) a building application shall then be submitted within 3 months;
- (3) on the grant of the Building Control Permit, to proceed and complete the development within the time limit specified in the Agreement, which is 36 months, and in accordance with the programme of works.

The penalty for non-compliance for any of these conditions is revocation of the Agreement.

SUPPLEMENTARY TO QUESTION NOS. 184 AND 185 OF 1985

HON M A FEETHAM:

Will the Minister state whether the prices that have been

submitted by the successful tenderer equates to the original tender document whereby, for example, some of the existing buildings had to be demolished as required in the tender document and, in fact, the successful tenderer will not be demolishing existing buildings but will be remodernising them?

HON A J CANEPA:

Some of Casola's buildings are being refurbished and I think that consequently they are being offered for sale at a lower price than the new construction.

HON M A FEETHAM:

Can the Minister state whether the lower price of £19,500, I think is what was published, does that equate to a re-modernised flat in Casola's buildings or not?

HON A J CANEPA:

Mr Speaker, I wouldn't be able to say what would be the cost to Government or to the tenderer of remodernising a flat.

HON M A FEETHAM:

Mr Speaker, the Government has accepted a project which will produce X number of flats. The original tender requirements were that they were going to be, from what I understand, new flats and that existing buildings would be demolished. The successful tenderer, in his project, will not be demolishing an existing building as required but in fact, some of the flats will be remodernised and this could well have affected his price structure as against the other tenderers who were not aware that buildings did not have to be demolished. All I am trying to do is to establish the reality of the situation and how many flats in Casola's buildings are going to be modernised?

HON A J CANEPA:

I am making a note, Mr Speaker, because I don't have the answer readily available. All I can do is make enquiries and try, if possible, to give the Hon Member an answer as soon as I can. But, again, I doubt whether the original conditions inviting tenders either on a selective or on a natural basis, made it a requirement that these buildings be demolished. I am sure that this was not a requirement. Again, if they are shown as being demolished it would have been a question of guidelines being given by the Government but I don't have a copy of the

tender conditions in front of me.

HON M A FEETHAM:

Can I just quote, Mr Speaker, that it says: "Within thirty days from the date hereof the licensee shall submit to the Surveyor his programme and timetable for the demolishing of the existing structures and site clearing which programme shall form part of this agreement".

HON A J CANEPA:

But the existing structures may not mean Casola's building, there may well be other structures on the site other than Casola's buildings.

HON M A FEETHAM:

So, in fact, Casola's buildings was not meant for demolition and this was clear in the tender?

HON A J CANEPA:

I am not saying that it is one way or the other. What I am saying is that there was probably no definite indication given in the tender conditions about Casola's buildings.

HON M A FEETHAM:

Out of the 72 flats which are envisaged in the successful project, how many of those 72 flats are, in fact, part of the remodernising programme?

HON A J CANEPA:

I don't know how the programme is phased, whether the modernisation comes in the first phase or later, I couldn't say. I hope the Hon Member realises that I cannot be expected to carry that information with me. In fact, I could just adopt the attitude of saying I require separate notice of the question and expect him to put a specific question in October. I will try to be as helpful as I can but I am not a walking encyclopaedia nor a walking computer.

HON M A FEETHAM:

Mr Speaker, I appreciate that and I am not here, I can assure the Hon Member, in any way to catch him out on anything. We are talking about a project and if he is not able to answer I

will expect to get answers outside the House.

HON A J CANEPA:

In fact, I think the Hon Member has an advantage over me. I am sure he has been provided by somebody with more information than what I have in front of me.

HON M A FEETHAM:

Well, it is a matter of opinion.

HON A J CANEPA:

It is not a matter of opinion, it is a matter of fact.

HON M A FEETHAM:

Well, you are the Minister, you are the Chairman of the Land Board, you are the one who authorised the acceptance of the project, you should be in a better position than me.

HON A J CANEPA:

But you go and ask the engineers or the surveyors about these matters, not the Minister.

HON M A FEETHAM:

Wasn't it a fact that it was originally suggested that not more than twenty families should be living in each block and, in fact, now you have accepted thirty-six?

HON A J CANEPA:

Those were guidelines. The sale of flats in Gibraltar is a complex matter. There are few if any developers who are geared to sell in a very short period of time anything of the order of 200 flats, it is complex, it is difficult and many arrangements have to be made and therefore, again, the Government was giving guidelines of having small blocks of flats of, say, twenty, because that would make phasing of the construction easier, sale and marketability easier but it was not a condition, it was not a requirement that everybody had to stick to blocks of twenty flats.

MR SPEAKER:

With respect, we are debating. You may ask for whatever

information you require but let us not make further comments because otherwise we will go on and on.

HON M A FEETHAM:

In the project itself, the general price structure, will that meet also the development of the surrounding areas in terms of landscaping and amenities or will that be something which will not be done or will be something which will have to be charged later?

HON A J CANEPA:

The question of access roads, landscaping, parking, all that has been included in the scheme.

HON M A FEETHAM:

That will be met by the developer?

HON A J CANEPA:

By the developer.

HON M A FEETHAM:

Can the Minister state what sort of conditions are in relation to for example, the pre-financing which he spoke about before, what will the developer meet in terms of pre-financing in starting off the development which will not be charged to the tenants?

HON A J CANEPA:

I said he is marketing the scheme on a 10% deposit plus monthly instalments during the construction period of up to 25% of the purchase price.

HON M A FEETHAM:

Will the cost cover, for example, engineering costs, demolition costs and everything else that goes in actually setting up the project before the prices of the flats are.....

MR SPEAKER:

Let us have a question. We are making statements basically and we must not debate a question time.

HON M A FEETHAM:

What I want to know is how will the developer be financing the project?

HON A J CANEPA:

He is financing the project totally except that he is entering into contracts as he has done elsewhere whereby people will pay a 10% deposit and during the construction period pay monthly instalments which will add up to 25%. That will bring the developer a certain amount of money, say, 35% of the sale price through the period of construction but then there is a 65% for which I imagine the developer will have to raise the finance in the normal way.

HON M A FEETHAM:

So, in fact, the answer is that the development to a great extent is being financed by the people who will be purchasing the flats?

HON A J CANEPA:

That is your view, to a great extent is 35%, if 35% is a great extent then so be it. In my view, being a mathematician, I think 65% is bigger than 35%, 65% is a great extent, 35% is a minor extent.

HON J BOSSANO:

Mr Speaker, isn't it in fact the case because the logic of the Hon Member's argument would only apply, I am sure he will agree, if the developer is charging the 35% in respect of the first houses to the first people. But is, in fact, the developer able, for example to charge 35% of 100 houses and then use that money to build the first ten houses in which case the people contributing the 35% of the 100 will be paying for the total cost of the first ten?

HON A J CANEPA:

I don't see if he only builds ten how he can be expected to build 72 in 24 or 18 months. I don't see how he can do that.

MR SPEAKER:

We are now going into the financing of the scheme.



HON J BOSSANO:

Mr Speaker, the Hon Member has given an answer in a question where my colleague is trying to establish to what extent the developer is investing his own capital in the project and to what extent all that he is doing is charging people for houses which haven't yet been built and building the houses with their money. That is what we are trying to find out. Does the Government have any control over that situation or not?

HON A J CANEPA:

Of course, he stands to lose the tender. If he doesn't comply with the conditions that I have stated he stands to lose the tender. If he doesn't satisfy the Land Board about his financial resources, he has got to put a package together, whether in the package there is a 35% element from the prospective purchasers or not, he has got to put a package together which will satisfy the Land Board that he has the financial resources to proceed with the development otherwise he is in default.

HON J BOSSANO:

And that has got to be done when within thirty days?

HON A J CANEPA:

That has got to be put before he gets an agreement to build or a licence to get on site.

HON J BOSSANO:

Didn't the Hon Member mention a period of thirty days earlier?

HON A J CANEPA:

Let me look at the answer again. The agreement for a lease which is to be finalised shortly provides that the developer shall submit within thirty days of signing the agreement a programme of work. To sign the agreement he has got to satisfy us about his financial resources.

HON J BOSSANO:

Does that have to happen within the thirty days the Hon Member has mentioned?

HON A J CANEPA:

No, he has got to submit a programme of work, of physical works within thirty days of signing the agreement for a lease. The Government will not sign, the Director of Crown Lands will not sign the agreement for a lease with the developer until he is satisfied, amongst other things, one of the main conditions being the financial package.

HON J BOSSANO:

And is there a timetable for the signing of the lease?

HON A J CANEPA:

The lease, eventually, on completion of the building.

HON J BOSSANO:

I must have misunderstood the Hon Member.

HON A J CANEPA:

I am answering the Hon Member's question.

MR SPEAKER:

There is an agreement to grant the lease, the lease is not granted until the completion of the project.

HON A J CANEPA:

And as far as the agreement for a lease is concerned it is in the mutual interest of the two parties, both the Government and the developer, that that should be finalised. The Government because it wishes to see the development proceed, the developer because if he takes too long to sign the agreement for the lease his costs will go up.

HON J BOSSANO:

But apart from that is there any penalty attached to that period or is that a vacuum? This is what I am asking.

HON A J CANEPA:

There is a reasonable period, I don't know whether the tender conditions says an agreement for a lease has to be signed within a stipulated period, usually that is not the case. From my practical experience in the last three years in the Land Board,

a reasonable period of time is allowed and then if eventually the Land Board is not satisfied that the banks are backing the scheme because the money is not there then they are in default and that's it and we either go out to tender again or give it to the next one.

HON J BOSSANO:

Hasn't the Hon Member said that the penalties attached to, for example, the 36 months construction period and the 30 days.....

MR SPEAKER:

The penalty is for non-compliance of the terms of the agreement to grant the lease.

HON J BOSSANO:

But there is no penalty for taking six months to enter into an agreement or a year or whatever?

HON A J CANEPA:

Very likely there isn't.

HON J C PEREZ:

Mr Speaker, could the Hon Member confirm that in his original reply he said that one of the reasons for having opted for the successful tenderer was that that tenderer had paid more attention to the Wimpey Lab Report?

HON A J CANEPA:

Yes, the technical advise which the Land Board received was that the successful tenderer had done that.

HON J C PEREZ:

Could the Hon Member confirm that in the way that it paid more attention to the Wimpey Lab Report is by not building at all in that area?

HON A J CANEPA:

Very much so because it is very costly and very problematical to the extent to which building can take place on the geological faults there.

HON J C PEREZ:

And was the Government satisfied that in the proposals of the unsuccessful tenderer which was proposing to build in that area that it was completely safe what they wanted to do and in accordance with what the Wimpey Lab Report required them to do?

HON A J CANEPA:

I doubt if the technical advise would indicate that we were totally satisfied. I always hear my predecessors say that in engineering anything is possible but there is a question of costs and it might be possible to build on the geological fault in such a way that you would have to sell the dwellings at £60,000, £70,000, £80,000 but I think the assessment that is made on a technical basis was put in a positive way by saying: "These question marks have been posed by Wimpey Laboratories. One of the parties is not going to build there so that takes care of that. The other one proposes to do so and that has given rise to question marks of a technical nature".

HON J C PEREZ:

But in relation to what you have said about the price, is it not true that the unsuccessful tenderer was going to build on that area and that the price was going to be spread out around the whole of the estate and not necessarily to the purchasers of that particular building?

HON A J CANEPA:

Naturally but then, also, doubts begin to be raised about the reliability of those prices having regard to building on part of the site where building is problematical.

HON J C PEREZ:

Would the Hon Member not presume that it would be completely prohibitive to build on that area with one block on its own only?

MR SPEAKER:

We are beginning to lose sight that question time is exclusively for the purpose of obtaining information and not for debating.

HON J L BALDACHINO:

Mr Speaker, in the original proposal from the unsuccessful tenderer which envisaged eight-storey buildings and he had to

change to five-storeys, wasn't it because according to law if you built above five storeys you need a lift?

HON A J CANEPA:

The unsuccessful tender months before the site went out to tender submitted to the Development and Planning Commission an outline planning scheme. The consideration that the Development and Planning Commission gave to that outline planning scheme had nothing to do with the subject that we are discussing which is the award of the tender because the question of inviting tenders even on a selective basis had not arisen at the time but nevertheless he went ahead, he publicised the scheme in a certain newspaper and he submitted the scheme to the Development and Planning Commission and the Development and Planning Commission considered that scheme and reacted in certain respects and one of those respects was the point made by the Hon Member that any scheme that contains a proposal to build flats on eight floors would require a lift, that is, by and large, a condition.

HON R MOR:

Mr Speaker, what is the Government's policy as regards the installation of lifts?

HON A J CANEPA:

Over five floors, generally, you require a lift, by and large that is the policy. I am not saying that there may not be a marginal departure from it. I understand that as far as this scheme is concerned where six storeys are being built there will be lifts.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

ORAL

Would the Government consider as a matter of policy the encouragement of Housing Cooperatives?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, if the Hon Member is referring to Housing Cooperatives as 'Management Cooperatives' then there is a clear Government policy to encourage these in order to ensure the success of the home ownership scheme.

As a matter of fact the necessary legislation was introduced in 1982 with the Housing Association Ordinance, which laid down the requirements and procedures for the formation and registration of Housing Associations to ensure the proper maintenance and management of Housing Estates.

SUPPLEMENTARY TO QUESTION NO. 186 OF 1985

HON M A FEETHAM:

Mr Speaker, what I actually meant was building Housing Cooperatives.

HON A J CANEPA:

That is the other form of Housing Cooperatives which doesn't just involve control of the estate but building and ownership. Our reaction to this, Mr Speaker, is that it could present difficulties with the local banks and building societies with regard to mortgage facilities. This is our first reaction. I also have some practical experience of another scheme which is on a semi-cooperative basis, Woodford Cottage, and I can tell the Hon Member that the headaches involved with only sixteen co-owners are incredible. I think the prospects of success of a Cooperative building scheme where there are diverse interests are extremely difficult not to mention, as I say, the other aspects of the reaction of the banks and the building societies.

HON M A FEETHAM:

I can understand the comments made by the Minister.

HON A J CANEPA:

In fact, if I can go further, there are only eight left and there have only been eight left for two years and still the project doesn't show any real signs of going ahead.

HON M A FEETHAM:

If a project were to be presented to Government which entailed the Housing Cooperatives made up by members of the community who wished to build their own flats on a particular piece of land and the scheme was considered feasible, would Government encourage it or not encourage it?

HON A J CANEPA:

I think we would encourage it, I think that we would but there is nothing to indicate at present that there is any such move afoot and therefore there has been nothing to indicate to the Government that our present policy needs reviewing but I think we would be receptive to any approach along those lines.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

ORAL

Can Government state what is the position with regard to the tender for the Rosia Tourist Development Scheme?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, the position is that the Land Board has considered the two proposals received in the first stage of the selective tendering procedure and has selected both parties to tender for the site.

Tender documents are now in the process of preparation and will be sent to the two Companies within the course of the next two weeks.

SUPPLEMENTARY TO QUESTION NO. 187 OF 1985

HON M A FEETHAM:

I take it that the previous statement by the Minister that the project will commence this year still stands?

HON A J CANEPA:

Yes, very much so, I have heard all sorts of complaints about the non-availability of the Rosia Swimming Club.

MR SPEAKER:

Next question.



THE HON J L BALDACHINO

ORAL

Can Government state if New Mole House is going to be used for Housing purposes?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, the New Mole Hostel is included in the list of MOD properties which are earmarked for transfer to the Gibraltar Government.

The position is that the Government is now looking at that list in detail to decide what uses the various properties can be put to. No decision has yet been taken whether the Hostel is to be used for housing purposes.

SUPPLEMENTARY TO QUESTION NO. 188 OF 1985

HON J L BALDACHINO:

Is the Hon Member aware that the Hostel is being made up by the Army and refurbished, are they going to use it?

HON A J CANEPA:

As far as I am aware the Hostel is on offer. I say it is on offer because it is a freehold, the Hostel is a freehold property, it is not Government's by the 1983 Land Memorandum and therefore if we wish to accept it we would have to pay, we wouldn't get it free. If I may add, Mr Speaker, I also have some information which indicates that the MOD wish to use it temporarily to house RAF personnel while maintenance works are being carried out at the RAF Housing Estate.

HON J L BALDACHINO:

Even though we have to pay for the Hostel once we get it, will the alterations that have been carried out be included in the price?

HON A J CANEPA:

They would affect the valuation, I imagine, and the valuation would be made at the appropriate time.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

ORAL

Can Government state what are the arrangements reached with the successful tenderer for the Vineyard Housing Project in relation to the following:

- (a) sale of houses
- (b) maintenance of Estate?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, I am afraid I do not quite understand the question nor what is meant by 'arrangements'.

The sale of houses is a matter for the developer to undertake subject to his complying with the tender conditions. I think I have already explained in detail the Conditions of Tender etc, but basically the position is that on completion of the development to Government's satisfaction, the developer will be granted a 150 year lease which he in turn will be able to sell to entitled persons by way of underlease.

The maintenance of the Estate is a matter for the developer who as Head-Lessee will be answerable to the Government as Head-Lessor on the upkeep of the Estate.

SUPPLEMENTARY TO QUESTION NO. 189 OF 1985

HON J BOSSANO:

Mr Speaker, is the situation then that priority on the housing list in terms of the current housing conditions of different prospective purchasers will have any weight in their eligibility?

HON A J CANEPA:

I think what is more likely to be the case that will have weight is the greenback, the money, availability of the financial resources together with basic eligibility and, of course, the Government will wish to see the list and satisfy itself that the prospective buyers are eligible to be on the housing list. After that it is really a question of financial arrangements. Whilst one would sympathise with the problems of a seriously overcrowded family as against a young couple wishing to get married, obviously, there is more weight in social terms to be attached to one than to the other, if the young couple are able to make the necessary mortgage finance and the others are not that is going to weigh

more heavily with the purchaser. I would imagine what one would like to see is where all things are equal then the social conditions, one would hope, should prevail but we cannot give the developer any definite directive in that respect.

HON J BOSSANO:

On the maintenance side, the Government has said that they hold the developer responsible for the maintenance of the estate once the estate is completed and sold. Does that mean that because of that responsibility that the Government is putting on the developer the prospective purchasers have no choice but to let the developer be responsible for the maintenance of the estate?

HON A J CANEPA:

No, what happens in fact is that a management company is set up to which all the buyers belong. They set up a committee and they take decisions regarding the contributions that should be made by them with regard to the upkeep of the estate. I think that this is the normal practice elsewhere and to that extent I think once leases have been granted, to that extent I think all that the developer has got to do is to satisfy the Government in that he has been responsible of bringing about procedures which the Government finds satisfactory in this regard.

HON J C PEREZ:

Can the Hon Member confirm then that in fact those who buy the houses are not obliged at all to employ the developer as their maintenance company?

HON A J CANEPA:

They are not obliged. What happens is that the developer ought to oblige them to belong to the management company. The agreement for a lease which the developer will give them I think should make that a condition.

HON J L BALDACHINO:

Is it correct to state, Mr Speaker, that the developer really wanted the Government to be responsible as to who the houses were sold to?

HON A J CANEPA:

No, I don't think that that has been the case at any stage. I

don't think the developer wanted the Government to decide who they should sell to and certainly the Government would never wish to be involved in that.

HON J L BALDACHINO:

Mr Speaker, seeing that this project is being made due to the housing conditions that we find ourselves in Gibraltar and it is one way of finding a solution to the housing waiting list that we have at the moment.....

MR SPEAKER:

No, I will not allow that question. You read the original question: "Can Government state what are the arrangements reached with the successful tenderer on sale of houses and maintenance of Estate?" We are expanding the scope of every single question we are asking.

HON J L BALDACHINO:

Wouldn't the Hon Member agree then, Mr Speaker, that it would have been better for the Government to have laid down the criteria to whom the houses should have been sold?

HON A J CANEPA:

Then you might never have been able to sell them and therefore you might never have been able to see the project through to fruition. I think that some commercial judgement must come into the transaction at some stage and the Government doesn't use such criteria.

HON J C PEREZ:

Mr Speaker, would it not be logical to assume that the Government would want to reduce its housing list and under the eligibility to purchase as it is which is applicable to all those eligible to the housing list, would it not be correct to give priority to those already on the housing list?

HON A J CANEPA:

If they are able to make the necessary financial arrangements, yes, naturally, it would be.

HON J C PEREZ:

So is the Hon Member saying that people in the housing list who are able to make the necessary arrangements will be given priority

of sale over those who are only eligible to be included in the housing list?

HON A J CANEPA:

I am not saying that that is going to happen because I don't see how the Government could make that an effective condition. It may, in practice, happen in some cases but I don't see how the Government could ensure that the people concerned would be able to make satisfactory arrangements for financing their commitments.

MR SPEAKER:

I will not have any further questions on this matter unless it is seeking information.

HON J BOSSANO:

Mr Speaker, if the condition attached to the purchase of the house has a bearing on housing needs to the extent that people are expected to be eligible for Government housing before they are eligible to purchase, does that apply throughout the 150 year lease? Does it mean that it can never be sold except to somebody who is eligible for Government housing?

HON A J CANEPA:

I think so, yes, I think resale is also limited to people eligible for Government housing, I am pretty certain about that.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

ORAL

Can Government state whether the distribution of flats planned for the Vineyard Housing Project takes into account the needs of the Government Housing List?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, as explained in my detailed reply to Question No.184, the selected scheme consists mainly of three bedroom units, which on the advice of the Housing Department is the type of accommodation which is most required.

It is therefore considered that the project takes into account the needs of the Government Housing List.

THE HON J L BALDACHINO

ORAL

Has Government included in their submission to ODA any project for the development of houses?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 191 OF 1985

HON J L BALDACHINO:

Is the Hon Member in a position to say which projects?

HON A J CANEPA:

We are making provision for a programme for around 430 units at a total cost of £10.9m and the breakdown is: Laguna Estate, 100 units - £2m; Glacis Estate, the voids, 20 units - £0.2m; North Pavilion, 6 units - £0.17m; and Montagu site, 300 units - £8.5m.

HON J L BALDACHINO:

The Glacis voids are the ones already that have been made?

HON A J CANEPA:

No, it is additional.

MR SPEAKER:

Next question.

THE HON J E PILCHER

ORAL

Can Government state whether they have requested the United Kingdom Government to allocate funds to Tourism and, if so, for what projects, for what amount and with what result?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, there is provision in the next development programme for expenditure on tourist projects amounting to some £3m. These include the development and improvement of five major tourist sites as well as general embellishment. The implementation of some or all these projects will naturally depend on the availability of funds, both from ODA and local resources. The aim is to upgrade Gibraltar as a tourist resort and, in the case of the sites, increase revenue yields directly.

SUPPLEMENTARY TO QUESTION NO. 192 OF 1985

HON J E PILCHER:

Mr Speaker, can the Hon Minister be more explicit in giving us the sites in question?

HON A J CANEPA:

Mr Speaker, the redevelopment of St Michael's Cave and O'Hara's Battery - £0.5m; redevelopment of Upper Galleries - £0.13m; redevelopment of the Tower of Homage - £0.6m; development of Nun's Well in Europa Point - £0.03m; development of the Northern Defences and the Lower Galleries - £0.2m; the development of the Piazza - £0.14m; Sea Wall Promenade - £0.28m; Promenade at Eastern Beach/Catalan Bay - £0.2m; and general landscaping and embellishment - £0.1m.

MR SPEAKER:

Next question.



THE HON J L BALDACHINO

ORAL

Can Government state what will be the losses in revenue on the introduction of 10% reduction in general rates on houses bought for home ownership occupation?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, I take it the Hon Member is referring to the present stock of owner-occupied houses in which case the estimated loss in revenue is around £16,000.

Needless to say, this amount may increase as a result of the Vineyard Housing Scheme and the sale of Government flats to sitting tenants both of which would increase the number of owner-occupied dwellings in the Valuation List.

SUPPLEMENTARY TO QUESTION NO. 193 OF 1985

HON J L BALDACHINO:

Mr Speaker, how will these revenue losses be recovered by Government, by what means?

HON A J CANEPA:

They wouldn't be recovered.

HON J L BALDACHINO:

Mr Speaker, maybe if I can explain to the Hon Member. If there is a loss, surely, to cover the costs some other means will have to be raised or will the rates on those left in Government flats and not owner-occupier be increased?

HON A J CANEPA:

Mr Speaker, it is £16,000 in a figure of what, £60m is the valuation, it is a drop in the ocean.

MR SPEAKER:

Next question.

NO. 194 OF 1985

26 6 85

THE HON J L BALDACHINO

ORAL

Can Government state if the post for temporary assistant Rent Assessor has been filled?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes. The Officer was appointed on 2 July 1984.

THE HON J L BALDACHINO

ORAL

Can the Minister for Economic Development and Trade state what were the proposals put by him on behalf of the Government to the Chairman of Catalan Bay Village to solve the Village housing problems?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, I have held two meetings with the Chairman of the Catalan Bay Village Council. The first meeting was held in order to discuss the personal housing problem of one of the villagers who accompanied the Chairman. During the course of that meeting, the question of home ownership came up and it was suggested that it might be useful if the Chairman were to discuss with the Village Council the possibility of adopting a formula whereby villagers might be able to purchase flats to be built at Catalan Bay in the future.

The second meeting was held against the background of the ODA policy regarding housing as expounded by Mr Raison during his recent visit to Gibraltar. Again the question of home ownership was raised and I was given to understand that the reaction of the Village Council to the question of home ownership was quite understandably that few people would be able to contemplate purchasing a flat at the price which it would cost Government to build. It is clear that it is only the more modest price range of flats to be built at Vineyard that could offer some prospect of pursuing the matter.

The question of housing at Catalan Bay will be kept under review.

THE HON M A FEETHAM

ORAL

Can the Minister for Economic Development and Trade state which steps have been taken in response to the petition submitted to him by employees working in the area of North Mole who have expressed concern about the proximity of tankers discharging petrol and fuel at the North Mole Jetty?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, the answer reads: "a reply was sent to the petitioners on 21 June, a copy of which I am now circulating". My understanding was up until this morning, Mr Speaker, that those that deal in Secretariat with the arrangements that are made for bringing to the House copies of answers to questions, already had available some thirty copies of the letter that I sent the petitioners. I understand from the Usher that that is not the case. Fortunately, the letter was published in this morning's Chronicle and I have got a copy of which I think photocopies could be made and circulated. I apologise to the House if for some reason the arrangements have not been made as I had contemplated them.

SUPPLEMENTARY TO QUESTION 196 OF 1985

HON M A FEETHAM:

This is a matter of great concern and clearly the Minister has looked into the matter with some thoroughness and I don't wish to, in any way, debate it. All I want to do is ask him two or three questions. What, actually, are the powers of Government in relation to this particular problem? Where do Government's powers start and finish in relation to discharging by tankers in the Port area?

HON A J CANEPA:

Primarily, I would say, Mr Speaker, in the Port Rules. Whether in addition to that the Chief Fire Officer also has some legislation that would apply there I am not certain but I would imagine, primarily, they stem from the Port Rules.

HON M A FEETHAM:

So I take it that whatever cargo, apart from what is being discharged, whatever cargo is aboard the tanker other than, for example, white oil or fuel oil, would be the responsibility of the tanker and the agents handling it and not that of the Gibraltar Government?

HON A J CANEPA:

I am sorry, would he repeat that?

HON M A FEETHAM:

Do I take it then that any cargo which is aboard a vessel discharging in Gibraltar, and we are talking about tankers, fuel in this respect, the responsibility is of the tanker and the agents and not of the Government should anything happen, for example, an explosion, aboard the ship?

HON A J CANEPA:

Responsibility in respect of what, liability? I think liability would lie with the company but I must qualify that by saying that that assumes that there has been no element of negligence on the part of any officer of the Government.

HON M A FEETHAM:

If a tanker had an accident which caused death, for example, the responsibility would be of the tanker and presumably the people who are handling the discharging in Gibraltar?

HON A J CANEPA:

Yes, I think that that is normal.

HON M A FEETHAM:

So as far as Government is concerned they are satisfied that the handling of these ships and the safety measures which are imposed by the people discharging the ship is adequate, that is what the Minister is saying?

HON A J CANEPA:

Yes, I am satisfied that that is the case.

HON M A FEETHAM:

Looking at it from another angle. Is there any relation between the discharging of super tankers or tankers in Gibraltar in a terminal and the proximity of the other operations, which is a commercial port, which are two distinct things, and the proximity, for example, of housing estates in the area?

HON A J CANEPA:

Yes, obviously, the question of housing is a factor that has to be taken into account but I think the third paragraph of my letter is the one that indicates how we deal with the matter in that there are two classes for the purpose under review. It doesn't matter whether it is a tanker or whether it is a super tanker, what is the nature of the cargo? If it is discharging fuel oils then it is deemed that these cause no undue safety problem but if it is the case of discharging white oils then much more stringent measures are applied. That is what decides the element of danger, ordinary fuel oil as against white oil. The question of proximity to residential areas is a factor that we took very much into account four years ago because up until July, 1981, discharging of white oils was carried out at the extension to No.3 Jetty and it was in July, 1981, that the operations were transferred to berth 2 West thereby increasing the distance from the town and making it, in fact, also easier in the event of an accident to cut off the ropes and ensure that the vessel would just drift out on the seaward side. That was a factor in determining where the discharge now takes place and I think that a berth on the seaward side of North Mole other than in the case of Varyl Begg Estate is the furthestest you can get away from residential accommodation.

HON M A FEETHAM:

What the Minister is saying by this last explanation is that the discharging of fuel which is carried out by the Ministry of Defence which is only approximately 200 yards from Varyl Begg Estate, the safety requirements are adequate and it does not in the case of an accident present an immediate danger to life in that area?

HON A J CANEPA:

That is the case because if dangerous cargoes such as white oils were being discharged the discharging would have to take place on the seaward side of North Mole and not elsewhere.

HON M A FEETHAM:

I take it then that aviation fuel, for example, is not being discharged by the MOD in that Jetty?

HON A J CANEPA:

I would require separate notice of that question but I would imagine that common sense would indicate that aviation fuel is not being discharged at the extension to that Jetty. I have no

information, I am going on the basis of the use of my intelligence based on the reports that I have as to what the current practice and procedures are.

HON M A FEETHAM:

So as far as the Government is concerned there is no need to go beyond this initial review and, in fact, ascertain whether we are discharging fuel in a sort of a semi-official terminal which is a terminal for that purpose and which under international legislation, for example, as far as this particular industry is concerned, would require greater safety requirements because a fuel discharge terminal has an awful lot of legislation geared to it that in fact we do not need that sort of legislation in Gibraltar.

HON A J CANEPA:

That is my information, we don't require it, no.

HON M A FEETHAM:

So, in fact, where we have just had an accident in a terminal which is classified as a terminal with all the safety requirements and every other requirements which meet legislation in that respect, we are doing a similar operation in Gibraltar and the Minister is satisfied that there is no further legislation or review or enquiry to be done. All we are looking for are assurances that safety requirements are correct and that we are in fact minimising the possibility of danger.

MR SPEAKER:

We are trying to debate and we must not do that at question time as I have been saying from the very beginning.

HON A J CANEPA:

I am satisfied, Mr Speaker, that the review which has recently been undertaken has come up with the right advice and that is that on balance as between the use of Berth No. 2 West, on the seaward side of North Mole, and the suggestion that was made to me by the petitioners that we should consider using the Detached Mole, on balance the berth that we are now using is better and safer than the one at the Detached Mole for the reasons that I have explained in my letter. It isn't a question of avoiding expense in laying electricity, this is not a consideration at all, it is a far better berth because the other one would be very difficult to get to so, on balance, having regard to the

reality of the situation in Gibraltar as between residential accommodation in the Port area, having regard to the safety of people working there, I think that the advice that I am getting from the staff of the Port Department in consultation with Shell because they have also brought Shell into the matter, and in consultation with the Chief Fire Officer who was consulted about the contents of my letter before my letter was sent, the technical advice that I have and I think it is the best available, is that our measures are adequate, they are the best obtainable under the circumstances in Gibraltar.

MR. SPEAKER:

Next question.



THE HON J BOSSANO

ORAL

Will there be any retrospective element in the payment of revalued social security benefits to Spanish nationals on Spain's accession to the European Community?

ANSWER

THE HON THE CHIEF MINISTER

There will be no element of retrospection in the payment of revalued social security benefits to Spanish nationals on Spain's accession to the European Community.

SUPPLEMENTARY TO QUESTION NO. 197 OF 1985

HON J BOSSANO:

Does that mean, Mr Speaker, that Spanish nationals will acquire rights on accession to the Community which will not be back-dated to the 5th February?

HON CHIEF MINISTER:

Absolutely, the European Communities (Amendment) Ordinance, 1985, provides for the derogation of the application of Community legislation on social security to Spanish nationals during the period of advance implementation. Spanish pensioners will not therefore be legally entitled to current rates of benefits until the date of accession.

HON J BOSSANO:

Will the same apply to entitlement to family allowances?

HON CHIEF MINISTER:

That is a separate matter of which I would require separate notice.

MR SPEAKER:

Next question.

THE HON R MOR

ORAL

Can Government now state whether the British Government will pay for the pensions of Spaniards, who qualify because of their pre-1969 contributions, as from 1 January, 1986?

ANSWER

THE HON THE CHIEF MINISTER

The matter is still under discussion between the Gibraltar and UK Governments.

SUPPLEMENTARY TO QUESTION NO. 198 OF 1985

HON R MOR:

Mr Speaker, can the Gibraltar Government meet the extent of paying these pensions?

HON CHIEF MINISTER:

Certainly not.

HON R MOR:

Mr Speaker, can I ask then what is it that is going to be negotiated?

HON CHIEF MINISTER:

The question of payment.

HON R MOR:

But from the Hon and Learned Chief Minister's answer, Mr Speaker, there is no alternative. If the British Government is going to pay then what is there to negotiate, will it just be how much they are going to contribute, how much the Gibraltar Government is going to contribute.

HON CHIEF MINISTER:

That is precisely what is under discussion.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

ORAL

Can Government state to what extent they are responsible for the welfare of the residents of Mount Alvernia?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, the welfare of the residents of Mount Alvernia is primarily the responsibility of the Board of Governors. The Government only has responsibility to the extent that it is responsible for social welfare generally, ie, some of the residents are entitled to social benefits such as Supplementary Benefits and any social problems brought to their notice are dealt with by the Family Care Unit.

SUPPLEMENTARY TO QUESTION NO. 199 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, when there are any complaints made by the residents of Mount Alvernia, who is answerable, is the Government answerable at all?

HON DR R G VALARINO:

The Director of Labour and Social Security attends all meetings of the Board of Governors and is thereby kept informed on behalf of the Government on the way the Homes are run. The Government has never had occasion to interfere in the day-to-day administration of the Home.

HON MISS M I MONTEGRIFFO:

Mr Speaker, is there a system by which the residents of Mount Alvernia can lodge complaints if need be?

HON DR R G VALARINO:

Sir, I imagine through the Board of Governors.

MR SPEAKER:

Next question.

THE HON J E PILCHER

ORAL

Will Government be seeking the advice of the Gibraltar Air Transport Advisory Board on the proposals at the moment being discussed by the working parties on air communications?

ANSWER

THE HON THE CHIEF MINISTER

Sir, once the Working Group on air communications has completed its discussions, officials on both sides will report to their respective Ministers and the Gibraltar Government will, of course, be consulted. This consultation will, in the first instance, be on a confidential basis.

It is too early, at this stage, to say whether it would be appropriate to refer the matter to the Gibraltar Air Transport Advisory Board.

SUPPLEMENTARY TO QUESTION NO. 200 OF 1985

HON J E PILCHER:

Mr Speaker, is not the Gibraltar Air Transport Advisory Board just that, a Board which sits to advise the House of Assembly on matters relating to air transport.

HON CHIEF MINISTER:

Yes, whether a particular matter is referred to the Board lies within the discretion of the Chairman. In this case reference would depend on the nature of any proposals emerging from the Working Group since this might fall, in the first instance, within the arrangement for confidential consultation on matters relating to foreign affairs. The Leader of the Opposition has refused to accept confidentiality and cannot complain if he is not consulted.

HON J E PILCHER:

Mr Speaker, I don't want to press that point, I accept the answer given by the Hon and Learned Chief Minister. I just think that in a question of air transport which is something that obviously will have to materialise sooner or later, it would seem advisable to seek the advice of a body which is there specifically for that purpose, represented by two Members and out-voted by three Members of the Government so it is not a question of the Opposition being able to out-vote the Government. It seems a good manner of running a Government to have a Board there to advise the Government and then to choose not to seek its advice.

HON CHIEF MINISTER:

Yes, of course, if the matters are of a confidential nature and some members of the Board are not prepared to abide by that confidentiality then it has no place in it.

HON J E PILCHER:

Mr Speaker, I think on that particular point I would just like to inform the Hon and Learned Chief Minister that as far as this side of the House is concerned the deliberations of GATAB are, in fact, confidential and we have never broken confidentiality on any matter discussed in the Gibraltar Air Transport Advisory Board.

HON CHIEF MINISTER:

Perhaps when the extent of the nature of the information to be considered by possibly the Board a new situation will arise and no doubt the Leader of the Opposition may review his attitude towards the question of confidentiality, generally, and not just to the confidentiality of GATAB only if things are brought into GATAB that would not otherwise be brought into GATAB.

MR SPEAKER:

Next question.

THE HON J E PILCHER

ORAL

Can Government state what is being discussed in the field of tourism at the talks that are being held both in Madrid and Gibraltar.

ANSWER

THE HON THE MINISTER FOR TOURISM

Sir, discussions have been held with the Mancomunidad de Municipios of the Campo Area on 5 June, 1985, and with the Central Administration in Madrid on 14 June, 1985, on the general principle of developing Tourism in the region as a whole for mutual benefit.

Specific ideas and projects to achieve this development will be explored through regular contacts at technical level and these will start in the immediate future.

SUPPLEMENTARY TO QUESTION NO. 201 OF 1985

HON J E PILCHER:

Mr Speaker, is the Hon Minister going to advise this House of the projects that are being discussed vis-a-vis tourism?

HON H J ZAMMITT:

Mr Speaker, I am sure that given the time and the right opportunity I think the House will be informed, obviously, of the outcome of the suggested improvements. At this particular stage we are not yet in a position to do so because we have not really agreed to anything other than getting together and discussing various proposals.

HON J E PILCHER:

What the Hon Minister is saying is that we are not being informed because we are still at the tentative stage and not because tourism is now becoming a confidential matter as well?

HON H J ZAMMITT:

No, Mr Speaker, it isn't. The fact is that we just have not got anything concrete at this stage, as you know there have only been two meetings at that level and from now on, now that the communications have been cleared, official talks will continue and then special and specific proposals will be cleared and brought for implementation and then, of course, I am sure the House will be informed.

HON J E PILCHER:

Mr Speaker, can I just ask the Hon Minister why is it that in the talks held in Gibraltar, I may be wrong, he was present, whilst in the talks in Madrid it was the Deputy Governor who chaired the meeting and the Director of Tourism who represented him on behalf of his Department?

HON H J ZAMMITT:

Mr Speaker, there was no Minister at the talks in Madrid which is away from Gibraltar. At this end, of course, as the Hon Member will recall, my colleague Mr Canepa, from a development point of view, was chairing the meeting and, in fact, we were expecting Senor Palomino, the President of the Mancomunidad, to have turned up but other reasons kept him away and that is why Ministers were there just at the initial stages. I do not think from now on that Ministers will be involved directly in the official talks.

HON M A FEETHAM:

Mr Speaker, can the Minister say what proposals he has in mind to discuss within this Working Party?

HON H J ZAMMITT:

Mr Speaker, we have proposals but I think it would be unfair for me to disclose some proposals. For instance, I can say that one which I think there is no particular conflict is that we would like to see advantage taken of the Bay of Gibraltar for boating and sea activities which could be exploited beneficially for both sides on an international basis.

HON M A FEETHAM:

So in fact what you are actually saying is that that is the only proposal you have in mind?

HON H J ZAMMITT:

No, Mr Speaker, I am just mentioning one. There are very many more but I think it would be unfair because we have agreed not to make them public at this stage. They are just suggestions for closer coordination and the possibility of improving the region, the Campo de Gibraltar region in particular, to see what benefit we can mutually take advantage of.

HON M A FEETHAM:

Mr Speaker, I am asking this question because if Government are

going to give an impetus to tourism which is what we are expecting, and they have got a policy for developing the region and they are going to participate, Mr Speaker, wouldn't it be better that if the Minister is discussing proposals or has something to the benefit of the Gibraltarian community that he should say so so that private investors in Gibraltar should begin to look towards investing in those projects if they agree, why should it be kept so confidential?

HON H J ZAMMITT:

Mr Speaker, one is not keeping things confidential. I think the Hon Member wants things to be printed before they are written, that cannot be so. We have just agreed to get together and discuss a number of ideas. I don't think Government will be involved in the major projects it is obviously going to private investment and private entrepreneurs to fulfil but I don't think the Government can be <sup>accused</sup> of keeping things away. We just haven't got anything at this stage of substance that I think will please anybody in Gibraltar or in the Campo Area other than to say: "We are getting together, it was a very healthy meeting, views were exchanged very frankly and honestly and that was a great step forward", and therefore from there we start working.

HON M A FEETHAM:

So, in fact, you haven't really got any proposals of substance which the private sector who you wish to participate in this development could be thinking about in terms of re-directing their policies towards that development, there isn't anything like that, is there?

HON H J ZAMMITT:

Mr Speaker, we have proposals, the Gibraltar Government and the Tourist Office have proposals but these proposals have to be put jointly to the Spanish Campo de Gibraltar and we have not yet got to the stage of putting down concrete proposals.

HON M A FEETHAM:

But you will need the backing of the Gibraltarians to see it through. Why is the Minister, for example, putting things over to a Working Party about regional cooperation, regional development in tourism, if at the end of the day the Gibraltarians who are supposed to be participating in that may not agree with it, why don't you tell the people what you are doing?



HON H J ZAMMITT:

Mr Speaker, the Hon Member is talking about a matter of judgement, it is a matter of judgement.

HON J E PILCHER:

Mr Speaker, I take tourism is still a defined domestic matter and will be brought to the House of Assembly to discuss before any proposals are made to the Spanish side?

HON H J ZAMMITT:

You are absolutely right, it is a defined domestic matter and mostly it is defined domestic matters which Ministers responsible for are normally crucified and I think the procedure is well known, Mr Speaker.

# GIBRALTAR

## HOUSE OF ASSEMBLY



## QUESTIONS AND ANSWERS

27TH NOVEMBER, 1985

202 TO 256

NO. 202 OF 1985

THE HON J C PEREZ

Can Government state whether on the basis of the revenue and expenditure figures of the first six months, they now expect to have a surplus as opposed to a deficit in the telephone accounts by the end of the financial year?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, on current prospects the deficit in the Telephone Service Fund is likely to be reduced to about £30,000 compared with the budget forecast of £427,000. This improvement is the result of the revision of the shares agreement on international traffic with Cable and Wireless, an increase in revenue from local and international calls and increased revenue from rentals and connections.

SUPPLEMENTARY TO QUESTION NO. 202 OF 1985

HON J C PEREZ:

Then it would be prudent to presume that in budgetting for the following year we will end up with a surplus in the account?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is correct, Mr Speaker, I think it would be reasonable to assume that.

HON J C PEREZ:

Can the Hon Member state for what purpose will such a surplus be used? If the income is in excess of expenditure in budgetting, is it the Government's intention to lower telephone rates?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Obviously, I cannot answer that now, Mr Speaker. We will have to consider the situation nearer the time in the light of the forecast for 1985/86.

MR SPEAKER:

Next question.

NO. 203 OF 1985

ORAL

THE HON J C PEREZ

When did Government decide to threaten telephone subscribers with disconnection of the service for the non-payment of one quarter in telephone rental as opposed to the policy of two quarters or more as announced in March, 1984?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, it was decided in August of this year to issue final demand notices when payment of telephone bills are two months overdue.

SUPPLEMENTARY TO QUESTION NO. 203 OF 1985

HON J C PEREZ:

Can the Hon Member state why that decision was taken?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I explained the background to this, Mr Speaker, in correspondence between myself and the Hon Member recently. Both our letters were, in fact, published and I don't think there is anything more that I have to add to what was then said in that exchange.

HON J C PEREZ:

Mr Speaker, if there was a policy on the part of the Government to reduce arrears in March, 1984, and at that time the Hon Member said that anybody with two quarters in arrears would be disconnected, why is it that the Government saw fit to change that policy? Is it because they were not satisfied with the way the arrears were coming down? When the policy of two quarters was introduced, did that not have the effect of lowering the amount of arrears owed to the Government?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, as I mentioned in my letter to the Hon Member, I discovered that, in fact, the arrears of the telephone service were not reducing at the rate which it was reasonable one could expect and certainly it has been Government policy to do everything possible to reduce the arrears. The arrears were not reducing and I think the fact that telephone subscribers were not or many of them were not paying their bills until they were two quarters in arrears was the main reason for that.

HON J C PEREZ:

Is the Hon Member then saying that today everybody or every firm that is in arrears for one quarter has the telephone disconnected?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I am not saying that nor, indeed, did I say that when the matter was discussed a long time ago, in fact, in March, 1984. What I

referred to is the issuing of final notices as I explained to the Hon Member as long ago as 1984 and I have the Hansard in front of me: 'disconnection of telephones is another matter and obviously the individual circumstances of each case are considered before disconnection is made'.

HON J C PEREZ:

Mr Speaker, since the Hon Member said publicly in March, 1984, what Government policy was and since he has confirmed this morning that that policy was changed in August, did he not think fit to come out publicly with the change of policy so that telephone subscribers might be informed of what the new situation was?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I have said quite clearly that Government is to take all reasonable measures to reduce the arrears, that is Government policy.

HON J C PEREZ:

But, Mr Speaker, within that policy there was the policy to disconnect after two quarters in arrears and that policy was changed in August as the Hon Member has said. Since he made a public statement in this House saying that that was Government policy at the time, how is it that he did not see fit to announce a change of that policy in August when he took a different decision?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have explained what the Government policy is, Mr Speaker, I have nothing to add.

MR SPEAKER:

Next question.

NO. 204 OF 1985

ORAL

THE HON R MOR

Mr Speaker, can Government confirm that individuals who do not reside in Gibraltar lose their Income Tax allowance in periods of unemployment?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes Sir. The allowances are reduced by one-twelfth for each complete calendar month that the individual is not resident in Gibraltar during the year of assessment.

SUPPLEMENTARY TO QUESTION NO. 204 OF 1985

HON J BOSSANO:

The answer, Mr Speaker, then is that people who are not resident in Gibraltar are treated differently from people who are resident in terms of income tax allowance, is that the answer?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is in fact the case, Mr Speaker, yes.

HON J BOSSANO:

Mr Speaker, wasn't the change introduced by the Government back dated to the 5th February because it was found to be contrary to Community requirements and therefore discriminatory?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As to when this particular change was made, Mr Speaker, I should have to consult my references, I am not at this particular moment quite sure when the change was made effective but I can provide the Hon Member with an answer to that.

HON J BOSSANO:

Is it not a fact, Mr Speaker, that previously the situation was that only residents were entitled to tax allowance and that when this was brought to the attention of the Government the Government accepted that it was contrary to Community requirements and contrary to the Brussels Agreement and therefore that they gazetted an Order which was back-dated to the date of implementation of the Brussels Agreement on the 5th February, 1985?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As to contrary to EEC requirements, I am fairly confident that the answer to that is no. As far as I am aware, there are no EEC requirements governing harmonisation of tax law but the changes in the Income Tax Regulations were certainly made in the context of the opening of the frontier, that much I can certainly say.

HON J BOSSANO:

Mr Speaker, we are not talking about harmonisation of tax law, it has absolutely nothing to do with harmonisation of tax law. Is it not a fact, Mr Speaker, that Community Regulations require that, for example, frontier workers should have equal treatment in respect of rights under social security, tax treatment and so forth and is it not the case that if somebody who is a frontier worker becomes unemployed and loses his tax allowance and somebody who is a resident worker becomes unemployed and does not lose the tax allowance, the treatment is not the same?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the important criteria is residence and the effect of the changes that were made in the Income Tax Ordinance was to provide and we introduced something called the 'Permitted Individual Regulations' which extended to all frontier workers the concessions which were formerly enjoyed by a limited number, that was the purpose of the change. I take the Hon Member's point about social security payments, that I think is a different matter from tax payments and tax assessments.

HON J BOSSANO:

No, Mr Speaker, if the Hon Member says that the change that was introduced was not required in order to remove discriminatory treatment under the tax law, then can he say why it was introduced?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I have just explained it, Mr Speaker.

HON J BOSSANO:

No, Mr Speaker, the Hon Member has explained what was done, we know perfectly well what was done. We are asking him if it wasn't done because the previous situation was discriminatory, then why was it done?

MR SPEAKER:

I don't think the Financial and Development Secretary has said that it wasn't done because it was discriminatory. He has said it was not required to be done by the EEC, the tax laws are not affected by EEC Regulations. He hasn't admitted that it is discriminatory, let us put it that way.

HON J BOSSANO:

Mr Speaker, the Government changed the law which previously.....

MR SPEAKER:

You want to know if it wasn't done under EEC Regulations why was it done?

HON J BOSSANO:

Why was it done, if it wasn't done because they were required to do it to remove discrimination then why did they do it?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not quite sure which particular law the Hon Member is referring to. If he is talking about the Permitted Individuals Regulations, well, this was done as I have explained, to provide for those who do not reside in Gibraltar but carry on or exercise an employment in Gibraltar to obtain the allowances which a Gibraltar resident would normally enjoy and this was done in the context of the opening of the frontier naturally because it was assumed that there would be people who would qualify. There is another separate issue which is the question of residence and what an individual is entitled to under tax law by virtue of his resident or non-resident qualifications, they are two separate issues.

HON J BOSSANO:

Is it not a fact, Mr Speaker, that the Government granted tax allowance to people who were in employment in Gibraltar but not resident in Gibraltar this year because the previous situation was one where there was discrimination between the resident and the non-resident in terms of tax allowances, is that a fact or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, that is not a fact, because the Hon Member has used the word discriminatory and that is imputing a motive or an intention to the Government which I do not think I would acquiesce to.

HON J BOSSANO:

Would the Hon Financial and Development Secretary then for our benefit explain, if two people are earning the same amount of money in the same job and one is being taxed more than the other and that is not discriminatory how would he describe it.

MR SPEAKER:

No, No.

HON J BOSSANO:

No, Mr Speaker, we haven't had an answer to the question. If you will allow me, Mr Speaker, I don't know whether the Financial and Development Secretary is confused himself or is trying to confuse the House. My Hon Colleague's question leading to the supplementary is, is it a fact that people who work in Gibraltar and reside in Spain lose their tax allowance if they are unemployed whereas people who work in Gibraltar and reside in Gibraltar do not lose their tax allowance when they are unemployed?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have explained that in my very first answer, Mr Speaker.

HON J BOSSANO:

And, therefore, Mr Speaker, if before 1985 the situation was that people who worked in Gibraltar and resided in Spain did not get any tax allowance at all and the Government gave them the tax allowance for the period that they were working, isn't it a fact from that that there is still a preferential treatment for the unemployed resident worker over the unemployed non-resident worker which has not been corrected whereas during periods of employment the difference has been eliminated, if the



Hon Member does not like the word discrimination?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Again I would refer to what I said about residence, Mr Speaker, that the Hon Member has concentrated on the aspect of employment or unemployment. Well, I think he is looking at a very narrow aspect to the problem. The important issue is residence or non-residence. If one were to ignore residence, if one did not have the Regulation which I describe in my answer, namely, that whereby the allowances are reduced by one-twelfth for each complete calendar month that the individual is not resident, one could have an individual who claimed he was earning and had income in Gibraltar, who visited Gibraltar perhaps for one day a year and he might live in the UK, he might live in Madrid, he might live in Paris or Tegucigalpa and he would be entitled to the whole allowance, to the whole one year's allowance. Clearly, that is not or would not be a satisfactory position for a person simply by virtue of having earned for one day in Gibraltar, shall we say, should be entitled to allowances which are normally calculated on a twelve months basis and that is, I think, an aspect which the Hon Member has got to take into consideration.

MR SPEAKER:

We are now debating the merits of the particular legislation and in question time we must not do that.

HON J BOSSANO:

I have no desire to debate the merits, Mr Speaker, I am seeking information.

MR SPEAKER:

You have been told the information. The answer is, yes, they are not entitled to their allowances if they are not resident.

HON J BOSSANO:

Then, Mr Speaker, is the Hon Financial and Development Secretary saying that the current situation which is that, for example, a frontier worker who has the same earnings with the same periods of employment and unemployment as a resident worker pays more tax than a resident worker, that that situation is perfectly acceptable and that the Government is satisfied that that can continue?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

And I in turn ask the Hon Member whether he thinks it would be satisfactory to give full yearly allowances to those individuals who come to Gibraltar for one day and spend the rest of the year in Tegucigalpa, Paris or Madrid?

MR SPEAKER:

We must move to the next question.

HON J BOSSANO:

I have just asked the question, does the Government consider that the current rules on Permitted Individuals are perfectly acceptable, non-discriminatory and can be perpetuated, yes or no? I don't want another question, I want an answer.

MR SPEAKER:

The answer you have been given is to the extent that they obtain certain benefits, yes, to the extent that they must not benefit from a situation that the whole of the structure of taxpayers in Gibraltar enjoys, no.

HON J BOSSANO:

Mr Speaker, with all due respect, I don't want you to say yes, I want the Government to say yes and I haven't had the Government saying yes.

MR SPEAKER:

With respect, I am trying to be reasonable and you have been given the information. What the result of that information is and whether you accept it or not is another matter. What we cannot do at question time is discuss the advisability or the justification of legislation.

HON J BOSSANO:

Mr Speaker, I am asking specifically and I am afraid I must insist because I know you have just said the answer is yes but I haven't heard the Financial Secretary say yes and I want to hear him say yes or I want him to say no and then your interpretation of what he has said would be wrong. My specific question is, is the Government satisfied that the current rules on the taxation of Permitted Individuals are non-discriminatory and do not require change and can therefore be continued?

MR SPEAKER:

With respect to the Hon Leader of the Opposition, that is the question that one asks 'have you ceased beating your wife?'. You can never ask a question like that because it doesn't seek information.

HON M A FEETHAM:

Mr Speaker, can the Hon Member opposite state that the answer which he has given to Question No.204 is not in conflict with Regulation 1612/68 on employment and workers family, is it or isn't it? Can he answer that, I am trying to make it as simple as possible.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Obviously, I would have to look at Regulation 1612/68 but I am fairly confident that it is not and that the reason for the situation I have described is as I have stated.

HON J BOSSANO:

Mr Speaker, we are not asking the Hon Member to give the reasons why he

is doing what he is doing. We are asking the Hon Member to give us a categorical yes or no as to whether the Government is satisfied that the change that they introduced by establishing the Permitted Individual Rules removes the discrimination which they clearly intended to remove by introducing that rule?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, but I think I have to answer it again, Mr Speaker, by pointing out to the Hon Member that we are here talking about the difference between residence and non-residence. We are not talking about frontier workers, we are talking about a tax situation based on residence qualifications and I am very confident that what we are doing is not in conflict with the Regulations which the Hon Mr Feetham has mentioned but I certainly undertake to look at it again.

MR SPEAKER:

Next question.

NO. 205 OF 1985

ORAL

THE HON J BOSSANO

Can Government state whether the revenue for the first half of the financial year indicates that the receipts in respect of income tax and import duty for 1985/86 were under-estimated and if so is it now anticipated that the current financial year will show a surplus rather than the budgeted deficit?

ANSWER

THE HON FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, based on receipts for the first six months of the year, there is every likelihood that there will be an increased yield of about £2 million in import duties and £1 million in income tax for 1985/86. Whether there will be a surplus for the year will depend on the performance of the funded services and on any requests for supplementary funds for additional expenditure. However, I am now hopeful that, after allowing for contributions to the funded services, the Government will at least break even for the year as a whole.

SUPPLEMENTARY TO QUESTION NO. 205 OF 1985

HON J BOSSANO:

Therefore, Mr Speaker, am I correct in deducing from that answer that the Government will not require to use the £2m of loans that they have issued in order to meet a deficit in the current year's spending?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, if the Government were to break even for the year, that is to say, not show a deficit, I think it would follow that the £2m or whatever sum is raised in debentures would be an addition to the reserves rather than a reduction of the deficit.

HON J BOSSANO:

Mr Speaker, is it not the case that at the time when the possibility of raising this loan was debated the Government indicated that if it was not required to finance recurrent expenditure it would be used for the Improvement and Development Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I think, if I am correct, the bill provided for it to be in aid of general Government expenditure certainly but that would not, of course, preclude the Government from using the funds by means of a contribution from the Consolidated Fund to the Improvement and Development Fund for other purposes within the ambit of the law.

HON J BOSSANO:

Mr Speaker, surely the only other purpose for which the Government can use the money as far as expenditure is concerned is the Improvement and Development Fund, there isn't anything else, it is either the Consolidated Fund or the Improvement and Development Fund. If he is not using it for expenditure from the Consolidated Fund the only other expenditure is the Improvement and Development Fund. Didn't the Financial and Development Secretary at the time say that if it was not required for recurrent expenditure then the Government would consider using it for capital expenditure?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think that possibility is certainly implicit in what I have just said, Mr Speaker, but naturally I cannot anticipate what the Government's plans might be for 1985/86, these have not yet been formulated and I must of course point out, indeed, I think I might say that the Hon Leader of the Opposition himself has pointed out on a number of occasions that the reserves of the Government in the Consolidated Fund were getting lower and I am happy to say that now they are increasing.

HON J BOSSANO:

But, Mr Speaker, surely the Hon Financial and Development Secretary is not telling the House of Assembly that the position is any healthier if one borrows money to put in reserve because the situation is identical, the reserves go up and the liabilities go up and the next position is identical. Is he saying then that the way to have a strong reserve is to borrow money and put that money in a savings account? Is that the philosophy of the Financial and Development Secretary?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, that is not the philosophy of the Financial and Development Secretary. I am sure the Hon Member is familiar with my philosophy from the many times that we have discussed it but I think, as I have said before, there is nothing immoral about borrowing and the only problem arises when you cannot borrow money or you cannot meet your liabilities on the money you have borrowed and I am happy to say that neither of those contingencies is one which the Government is faced with.

HON J BOSSANO:

Mr Speaker, if the House has authorised the increase in the borrowing powers of the Government to meet Government expenditure, are we now being told that instead of money being borrowed to meet Government expenditure money is being borrowed to put into reserves, is that the position?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I have already made it clear, Mr Speaker, that the Government will obviously take stock of the situation, the state of Government's finances and, indeed, what is raised by borrowing as a contribution to Government reserves when formulating its next budget.

HON J BOSSANO:

Mr Speaker, what I want to establish is is it Government policy to borrow money in order to put the money borrowed in reserves, yes or no?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, it is a simple accounting convention that when the money is borrowed it is put into reserve and put into the Consolidated Fund. What the Government does with the money which is borrowed is as I have said, something which the Government will have to consider in due course in the light of the state of the economy and Government's finances as they appear towards the end of this year. I am not going to anticipate what the Government's policy might be at that stage.

HON J BOSSANO:

But then can I take from that, Mr Speaker, that it isn't Government policy, for example, to pursue their borrowing powers in order simply to put the money in reserves, they intend to spend the money that they are borrowing, is that the position or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't think the Hon Leader of the Opposition can assume either way, Mr Speaker, but simply wait and see.

HON J BOSSANO:

The position then is, Mr Speaker, that the Hon Financial and Development Secretary is borrowing money, burdening future generations of Gibraltarians with public debt and doesn't know what to do with it, that is the position then?

MR SPEAKER:

Next question.

NO. 206 OF 1985

ORAL

THE HON J BOSSANO

Can Government state how much of the £13 million UK aid granted for the 1981/86 Development Programme will remain to be spent after 1 April, 1986?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the sum of £9.9m will be spent by the end of this financial year leaving a carry-over of £3.1 for 1986/87. Of the unspent balance £2.4m is for the No.3 Engine at Waterport.

SUPPLEMENTARY TO QUESTION NO. 206 OF 1985

HON J BOSSANO:

So there is, in fact, Mr Speaker, £700,000 which is left unallocated and is not earmarked for any specific expenditure, is that correct?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, that is not quite right. I said of the unspent balance £2.4m is for the third engine at Waterport but there are other carry-overs for 1985/86 and possibly 1987/88 as well. I mentioned the third engine because that is by far the largest item.

HON J BOSSANO:

Is there any money out of the £700,000 that is not yet committed?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker, approximately £400,000 is uncommitted either to provide a contingency margin or depending on the outcome of the various projects which are still in progress, so to speak, £400,000 would remain.

MR SPEAKER:

Next question.

NO. 207 OF 1985THE HON J BOSSANO

Can Government state what is the increased yield in rates expected for 1985/86 from the revaluation of commercial properties?

I think, Mr Speaker, that should read 1986/87, actually, because the revaluation will not affect this year's yield.

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

I was going to answer the Hon Member by saying:

None Sir. The revaluation which has recently been completed and the new ratiable values based on this could not take effect until 1986/87.

SUPPLEMENTARY TO QUESTION NO. 207 OF 1985

HON J BOSSANO:

And what will be the effect in 1986/87, Mr Speaker?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That, of course, depends on what changes there might be to the draft list which has recently been published and then, of course, following the period during which objections can be made to the draft list, there is then a revised list so there is quite a continual process to allow for comment to be made. If there were and obviously this is purely hypothetical, if there were to be no changes to the draft list which has recently been published, the revised NAV of all properties in Gibraltar for 1986/87 would be £11.36m.

HON J BOSSANO:

And what would that produce in terms of increased yield in rates which is the question?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That again, Mr Speaker, depends on what assumption one makes about the present poundage because the equation is dependent on two variables, of course. Speaking purely hypothetically, the increased NAV at the present poundage would mean a gross increase of £2.9m and that of course includes contributions of £670,000 by the Gibraltar Government and £870,000 by the MOD included in the figure of £2.9m I gave the Hon Member.

HON J BOSSANO:

So then we are talking of an increased yield, Mr Speaker, am I right, of the order of £1.5m on the basis of commercial properties, is that correct?



HON FINANCIAL AND DEVELOPMENT SECRETARY:

The increase is or would almost entirely be due to the general revaluation of commercial properties which, of course, although it was due in 1984/85 was postponed for two years.

HON J BOSSANO:

But am I right in saying that we are talking about an increased payment of rates by private businesses in Gibraltar of the order of £1.5m?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

On the assumptions that the Hon Member and I have just exchanged, yes.

HON J BOSSANO:

Can the Hon Member say what percentage increase this would represent over the existing rates?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't think I am quick enough to do the percentages, Mr Speaker, but I can compare the NAV for 1986/87 on these assumptions which I have said would be £11.36m and that compares with £6.5m in 1985/86 but I don't think it is fair to express one as a percentage of the other because of the MOD and the Government. Doubtless the Hon Member can do his own arithmetic on that.

HON J BOSSANO:

On the basis of the comparison the Hon Member has given we are talking about a 75% increase. Is he saying then that the amount of rates payable will be 75% higher in 1986/87 or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I cannot say what changes might be made to the poundage in 1986/87 so I think it is not a correct assumption to say that that will be payable. On the hypothetical basis the Hon Member and I have just been speaking, yes, one can make certain comparisons.

HON J BOSSANO:

I accept that it will not necessarily become payable because the Government may decide to change the poundage but on the existing poundage which is the current situation and unless the Government decides to do something different, what I am trying to establish is, Mr Speaker, what is the effect of the revaluation that has just been made public? I think the revaluation is not understood unless the Government gives an indication of what it will mean in terms of the amount of rates that people pay. Does it mean that on current poundage and on the current revaluation subject to change, if nothing was changed does it mean that the amount of rates payable next year would be 75% higher or 50% higher or what are we talking about, what kind of differential are we talking about?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

We are talking about an NAV and a yield of £11.36m compared with £6.5m in 1985/86, Mr Speaker.

HON J BOSSANO:

I know that, Mr Speaker, he has already told me that and I have done the calculations and the answer is 75% and then he tells me no. Well, if it isn't 75% what is it?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have given the Hon Member the information, Mr Speaker. I am not prepared to do the percentages for him because he might have done them wrong.

HON J BOSSANO:

Mr Speaker, I have done the calculations for the Hon Member myself with my little calculator over here and what I am asking him is, if he has just announced a revaluation of properties surely the Hon Financial and Development Secretary must have some inkling of what this represents in terms of yield.

HON A J CANEPA:

You have it.

HON J BOSSANO:

So it is 75% then? Thank you very much, Mr Speaker.

MR SPEAKER:

Next question.

NO. 208 OF 1985

ORAL

THE HON J E PILCHER

Can Government state how many visitors are estimated to have entered Gibraltar in 1985 through the land frontier by the end of the year and what is their estimated expenditure in the local economy?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Sir, it is estimated that over two million visitors will have entered Gibraltar through the land frontier in 1985. The Tourist Survey results are rather incomplete so far, but it would not be unrealistic to assume that the figure will be in the region of £10m-£15m.

SUPPLEMENTARY TO QUESTION NO. 209 OF 1985

HON J BOSSANO:

We are talking, Mr Speaker, then that the Government is estimating that the average expenditure per visitor is something in the region of £2 to £3 a head?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, if I do my arithmetic, Mr Speaker, I think I get a figure of £7.50. I am surprised that the Hon Member got that one wrong.

MR SPEAKER:

Next question.

27 11 85

NO. 209 OF 1985

ORAL

THE HON J E PILCHER

Can Government state what was the total hourly paid workforce employed by the Commercial Dockyard on the 31st October, 1985, and how many of them were Gibraltarians?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, to date, the company employs a total of around 730 employees, of which just over 500 are Gibraltarians. The hourly paid workforce (including apprentices) consists of 550 persons, comprising around 380 Gibraltarians, over 100 other British and 70 non-British, mainly Moroccan, employees.

27 11 85

NO. 210 OF 1985

ORAL

THE HON J E PILCHER

Can Government state how much of the £14 million guaranteed RFA work has been done by GSL in 1985?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the value of RFA work undertaken by GSL in 1985 should be around £3m.

NO. 211 OF 1985

ORAL

THE HON J. E. PILCHER

Can Government state whether a Controller has been appointed for GSL as was stated in the House of Assembly in October, 1983?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Mr Speaker. The company interviewed many applicants over a period of almost a year. But for various reasons, it was not possible to make an appointment. By February 1985, the Board felt that it could not allow operations to proceed without a financial controlling function, and it therefore decided to appoint its auditors on an interim basis to carry out this function as an extension of their internal audit work. Quarterly internal audit reports are produced and although the Board is to review these arrangements after a year, they have, in the Board's view, proved satisfactory so far.

-SUPPLEMENTARY TO QUESTION NO. 211 OF 1985

HON J E PILCHER:

So, in fact, Mr Speaker, the Hon Financial and Development Secretary is saying that it is difficult to recruit a Controller for the Company and that in the interim period this is being done by the Auditors of the Company?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, I am saying that, Mr Speaker. I can speak from personal experience because I was involved over a period of months, while I was Chairman of the Company, in interviewing. We used two different management consultants but it was very difficult to find an individual who would meet the job specifications, the right age and experience, background and motivation, I need hardly say, and of course to get the terms right, I mean the terms as far as the individual was concerned. Another reason which I perhaps ought to mention and I think this is something the House should know, it is very difficult because we were of course looking both in Gibraltar and in UK but our search was mainly in the UK and we found that there was a reluctance especially amongst people with, what I might call financial background, to get out of the main stream of financial jobs for a period of three years because they were worried about the possibilities of re-entry after being away from, what I might

call loosely the rat-race, for three years. It turned out that it was a very, very difficult job to fill.

HON J E PILCHER:

So at this stage the Auditors are doing the thing on an interim basis but is it still the intention of Gibraltar Shiprepair Limited to employ a full-time Controller because the Auditors are not working full-time for the company?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, as I said, the Board is due to review the arrangements but what decision they come to will depend, first of all, on how satisfactory they find the internal audit arrangements have been and, secondly, of course, the extent to which the problems which I have already described in respect of recruiting a Controller will still exist in the future.

HON J E PILCHER:

The only thing, Mr Speaker, is that, in fact the question refers to the motion and the discussion that took place in this House in October, 1983, and in fact the Acting Financial and Development Secretary which I take it was at that time Mr Montado, sitting right behind you, made this point as a means of pacifying the objections raised and the dangers seen by the then Opposition and, in fact, he said this and if I can quote: 'On a more detailed note there is also provision in the Management Agreement for the appointment of a Controller who will have full access to the business, undertake approvals or investigations on behalf of the Board and examine the details of the Company's trading activities and its accounts. The Controller will serve almost as a daily watchdog on the activities of the new Company and its managers'. If that is being done by the Auditors at this stage as an interim stage we are also happy but I think it is a point that we would like to see a Controller appointed for the Gibraltar Shiprepair Limited.

MR SPEAKER:

Next question.

27 11 85

NO. 212 CF 1985

ORAL

THE HON J E PILCHER

Can Government state how many ships have been repaired by the Commercial Dockyard since January, 1985?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Sir, the overall results have exceeded expectations with work on a total of 200 ships.



27 11 85

NO. 213 OF 1985

ORAL

THE HON J E PILCHER

Can Government confirm that the productivity achieved by the industrial workforce in the Commercial Dockyard is at the level required in the first year of operation as contained in the Commercialisation Proposals of May 1983?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, productivity targets for the first year of operations have generally been achieved, although there remain problems with a number of skills and with exceptionally high labour turnover.

27 11 85

NO. 214 OF 1985

ORAL

THE HON J E PILCHER

Can Government state how much of the £28 million provided for the commercialisation of the Dockyard will have been spent by December of this year?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

About £24 million by the end of the year.

NO. 215 OF 1985

ORAL

THE HON J C PEREZ

Will Government be assuming responsibility for the supply of electricity and water to the commercial dockyard in 1987 as programmed?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, existing agreements with MOD/PSA for the supply of electricity and water are due to expire by the end of 1986. Negotiations are underway to extend these agreements because of the costs involved in resolving the problems of supply, and in particular distribution, associated with a transfer of responsibility to the Gibraltar Government. I will, of course, keep the House informed of developments.

SUPPLEMENTARY TO QUESTION NO. 215 OF 1985

HON J C PEREZ:

Has the Hon Member got any fallback position in the event that the Ministry of Defence will not be able to supply, for example, electricity, because of lack of capacity on their part?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am hopeful, Mr Speaker, that the negotiations I have mentioned will have a favourable outcome. I don't think that the question of lack of capacity on the part of MOD is likely to be the main problem.

HON J C PEREZ:

Mr Speaker, can the Hon Member state how many megawatts the Gibraltar Shiprepair would need or is using at the moment?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I am afraid I cannot offhand, Mr Speaker, but I will provide the answer to the Hon Member in due course.

NO. 216 OF 1985

ORAL

THE HON J E PILCHER

Can Government confirm that the basic rates of pay of industrial workers in the five pay grades in GSL are the same today as when first published in November, 1983?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir. I recall that this formed part of the understanding reached between the Company and the Union in November 1984. This provided for a pay formula which would maintain comparability with other employers in Gibraltar as far as basic rates in GSL were concerned.

SUPPLEMENTARY TO QUESTION NO. 216 OF 1985

HON J BOSSANO:

The Hon Member must then also be aware that the reasons why they are still the same in November this year is because the Company has argued in the past that they could not be improved upon because productivity targets were not being achieved?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I take it that was a question, Mr Speaker. I think I would say that I am aware that there have been many exchanges between the Company and the Union on a variety of matters in the industrial relations field and I don't particularly want to get involved in the details.

HON J BOSSANO:

Would the Hon Member agree that on the basis of his confirmation of the fact that the basic wage rates are identical now as they were in November, 1983, and the fact that the productivity targets have generally been achieved, that any result which is less favourable than that projected cannot be put at the door of the workforce on the basis of the fact that he has confirmed, would he agree with that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I would be the last person to try and attribute anything to one party or another in negotiations. I think I have been in public service long enough to realise that there are always two parts to any negotiation.

HON J BOSSANO:

I am not asking the Hon Member to show his colours. What I am asking the Hon Member to say is would he agree that on the basis of the information he has provided the House, ie that the rates of pay are the same as in November, 1983, and that the productivity targets, generally, are being achieved, that if there is any discrepancy between the projected result and the achieved result it cannot be said to be due either to excessive wage increases, because there have been no wages increases, or to low productivity because the productivity has been achieved, would he agree that that must necessarily follow from the answer that he has given?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, commercial viability and commercial prospects, generally, and the financial performance of the company, depends obviously on a variety of matters of which basic rates of pay and, indeed, productivity, are two. I think it would be wrong and too exclusive to single out two factors as being entirely responsible for any situation which arises but I would hope, Mr Speaker, that if the House wants to discuss the commercial prospects of GSL they would avail themselves of the opportunity which will arise when the House debates the motion which is under my name on the Order Paper.

HON J BOSSANO:

Mr Speaker, no doubt that will happen but I am not trying to pre-empt what may happen then. What I am trying to establish and I think perhaps, Mr Speaker, I would ask the Government to confirm that the position regarding the commercial dockyard still is that any future difficulties would be looked at by Her Majesty's Government on the basis of the expense to which an effort had been made to make the thing workable and this is why I am trying to establish, if that is still the scenario which was a scenario operating when the original announcement was made in the House so I would like the Hon Member to confirm that we are still talking against that background, and it is in that context that one can say, with the benefit of eleven months of operation, that there are at least two factors which have been identified which could not be said to be responsible for any deterioration?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon Member mentioned Her Majesty's Government, Mr Speaker, and I detect from that comment, putting it in that context,

he is thinking in terms of an approach to Her Majesty's Government possibly for further finance. I can only say that if that were necessary we would have to consider the circumstances and what we might want to say to Her Majesty's Government at the time and certainly the points that he has made are ones which one would give careful consideration to.

MR SPEAKER:

Next question.

27 11 85

NO. 217 OF 1985

ORAL

THE HON J E PILCHER

Is Government now in a position to state what is the annual salary of Mr Brian Abbott as General Manager of Gibraltar Shiprepair Limited and what allowances will be paid over and above this salary?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Mr Speaker. The Managing Director will be paid an annual salary of £29,500, a non-taxable allowance of £7000 per annum, and a terminal gratuity of £9,000 after 3 years, non-taxable.

SUPPLEMENTARY TO QUESTION NO. 217 OF 1985

HON J E PILCHER:

It has certainly been worth the waiting.

NO. 218 OF 1985

ORAL

THE HON J C PEREZ

In the light of the comments made by the jury in the inquest into the death of Giovanni Sene, what steps is Government taking to ensure that the necessary safeguards are introduced before the commencement of the next bathing season?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, a claim against Government has been intimated by the Solicitors of the estate of the late Giovanni Sene following the Jury's verdict of accidental death.

All aspects surrounding this tragic incident are therefore being dealt with by the Attorney General's Chambers and the relevant Government Departments.

SUPPLEMENTARY TO QUESTION NO. 218 OF 1985

HON J C PEREZ:

Mr Speaker, I take it that there have been no claims yet and I take it that the comments of the jury have been duly noted by the Government and notwithstanding the claim I think it is not sub judice for the Government to announce its intentions on what they are prepared to do about the comments of the jury before the bathing season if they feel that the comments of that jury were, in fact, warranted or not?

HON J B PEREZ:

The last part of the question is precisely the problem. One thing is for the jury to make comments and the other thing is to have what is called in legal terms a rider, that is a distinction between a rider and a comment. In this particular case my information is that there was no rider, the jury's verdict was simply one of accidental death. Once the transcript is available which it already is and it is in the hands of the Attorney-General, obviously there is liaison between the Attorney-General and the different Government Departments. If no claim had been intimated by the solicitors of the estate then I would be free to answer more fully.

MR SPEAKER:

May I interrupt you at this particular moment. I allowed the question because I was not aware of the fact that there had been



intimation of a claim. If there is intimation of a claim I think it would be prudent not to deal with the matter because it will affect the position of the parties on either side.

HON J E PILCHER:

Mr. Speaker, perhaps from a tourist angle because we were told in the last House of Assembly that there would be improvements of beach facilities, changing rooms, toilets, etc.

MR SPEAKER:

With respect, that is not the matter that is being dealt with in this question. The matter which is being dealt with in the question is what is being put right in order to prevent, if there is anything to be put right, in order to prevent the occurrences that resulted in the death of this young man not happening. We are not talking about the improvement of amenities in the beaches in any manner or form and to that extent I must rule that the matter is sub judice. Next question.

NO. 219 OF 1985

ORAL

THE HON M A FEETHAM

Can the Hon and Learned Attorney-General state whether he still stands by the commitment he gave the House in answer to Question No. 119 of 1984 that he would investigate any infringement by Government of agreed conditions of employment referred to him?

ANSWERTHE HON THE ATTORNEY GENERAL

Yes Sir, I am prepared to look into any case in which it is alleged that Government is in breach of an agreement with one of its employees. However, having said that I must add that if industrial action is taken by or on behalf of the employee then the matter passes out of my hands and into those of the Government's Industrial Relations Officer.

SUPPLEMENTARY TO QUESTION NO. 219 OF 1985

HON M A FEETHAM:

The answer is yes. Can the Attorney-General then state at what point in time is he prepared to advise before the matter is declared a dispute? Is the Attorney-General saying that he will be in full consultation with the Industrial Relations Officer on these matters or not?

HON ATTORNEY-GENERAL:

No, I think if a worker has a grumble and he feels that the Government isn't sticking by the contract that it has with him and it is felt that that is a justifiable grumble by whoever has to make these decisions as to whether it is a justifiable grumble then if it is referred to me we look at the terms of the contract and if we are in breach then we will remedy it if we are not in breach we certainly won't, we will leave it to the employee either to take action in the Court or for his union to declare an industrial dispute or try and sort it out with the Industrial Relations Officer.

HON J BOSSANO:

Is the Hon and Learned Attorney-General then saying that he will come back with an answer on this or is he going to be prevented from doing so by being told that he is not there to advise the workforce or the union as happened recently?

HON ATTORNEY-GENERAL:

I did give an undertaking in this House that I would investigate and I was prepared to look into cases in which it was alleged that Government was in breach of contract with an individual employee and if we are in breach and the breach is brought to my attention I will advise the Government that I think we are in breach and we should remedy it.

HON J BOSSANO:

What I am saying, Mr Speaker, is if the matter is brought to his attention will in fact the party bringing it to his attention get an answer or will he simply tell the Government what he thinks without telling the party bringing the matter to his attention, that is what I am asking?

HON ATTORNEY-GENERAL:

I think my duty would be to advise the Government, to give it my view as to whether the Government was in breach and if the Government didn't act then it is up to the employee to take whatever action he thinks appropriate but I don't think I would be prepared to advise the employee.

MR SPEAKER:

What you are being asked is if you are directly contacted by a person who has a grievance to the extent that he feels that there has been a breach of contract, do you reply to him?

HON ATTORNEY-GENERAL:

No, I would advise the Government.

HON J BOSSANO:

Surely, the spirit of the answer that the Hon Member gave in Question No. 119 where he said he would be grateful if I brought any alleged infringement to his attention implied that if I brought an alleged infringement to his attention I would get back a reply saying 'Yes, I think there is an alleged infringement and something is being done' or 'No, I think you are wrong, there is not an alleged infringement'. But if I bring an infringement to his attention and I don't get a reply how do I know whether there is an infringement or there isn't an infringement?

HON ATTORNEY-GENERAL:

What I would like to say is that I would advise the Government and if the Government acted in accordance with my advice that there is an infringement, I would hope that the Government would call the employee and say: 'Look, a mistake has been made here and we will correct that straightaway'. If there hasn't been infringement I wouldn't take any action and then it would be up to the employee or the employee's union to pursue that matter.

HON J BOSSANO:

Mr Speaker, wouldn't the Hon and Learned Attorney-General agree with me that the usefulness of the offer that he made in reply to Question No. 119 is that it is quite probable that if he ruled with his expertise that there wasn't an infringement the matter would end there and that, in fact if he gave a reply it is quite probable that the matter would not be pursued either with industrial action or with legal action or with any other kind of action, that is the whole purpose of bringing something to his attention on the basis that he would look at it professionally and without bias.

HON ATTORNEY-GENERAL:

And advise the Government as to what my opinion was whether it was a breach or not a breach and if there was a breach by Government then I would hope Government would act and correct that breach but it is up to the Government, I can only advise the Government.

HON J BOSSANO:

Mr Speaker, I am not asking the Hon and Learned Attorney-General that he shouldn't advise the Government, presumably that is something he is required to do all the time as part of his job. What I am saying to him is that the offer that he made in the House, as I understood it, meant that he would be willing to look at any case that was brought to his attention and give his view on the merits of that case which I thought was a very useful thing because it could in fact avoid disputes and avoid conflicts on the basis that if he has told any aggrieved party: 'Look, I am sorry, I am afraid you are wrong', then the matter would be likely to end there but if he doesn't tell the aggrieved party: 'I am sorry, you are wrong', then part of the usefulness of his intervention surely is lost.

HON ATTORNEY-GENERAL:

I should become an arbiter.

HON J BOSSANO:

Mr Speaker, I am not talking about an arbitrator. If the Hon Member will recall Question No.119 and how it led to him giving me that offer which I welcomed, it was on the basis and as he knows from correspondence that I have had with him is, that I have put to him and I thought he had accepted that individual employees of the Government of Gibraltar who felt that they were entitled to something as a result of their contract of employment should quite legitimately be able to use the Government's own Legal Department because they are employees of the Government to say: 'This is my contract am I entitled to this or not?'

MR SPEAKER:

With respect, I know your difficulties but I think we are going a bit too far at question time.

HON CHIEF MINISTER:

You have to think also of the Union of the barristers who might say: 'This is undermining our position'.

MR SPEAKER:

Next question.

27 11 85

NO. 220 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

Has a staff inspection of the nursing establishment been conducted by the Management Services Unit, and if so, when was this completed and does it identify a shortage of nursing staff?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Answered together with Question No. 243 of 1985.

NO. 221 OF 1985THE HON J BOSSANO

What is Government's policy in respect of the re-employment of officers retired from the public service on medical grounds?

ANSWERTHE HON THE ATTORNEY GENERAL

Government's policy is not to re-employ officers who have retired from the Public Service on medical grounds. However, if a vacancy arises for which there are no suitable applicants the Government would be prepared to consider an application from a retired officer if his medical condition were such as to enable him to carry out the duties of the vacant post.

By Section 12 of the Pensions Ordinance where a person who has been granted a pension under the Ordinance is re-employed in the Public Service the payment of his pension may in the discretion of the Governor be suspended during the period of his re-employment. However this is subject to the consent of the pensioner.

It has not been Government policy to invoke the provisions of Section 12 but the matter is under consideration in the context of the proposed Unified Pensions Scheme.

SUPPLEMENTARY TO QUESTION NO. 221 OF 1985

HON J BOSSANO:

Mr Speaker, can the Hon and Learned Attorney-General explain to me how it is that somebody can be retired from the public service as opposed from a specific job which is what the question says and then be re-engaged in the public service again?

HON ATTORNEY-GENERAL:

I believe instances have occurred, Mr Speaker, where an officer has retired and then various departments who can employ people and who do employ people, the retired pensioner goes to this department and is employed by that department. Strictly speaking, then should come into force Section 12 of the Pensions Ordinance but Government has not been doing that because it has not been the policy to do it, as I say, Government is thinking of the matter again in the light of the new Unified Pensions Scheme.

HON J BOSSANO:

I am well aware of what Government has been doing and not doing, Mr Speaker, what I am asking is, in terms of the policy of the Government, irrespective of the fact that it is not their intention to re-employ retired officers, what I am saying is how is it possible to be simultaneously and at the same time in the public service and medically retired from the public service on the grounds that one is unfit to continue in the public service?

HON ATTORNEY-GENERAL:

All I can say is that the job that he is re-employed in his medical condition is such as to enable him to carry out that job.

HON J BOSSANO:

Mr Speaker, surely the position is that people are not retired from jobs. Isn't the provision retirement from the public service and not retirement on the grounds that the person is unfit to do not just that job but to continue to work in the public service?

HON A J CANEPA:

No, attempts are made to find suitable alternative employment and the matter is sometimes referred back to the Medical Board to see whether they will agree that the individual can in fact do alternative work, this has been the practice for some time now.

HON J BOSSANO:

Then that confirms, Mr Speaker, that if the person is capable of doing alternative work then he is not retired from the public service?

HON CHIEF MINISTER:

Of course.

HON J BOSSANO:

So therefore the retirement is not from the job but from the public service because the person cannot do that job or any alternative job?

HON A J CANEPA:

If no alternative employment can be found then that person is retired from the public service and therefore he should not be re-employed subsequently unless his medical condition improves.

HON J BOSSANO:

I accept entirely what the Hon Member has said. Clearly, if there is a change in the medical condition the thing does not apply but if the position is as I understand it that the person is retired from the public service on the basis that his medical condition makes it impossible for him to discharge the duties of the job he was doing then or any alternative employment, how can he then be on the basis of his existing medical condition be found alternative employment in the public service and be in the public service and medically retired from the public service concurrently? How is that possible?

HON A J CANEPA:

I am not sure what the position is from a legal point of view insofar as the Pensions Ordinance is concerned, that is not my concern, but from an employment policy point of view, I can well see that an

employee of the Government might because of age, for instance, not be fit to do certain work, shift work that would involve working long hours at night and his medical condition is such that he is not fit to do that sort of work but he might be able to do a less onerous job from a point of view of working unsocial hours elsewhere, working in an office, working in a depot, he might well be able to do that and it is, I understand, in instances such as those where people in a few cases have been re-employed. Also, I should say, have been re-employed in the days when there was very little centralisation of employment policy, the departments, by and large, were doing their own thing, there was no uniformity and no coordination in employment policy as between one department and another. Happily, that is not the case today and there is much greater centralisation through the Establishment Division and we are trying to get some degree of coherence in employment policy as regards all departments.

HON J E PILCHER:

Just to get something clear, if a person is medically retired in the public service before he is medically retired alternative employment is sought for the individual and if unable to be found the person is medically retired. If at a later stage employment becomes available, surely it should be seen as a transfer and therefore his medical retirement pension should be curtailed immediately because it is as if he had been transferred at that stage and Section 12 should be applied.

HON A J CANEPA:

I am sure that once a pension is awarded, once someone is retired on medical grounds and a pension and gratuity are awarded, that is the end of the matter. If years later alternative employment is possible because a new job may be created which he can then do, the individual may be interested himself in applying to get back into the Government service but what I don't think you can do under the Pensions Ordinance is to say to him: 'Look, there is a job available for you now, now you have got to come back into Government employment and we are going to cancel your pension and gratuity'. I am sure that is not possible.



NO. 222 OF 1985

ORAL

THE HON J BOSSANO

Does Government still intend to proceed with the termination of employment of Miss Blanca Bruzon for medical reasons without recompense by way of a pension for her 36 years of loyal and dedicated service in the Medical Department?

ANSWERTHE HON THE ATTORNEY GENERAL

When this question was brought to me for reply on Monday I was informed that the Establishment Officer was awaiting certain information from the Director of Medical and Health Services before referring the case to me for an opinion. I would ask the Hon Leader of the Opposition to defer the question to the next House in order to give me an opportunity of fully considering this matter in the light of all the available information and, of course, in response to Question No. 219.

SUPPLEMENTARY TO QUESTION NO. 222 OF 1985

HON J BOSSANO:

I take it then, Mr Speaker, that they will not be proceeding with the termination if the matter is now under consideration?

HON ATTORNEY GENERAL:

The status quo will remain until I have had the opportunity of looking into it before deciding on the case.

MR SPEAKER:

Next question.

NO. 223 OF 1985

ORAL

THE HON R MOR

Is Government taking steps to improve security in Government schools against intruders?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, the Government is continuously taking steps to improve security in Government properties including Government Schools.

Security requires a common sense approach keeping a realistic balance between basic security needs and the nature and function of the institution concerned.

SUPPLEMENTARY TO QUESTION NO. 223 OF 1985

HON R MOR:

Mr Speaker, perhaps the Government can explain this later on. There was a case recently where a ten year old boy and a twelve year old boy broke into one of the schools and indulged in acts of vandalism. Surely, if these two boys can do it surely somebody older with more ill intent can do that as well. Apparently this has been happening in several schools. Has the Government taken any immediate steps to look into this?

HON G MASCARENHAS:

Mr Speaker, I quite understand the concern of the Hon Member, a concern that I share. I do know the case of the two eleven year olds who broke into St Anne's School very recently and created quite a state in a school which had just recently been painted by the Public Works Department, I went down there personally to check the area around St Anne's and quite frankly the height of the fencing is approximately ten to eleven feet plus an extra foot and a half of barbed wire. I cannot see what further we can do on that basis, if people can jump over that what do you do? Do you create a wall twenty feet high and create an Alcatraz or a Colditz?

MR SPEAKER:

Next question.

27 11 85

NO. 224 OF 1985

ORAL

THE HON R MOR

Is the College of Further Education currently in a position to provide a satisfactory level of tuition as regards business/commercial studies?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Yes, Sir. There are three Business and Commercial Studies specialists appointed to the permanent teaching staff of the College of Further Education. These are supported by five lecturers from the General Studies department who meet the language, numeracy and general studies needs of the College.

SUPPLEMENTARY TO QUESTION NO. 224 OF 1985

HON R MOR:

Mr Speaker, not so long ago in answer to a previous question in this House, the Minister said that they were lacking in this area. How many extra staff have been recruited apart from the ones they already had when they used to use the Mackintosh Hall for Commercial/Business Studies?

HON G MASCARENHAS:

Mr Speaker, the three Business and Commercial Studies specialists have been appointed since the last question. It was always Government's intention that there should be three in that area which did not exist prior to the take-over by the Gibraltar Government of the College of Further Education.

MR SPEAKER:

Next question.

NO. 225 OF 1985

ORAL

THE HON R MOR

Can Government state how much money is being provided in the current financial year to cover the maintenance cost of the College of Further Education?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, a total of £66,000 has been provided under Head 4 Subhead 18 for minor works for the financial year 1985/86 within the Education Department, which includes the Gibraltar College of Further Education.

The programme of repairs and maintenance work to be carried out by Public Works Department is identified in terms of general priorities in respect of the Education Service and not under individual institutions.

A number of minor repairs have been carried out by the Departmental squad, essentially at the John Mackintosh Hall annexe. Certain other elements are projected to be carried out by this squad in the Gymnasium.

Public Works Department has installed a new electrical circuit in the Business/Commercial Studies department to meet audio-typing training needs. Repair and re-conditioning of specialist audio-typing equipment has also been carried out. Public Works Department is currently designing a welding bay for the Technology department to be installed within this financial year.

SUPPLEMENTARY TO QUESTION NO. 225 OF 1985

HON R MOR:

Mr Speaker, is the Hon Member aware that at the present time in the College of Further Education in one of the commercial classes specifically, there are broken window panes and given the recent cold weather the teacher has even had to advise the children to take clothing to protect them from the cold?

HON G MASCARENHAS:

No, Mr Speaker, I am not aware of that particular instance of broken windows. I do get a lot of reports of broken windows in all Government educational institutions and obviously they take priority over other non-essential works precisely for the reasons that pupils in the classroom will suffer the effects and obviously teachers and the pupils cannot carry on their business under the circumstances when you have broken windows. I am not aware of that particular instance.

HON R MOR:

Will the Hon Member look into it given that I have informed him in this House?

HON G MASCARENHAS:

Yes.

HON J BOSSANO:

I think, Mr Speaker, what we are trying to establish really is has the Government as a result of taking over the College which means taking over a commitment for maintaining it as well as staffing it, not got a specific sum which wasn't there before because the College wasn't there before, that is really what we want an answer on.

MR SPEAKER:

The question is: 'Can Government state how much money is being provided in the current financial year to cover the maintenance cost of the College of Further Education?'

HON J BOSSANO:

Well, I think the answer I have had is no.

HON G MASCARENHAS:

The answer is no, Mr Speaker.

HON J BOSSANO:

I take it, Mr Speaker, that the Minister accepts the need for that. He may not have done it this year but I take it that he accepts that there is a need if they are taking on a College that they didn't have before then he doesn't think he can simply stretch the previous resources to cover the College as well, does he?

HON G MASCARENHAS:

Mr Speaker, it should be noted that the Government assumed direct responsibility for the College on the 1st April this year. The Ministry of Defence was totally responsible for repairs and maintenance from 1948 till 1985. Within the constraints of funding that may be available the Department will be sensitive to the College needs in the area of repairs and maintenance as it is to the needs of other educational institutions. It cannot be expected, however, to resolve in the very short term the consequences of many years of neglect or lack of due attention to repairs and maintenance by the Ministry of Defence.

HON J BOSSANO:

Mr Speaker, I think perhaps the Hon Member ought to be conscious that the direction of the question is not our fear that he is not going to be able to improve on the years of neglect, it is our fear of the forthcoming neglect which will make what the MOD has done look wonderful by comparison. Will the Hon Member then in the light of that last answer tell us that he will ensure that the neglect under his control of the College will be no worse than the neglect under the MOD?

HON G MASCARENHAS:

Mr Speaker, what I am telling the Hon Member is that we are aware of the situation at the College but it cannot be resolved in one year or two years, it will be a long process of trying to put right what is wrong. The situation is that the College will be able to function and that is the Government's intention. We had to take it over on the 1st April, 1985, for a September, 1985, start and consequently we have proceeded with that. On the question of the maintenance, I am very aware and it is my intention that a considerable input of expenditure should be put in next year's estimates to ensure that we try to eradicate the problems of the past.

MR SPEAKER:

Next question.

NO. 226 OF 1985

ORAL

THE HON J C PEREZ

Can Government confirm that it is not their policy to do away with coin telephone boxes in public establishments?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 226 OF 1985

HON J C PEREZ:

Can the Hon Member explain then whether the Department is experiencing delays in the availability of coin boxes in public establishments and could he explain why?

HON J B PEREZ:

Yes, Mr Speaker, the present number of coin boxes installed already is approximately 186. The Department experienced problems on two matters, namely, a rather technical term, I am sure the Hon Member will forgive me if I don't give him 100% correct information but I am told, first of all, we had a late delivery of coin boxes and, secondly, more important, that apparently due to the speed in which we had installed these original coin boxes we exhausted the pulses at the Exchange and new pulses had to be ordered and I am told it took about six months to be able to correct. I am now told that the matter has been sorted out and we hope to continue with the installation of these coin boxes which, I would reiterate, it is Government's policy to do so basically for two reasons. One because it is useful to the public and, of course, it is revenue producing as well.

MR SPEAKER:

Next question.

NO. 227 OF 1985  
THE HON J C PEREZ

ORAL

Is it still Government's policy to proceed with the installation of a fourth generating set at Waterport Power Station in the next financial year?

ANSWER

THE HON THE MINISTER FOR MUNICIPAL SERVICES

No Sir. It has never been the Government's policy to instal a fourth generating set at Waterport Power Station in the financial year 1986/87. It was one of the alternatives incorporated in the generation development programme discussed with Coopers and Lybrand at the time of the preparation of their report on tariffs. The position is currently under review because of the effects the restoration of the full communications with Spain will have on economic activity particularly in development projects now on the cards.

SUPPLEMENTARY TO QUESTION NO. 227 OF 1985

HON J C PEREZ:

Is the Hon Member then suggesting that he is satisfied that with a third generating set he can meet the demand in capacity in the forthcoming years?

HON J B PEREZ:

I did say in my first answer that the whole question is under review as a result of the opening of the border. My own personal view is that since the third engine which we ordered on the 22nd October, 1985, and which hopefully will be installed and operational by October, 1986, we do have sufficient capacity, there can be no doubt about that. However, in the light of all the other developments we are, in fact, looking not only on purchasing a fourth set but to see possibly whether other engines would be required and we are looking ahead in a period of about ten years. One cannot plan ahead just for two or three years.

MR SPEAKER:

Next question.



NO. 228 OF 1985

ORAL

THE HON J BALDACHINO

Is Government monitoring the number of Gibraltarians who are taking up residence in the neighbouring territory and commuting to work in Gibraltar?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, as from April, 1985, the Employment Survey questionnaire asks employers to include in the particulars the place of residence of their employees. This has disclosed that 18 Gibraltarians can be classified as 'frontier workers' as they are living in Spain.

This is included in the Report which I have just tabled.

SUPPLEMENTARY TO QUESTION NO. 228 OF 1985

HON J L BALDACHINO:

Mr Speaker, I have got the Report here, Table 5, which the Minister is referring to. Can the Minister explain how he gets the figure of 18, how is that figure arrived at by the Department? Am I correct in assuming that once the worker is employed he puts down that his residence is in Spain, is that the way it is arrived at?

HON DR R G VALARINO:

Obviously my Department also does this but Table 5 talking about number of frontier workers by sector, nationality April, 1985, it says: 'Nationality - Gibraltarians 18, males 14 and 4 females'.

HON J L BALDACHINO:

Is the Minister then satisfied that this is a realistic figure of people who are resident in Spain?

HON DR R G VALARINO:

Mr Speaker, as far as I am concerned I am satisfied to as much a degree as I can because this Employment Survey Report tends to show trends and it is not totally accurate and let me add that the Report has only recently been published, in fact, it was published in September, 1985, and the information that it contains will now be followed up.

HON J L BALDACHINO:

What the Hon Member is saying, and he may correct me if I am wrong is that the way that it is being monitored at the moment, if we can call it being monitored, will not show a realistic figure?

MR SPEAKER:

With respect, we are now getting to a stage when Government is being made responsible for the basis of their information. They are giving you the answer to a question. They are monitoring through their statistics

but whether they are satisfied that the statistics is a correct reflection is not for them to say. The question he is asking is whether it is being monitored and the answer is to the extent that they have a survey done the answer is this, this is the only monitoring they are doing.

HON J E PILCHER:

Surely, a follow-up of that is are you happy with this monitoring?

MR SPEAKER:

What has been asked is whether they are happy that the statistics show the right answer, it is not for them to answer that.

HON J L BALDACHINO:

May I ask then if they are happy with the way it is being monitored?

HON DR R G VALARINO:

I am sorry, I can listen to one person at a time but not to two. Could you please repeat the question?

MR SPEAKER:

I think Mr Baldachino has got the floor and you are entitled to answer him.

HON J L BALDACHINO:

What I am asking now, Mr Speaker, is if the Hon Member is satisfied with the way it is being monitored?

HON DR R G VALARINO:

Yes.

HON J BOSSANO:

The answer from the Hon Member is that he is satisfied with what he is doing. That means that he is telling the House of Assembly that he is satisfied that eighteen Gibraltarians crossing the frontier to work in Gibraltar.....

MR SPEAKER:

No, he is satisfied that the manner to monitor this is through statistics but if the statistics are right is another matter.

HON J BOSSANO:

No, Mr Speaker. The method of monitoring is not statistics, the statistics are the result of the monitoring. The information provided by the Government to the House of Assembly presented by the Hon Member and laid on the table of this House at this meeting is that there are fourteen male Gibraltarians living in Spain and working in Gibraltar on April of this year. We are asking the Government are they happy that this method of monitoring through the Employment Survey is an effective way of establishing what the true position is as regards commuting?

MR SPEAKER:

And you have been told yes.

HON J BOSSANO:

Are they satisfied that this reflects an accurate position, surely, are you happy with it or is the Hon Member telling the House that he is satisfied with inaccurate information?

HON DR R G VALARINO:

No.

HON J BOSSANO:

Is the Hon Member then saying that no other way of monitoring the number of Gibraltarians residing in Spain is required and that the monitoring by the Employment Survey is sufficient?

HON DR R G VALARINO:

Mr Speaker, I am not saying that and let me re-state what I have already said. The Report has only recently been published and the information that it contains will now be followed up and I will have to satisfy myself whether the figures that are provided in this Report are accurate entirely or not and if not I will find other means by which to monitor.

MR SPEAKER:

Next question.

NO. 229 OF 1985

ORAL

THE HON M A FEETHAM

Can Government explain what is being done to enforce the requirement of the Control of Employment Ordinance as regards the use of non-EEC workers who do not have work permits?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, the Department's Inspectorate, in close co-operation with the Immigration and Customs authorities, does its utmost to detect cases of illegal employment in Gibraltar. Any information received from outside sources about illegal employment is also followed up by the Inspectorate. Cases are fully investigated and any possible infringements of the Control of Employment Ordinance are reported to the Attorney General's Chambers for action or advice.

It should be noted, however, that under the Control of Employment Ordinance, it is the employer and not the employee who is required to obtain a work permit. There are a number of cases where employees of Spanish firms have been discovered working illegally in Gibraltar and no action can be taken against their employers because they are outside the legal jurisdiction of Gibraltar. The workers, however, are in breach of the Immigration Control Ordinance and such cases are reported to the Immigration authorities who take appropriate action.

It should also be noted that cases of illegal employment in private houses, such as domestic work, are difficult to detect because the Department's inspectors do not have the power of entry into private dwellings. On the advice of the Manpower Planning Committee a notice will shortly be published drawing the public's attention to the fact that work permits are required for the employment of non-Community nationals (as well as Spanish and Portuguese nationals during the seven year transitional period on the free movement of labour) in all areas of work including domestic work.

SUPPLEMENTARY TO QUESTION NO. 229 OF 1985

HON M A FEETHAM:

Could the Hon Member opposite say how many cases have been detected by his Department and how many cases have been reported by people outside his Department with regard to the use of non-EEC labour?

HON DR R G VALARINO:

Mr Speaker, in the last four months twenty-eight cases have been

investigated of which seven have been referred to the Attorney-General's Chambers. Of these I understand that three are due to come before the Courts on the 5th December and the Attorney-General's Chambers are completing their investigations on the remaining four cases. A further four cases are in the process of preparation by the Department for reference to the Attorney-General. These cases have involved a total of sixty-four persons and of these twenty-eight have been dealt with by the Immigration Department who have escorted them to the frontier. The balance of thirty-six is broken up as follows:- (a) thirteen involved in the cases which are going to Court on the 6th December; (b) ten involved in cases still under investigation by the Attorney-General; (c) thirteen involved in cases being prepared by the Department for reference to the Attorney General.

HON M A FEETHAM:

Amongst the cases which have been reported and which are in the process of prosecution or at least they are in the Attorney-General's Chambers, I am talking about the seven, is the particular case which was reported regarding the conversion of a Government Hostel into a restaurant on Government premises where the use of non-EEC labour was reported, is that one of the cases which is going to be prosecuted?

HON DR R G VALARINO:

Mr Speaker, I do not have any knowledge about specific details. I am unable to give this type of information. I am sure if the Hon Member would contact either myself or the Attorney-General personally we would provide him with the necessary answer.

HON M A FEETHAM:

Is the Minister saying that the Department do not know about this specific case or the Minister doesn't know about this particular case?

HON DR R G VALARINO:

No, Mr Speaker, I am talking about factual cases. I cannot identify out of the numbers I have given you this particular case but if you care to see me in my office or if you care to see the Attorney-General in his office we can then clear up this case and we can let you know whether this specific case is there or not. We can give you a definite answer which I am unable to give you at this moment.

MR SPEAKER:

Next question.

NO. 230 OF 1985

ORAL

THE HON M A FEETHAM

Can Government state what steps are being taken to require contractors to comply with the Fair Wages Clause on the absence of agreed rates for the Construction Industry since June, 1984?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, as a result of representations made by the Transport and General Workers' Union and unsuccessful attempts made by the Director of Labour and Social Security to mediate on the issue, all Government Contractors were written to on 9 September drawing their attention to the provisions of the Fair Wages Clause and informing them that it was their obligation to implement its conditions.

SUPPLEMENTARY TO QUESTION NO. 230 OF 1985

HON M A FEETHAM:

Mr Speaker, what has been done since then to enforce it?

HON DR R G VALARINO:

Mr Speaker, Sir, no response has been received from the contractors nor have any further representations been made by the union who were informed of the letter written to the contractors on the 9 September. I have taken legal advice from the Attorney-General and the onus is now on the contractor or on the union to submit a further claim if the contractor defaults.

HON M A FEETHAM:

In view of this situation where the Minister does recognise that since 1984 and, indeed, 1985, the industry is paying unilateral rates, wouldn't it be a way of showing that the Department wishes to enforce the Fair Wages Clause by, for example, insisting that Gunac, who are doing a Government contract on Government premises should adhere to the Fair Wages Clause and that has been brought up, I am informed, since 1974?

HON DR R G VALARINO:

Mr Speaker, I will go as far as re-stating and writing to all contractors concerning their duties. If they fail in their duties I expect the Trade Union Movement to come to me and present the

case. On the Fair Wages Clause, if I may read it out to you, it says: 'In the event of default being made in payment of any monies in respect of wages of any workman employed on the contract and if a claim thereafter is filed in the office of the Department of Labour and Social Security and satisfactory proof thereof is furnished, the Director of Labour and Social Security may, failing payment by the contractor, arrange for the payment of such claim out of monies at any time payable under the said contract and the amount so paid shall be deemed payment to the contractor.' Therefore, I need proof.

HON M A FEETHAM:

But, Mr Speaker, the machinery was set in motion. The matter was reported to the Department of Labour and Social Security who reported it to the Public Works Department who wrote to the companies insisting that the Fair Wages Clause should be implemented and they haven't implemented it so what is the Department going to do now under the Fair Wages Clause to enforce it? Is there anything else that they intend to do, that is what I am asking?

HON DR R G VALARINO:

Mr Speaker, Sir, I have said and I shall read it out again.

MR SPEAKER:

No, there is no need to read it out again.

HON DR R G VALARINO:

I have read it.

MR SPEAKER:

Precisely.

HON M A FEETHAM:

Is there anything else that the Department can do to ensure the enforcement of the Fair Wages Clause?

HON DR R G VALARINO:

Mr Speaker, the only thing that the Department can do with the enforcement of the Fair Wages Clause, as I said before, is to write again to all contractors telling them what they need to do and telling them the penalties under the law.

HON J BOSSANO:

But the Minister, Mr Speaker, accepts that the enforcement is a responsibility of his Department? If not, what is the position? Is the Minister saying that in order to ensure compliance with the Fair Wages Clause all that the Department can do is write nice letters to employers?

HON DR R G VALARINO:

No, Sir, we don't write nice letters to employers.

MR SPEAKER:

There is nothing wrong in writing nice letters.

HON DR R G VALARINO:

Of course there is nothing wrong but the crux of the matter is here; 'and if a claim thereafter is filed in the office of the Department of Labour and Social Security' and I expect the unions if the contractors are not complying, I expect the unions, following advice from the Attorney-General, to write and approach the Director of Labour and Social Security.

HON J BOSSANO:

But, in fact, is the Hon Member then saying that they cannot proceed with enforcement of the Clause because they haven't received a fresh claim and that the claim that they have had since 1984 doesn't count, is that what he is saying?

HON DR R G VALARINO:

Yes, Sir.

HON J BOSSANO:

If the claim that was put in 1984 remains still unresolved, what is the Minister requiring in order to proceed, constant repetition of the claim?

HON DR R G VALARINO:

We are now in 1985, Sir.

HON J BOSSANO:

I am well aware of where we are, Mr Speaker, we are not asking him for the date. If he has had a claim there since 1984 why does he need a fresh claim, the old one is still there?



MR SPEAKER:

The answer that you have been given is that certain things happened in 1984, he took certain action, I know nothing about this other than what I have heard in this House, and he feels that unless one of the two parties contacts him again there is nothing else he should do. I think that is obvious.

HON J BOSSANO:

He has told the House that the Department wrote to employers on the 9th September requiring them to comply with the Fair Wages Clause and that the employers haven't given him an answer. He is then saying that because the employers haven't answered and he wrote to them as a result of a claim on behalf of the employees, the employees have now to submit a fresh claim because the employers haven't answered. My question to him is, is he saying that the procedure is that every time he writes to the employers and the employers don't answer a fresh claim has to be submitted? Certainly, I can tell the Hon Member that as far as the employees are concerned they understood that the situation was that once they had filed a complaint the wheels of the Department were turning not that they had to keep on filing their claim fresh but if he is saying that now I want to be absolutely sure of what he is telling the House, what is the problem in implementing the Clause.

HON DR R G VALARINO:

Mr Speaker, Sir, for a start I wasn't there in 1974 so I do not know about this claim. The problem now at the moment is this and I have restated the position so I would be most grateful if the Transport and General Workers' Union or whoever it is, would state their position, write to the Director and put their views forward so that we can go ahead on this matter.

HON J BOSSANO:

Mr Speaker, is the Hon Member aware, incidentally it is 1984 we are talking about not 1974, is the Hon Member aware that in fact a specific claim has been filed in respect of a specific contractor since the date he mentioned and is that being pursued by the Department?

HON DR R G VALARINO:

Mr Speaker, I cannot answer that question at this moment because I do not have that information but I am willing to find out this information and give an answer to the Hon Member this afternoon.

HON J L BALDACHINO:

Mr Speaker, I am not very clear on what the Hon Member said. The Hon Member said that a claim was put in in 1984 and that the Department took it up with the employers. Is the Hon Member then satisfied that the Department did everything in their power to enforce the Fair Wages Clause and if the union now makes a fresh claim in 1985 what would be the difference in the approach of the Department to the one that they took in 1984?

HON DR R G VALARINO:

Mr Speaker, I thank the Hon Mr Baldachino for his intervention. Obviously, as I have said, I will answer this particular question to the Hon Leader of the Opposition and I shall include in that the comments made by the relevant speaker, Sir.

MR SPEAKER:

Next question.

27 11 85

NO. 231 OF 1985

ORAL

THE HON R MOR

Can Government state whether persons in receipt of Elderly Persons Pensions continue to receive this benefit if they take up residence in another part of the European Community?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Yes, Sir.

THE HON R MOR

Have Government now taken a policy decision on the representations they had from the Moroccan Association for the payment of Family Allowance to Moroccan workers as from 1 January, 1986?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Yes Sir. After very careful consideration of the representations received, the Government has decided that there should be no change in the present policy whereby Moroccan workers do not receive family allowances in respect of their children residing in Morocco.

This decision has been taken on economic grounds as it continues to be the Government's view that it is beyond its financial resources to grant such a benefit.

The entitlement of Spaniards to family allowances from 1 January in respect of their children living in Spain arises out of their membership of the European Community and is entirely outside the Gibraltar Government's control. The build-up of the Spanish labour force in Gibraltar should be gradual and the economy should have the opportunity to adjust in order to meet this commitment. This is particularly so in view of the three year transitional period after accession during which Spaniards will be entitled to family allowances at Spanish rates and not at Gibraltar rates.

I cannot let this opportunity pass without making reference to the thoroughly malicious accusation of racial discrimination made by the Transport and General Workers' Union in their statement published in the Gibraltar Chronicle of 23 November on this issue.

As I have already explained, the Spaniards' right to family allowances arises out of their membership of the European Community. Other Europeans who are not Community Nationals as well as the nationals of other countries such as the United States, Canada, Australia, etc, will continue to be treated in exactly the same way as Moroccans if they come to work in Gibraltar and leave their families behind in their countries of origin.

It is a matter of considerable regret that the Union should stoop so low as to attempt to stir up racial discontent in a community which over the centuries has been noted for its religious and racial tolerance.

HON J BOSSANO:

With all due respect, Mr Speaker, I think the Hon Member has done more to stir up racial discontent with his answer than anything that has been done by anybody else until now.

HON CHIEF MINISTER:

That is a matter of opinion.

HON J BOSSANO:

It is a matter of opinion and I am expressing mine, Mr Speaker. The Hon and Learned Chief Minister can answer my supplementaries if he wants. Is the Hon Member aware that until 1979, in fact, Moroccan workers benefitted from a reduction in their tax contributions because of their dependent children in Morocco and that the change produced in 1979 had a de facto discriminatory effect of increasing the tax liability of Moroccan workers without a compensating payment being made by an increase in family allowances, is he aware of that?

HON DR R G VALARINO:

Yes, Sir.

HON J BOSSANO:

And is he aware that the Moroccan community has been making representations ever since then to get the matter redressed and that they feel very strongly that the current position is that after being here for many years and contributing to Government revenues for many years, they will be getting inferior treatment as compared to newcomers who may only have been in the economy and contributing to the economy a few weeks?

HON DR R G VALARINO:

Yes, Sir, in fact, not so long ago a meeting was held between the Moroccan Association, the Transport and General Workers' Union, the Chief Minister and myself on several issues and this was one of them. I do not consider that they are receiving inferior treatment, they are receiving the same treatment as they have received before except that now because of EEC Regulations, we have to give family allowances to Spaniards but the fact that we are giving family allowances to Spaniards arises entirely out of our EEC commitment.

HON J BOSSANO:

But, Mr Speaker, is it not the case that over the years the position

of the Moroccan community and of other immigrant workers has been that they were told on the one hand that the law did not discriminate because it was based on the residence of the children in Gibraltar and that therefore if a Moroccan worker had his children in Gibraltar he did get family allowance and on the other hand they were told that under the Immigration Control Ordinance they couldn't bring their children to Gibraltar to have their family allowance and that therefore for the Hon Member to say that all they have to do is to bring their families with them is nonsense because even if they wanted they cannot do it because they are not allowed by the Government, is that not the fact?

HON DR R G VALARINO:

Mr Speaker, there are two things there. First of all, that residence in Spain counts for residence in Gibraltar as far as EEC Regulations are concerned as far as Spaniards are concerned but the other factor which the Hon Leader of the Opposition mentioned was the difficulty in bringing their families over here. The leader of the Opposition knows very well the problem we have with housing and this has been explained to them ad nauseam and they have accepted the fact.

HON J BOSSANO:

This is precisely the point I am making, Mr Speaker. If the Hon Member is aware of these facts and the Hon Member is aware that the argument of the limitations of sites, of the impossibility of them bringing their families, has been accepted, be it grudgingly, by the Moroccans over the years, does he not understand that the decision of the Government now is not seen in the same light and cannot be seen in the same light by those affected? Surely, he can tell the difference between what the Moroccans have accepted in the past which as far as they were concerned, I am sure the Hon Member will confirm that he knows this to be the case, as far as they were concerned, it was a question of the Gibraltarian being in his own homeland getting slightly better treatment.

MR SPEAKER:

We are not asking questions.

HON J BOSSANO:

My question to the Government is, how can they tell the House of Assembly, Mr Speaker, that this is not perceived as discrimination by those affected in the light of the facts which they confirm they know about, all the background of the case?

HON CHIEF MINISTER:

Sir, I would like to intervene on this one because it is a matter which transcends, if I may say so, the responsibilities of the Minister for Labour and Social Security. The Minister has referred to a meeting which was held some time ago and we have had a lot of heart searching on this matter as we have looked at possible alternatives to ameliorate the difficulties but we have inevitably and regretfully come to the conclusion that in the state of the economy now and for other reasons it is impossible to accede to that request. It is not a decision which has been taken either lightly or easily, it is a decision that has been taken with a considerable amount of thought and a decision which one would not have liked to have taken and one which, perhaps, I am not saying anything more than that, a better situation might be able to improve but it has been reached at the highest level with every possible consideration and every possible alternative and we could not find any method that could ameliorate in some form or give them some element of comfort. I can understand them thinking that it is racial discrimination but what the Minister has been saying is it applies to all the people who are not EEC nationals and therefore they may feel discriminated.

HON J L BALDACHINO:

Mr Speaker, what has arisen from the answer that the Minister has given is that if an EEC national works, for example, in Gibraltar and he has his family residing, in this case, in the Kingdom of Spain which will be another Member country of the EEC on the 1st January, 1986, then the family allowance is paid because his family is residing in another EEC country. What I am asking, Mr Speaker, is if a non-EEC national is working in one country, in this case Gibraltar, and has his family residing in the Kingdom of Spain which is also an EEC country, how.....

MR SPEAKER:

That is another question. The answer is simple, he would not be entitled to the allowance either because he is not an EEC national. But that is another question.

HON R MOR:

Mr Speaker, I think arising from the original question the Hon Minister mentioned a three-year transitional period in which Spaniards would be paid at the Spanish rate. Could he tell us what the rate is?

HON DR R G VALARINO:

As far as I can remember, the rate in Gibraltar is £5 per child per week, for the second and every other child.

MR SPEAKER:

You are being asked what are the Spanish rates?

HON DR R G VALARINO:

Yes, but I am giving you the Gibraltar rates first, for the second and for every other child it is £5 a week. As far as I have been able to gather from past information, it is in the region of 250 pesetas per child per month in Spain.

HON J L BALDACHINO:

Mr Speaker, does that include the first child? In the Spanish family allowance does that also include the first child?

HON DR R G VALARINO:

As far as I have been informed it includes all children.

HON J L BALDACHINO:

And that will be the way they will be paid here as well, in other words, for the first child as well, on that basis?

HON DR R G VALARINO:

Yes, Mr Speaker, but I will check on that and if I am wrong I will let the Hon Member know.

HON J C PEREZ:

Mr Speaker, presumably, if during those three years there are increases to these allowances in Spain which are lower still than the ones that we are paying, these will have to be met by the Department notwithstanding that the legislative power to increase them is in Madrid?

HON DR R G VALARINO:

Of course, Mr Speaker.

MR SPEAKER:

Next question.



NO. 233 OF 1985

ORAL

THE HON R MOR

How many persons over 60 are paying voluntary contributions to the Social Insurance Scheme?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, there are 36 persons over the age of 60 paying voluntary contributions to the Social Insurance Scheme.

SUPPLEMENTARY TO QUESTION NO. 233 OF 1985

HON R MOR:

Mr Speaker, in view of the rather low number of persons over 60 paying voluntary contributions, would the Government not consider giving credits to all of them?

HON DR R G VALARINO:

Mr Speaker, first of all, I think that to introduce credits into this question is an entirely new thing and I don't think it arises out of the question.

MR SPEAKER:

Basically, it is a supplementary, until such time as they knew the number of contributors they couldn't ask a supplementary.

HON DR R G VALARINO:

I will bow to your judgement, Sir. As I have stated in the past, a good proportion of persons who retire at 60 receive adequate gratuities and service pensions and they probably do not consider it worth their while to continue paying voluntary contributions after retirement in order to get the maximum rate of old age pension when they reach the age of 65. In the Government's view the credit system for unemployed persons over 60 as it stands at present provides adequate protection for cases of real hardship.

HON A J CANEPA:

Mr Speaker, some of them may have a pension of £10,000 a year. Why should a person who retires at the age of 60 with £10,000 a year pension not pay social insurance contributions when a worker

with a smaller income has to pay?

HON R MOR:

With respect, Mr Speaker.....

MR SPEAKER:

Order. We are now beginning to debate the merits.

HON J BOSSANO:

Is the Minister then saying that the philosophy of the Government is that in order not to give an advantage to one possible rich pensioner of £10,000 they are prepared to penalise everybody else, that is the philosophy of the Government?

HON A J CANEPA:

That is not the philosophy but just because the numbers are thirty-six and are low it doesn't mean that they should all get it. You have got to go into the merits of the matter and people who retire at the age of 60 fully and do not continue in employment, retire at the age of 60 because they are sufficiently well off to be able to live on their income.

HON J BOSSANO:

But, Mr Speaker, didn't the Hon Member for years use that identical argument about elderly persons pensions not being tax free and yet in the last budget in the House of Assembly irrespective of their income he has given people tax free elderly persons pension?

HON A J CANEPA:

We didn't do it in the last budget.

MR SPEAKER:

Order, we are now beginning to debate.

HON J BOSSANO:

You did it in the other before then.

MR SPEAKER:

Order. Next question.

NO. 234 OF 1985

ORAL

THE HON R MOR

Have Government now received information from UK as to how to proceed in recovering Social Insurance contributions from persons employed in ships registered in Gibraltar?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, a certain amount of information has now been received on the subject. The position is that under UK legislation a mariner employed on a UK registered ship must live in Great Britain to be liable for social insurance contributions. If he does not live in Great Britain, neither he nor his employer are liable for contributions.

Under European Community legislation, a person employed on board a vessel flying the flag of a Member State and remunerated for such employment by an undertaking or person whose registered office or place of business is in the territory of another Member State shall be subject to the social security legislation of the latter state if he is resident in the territory of that State.

The Government is considering amending its legislation to bring it in line with the foregoing, but more detailed advice is still being awaited from the Department of Health and Social Security in the UK before firm proposals for such amendments are made. The Director of Labour and Social Security has had discussions on the matter recently with DHSS officials in the UK and has asked them to expedite their advice.

Meanwhile, the owners of vessels registered in Gibraltar are being written to for information as their normal place of business, the place of residence of members of their crew and other information which will be relevant to the application of the legislation once it is amended.

SUPPLEMENTARY TO QUESTION NO. 234 OF 1985

HON R MOR:

Mr Speaker, I am impressed with the eloquence of the Hon Member.

NO. 235 OF 1985

ORAL

THE HON J C PEREZ

Is it Government's intention to provide supplementary expenditure during this financial year for the purpose of undertaking repairs to the corridors at the Police Barracks?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Yes, Sir. The Public Works Department intends to seek supplementary provision in this financial year so as to be in a position to undertake these repairs.

SUPPLEMENTARY TO QUESTION NO. 235 OF 1985

HON J C PEREZ:

Since the Department is seeking to do so, has the Minister any indication on whether the Government as a whole is willing to accept the recommendation of the Department?

HON MAJOR F J DELLIPIANI:

Mr Speaker, my Department has prepared two Council of Ministers papers on what we term 'problem buildings', in order to highlight the one on the Police Barracks though it is mentioned on the first paper, I have singled it out for a special paper. It is hoped that I am able to convince the Government.

HON J C PEREZ:

Will the Hon Member stress, when he does put his case, that he himself admitted in this House of Assembly that the position of the corridors and could be a source of danger and therefore urgent consideration needs to be given to the situation?

HON MAJOR F J DELLIPIANI:

Yes, Mr Speaker: What I did say in the House was that we had made very temporary repairs to the corridors of the Police Barracks and that there were two schemes which had been prepared by my Department, one was called a mid-term lifespan and the other one a long lifespan of repairs. One would not require decanting of the premises and the long-term one would require decanting of premises which would further aggravate the housing problem. We have chosen to go for the medium term repairs and that is the basis of my paper to Council of Ministers.

NO. 236 OF 1985

ORAL

THE HON J E PILCHER

Can Government state whether any of the projects recommended by the Tourism Consultative Board have been completed or are in the process of being completed?

ANSWER

THE HON THE MINISTER FOR TOURISM

Sir, a number of major projects, recommended by the Tourism Consultative Board, have been included in the ODA submission for the 1986/90 Development Programme.

In addition, and as stated in reply to Question 162 of 1985, work has been put in hand on a variety of minor projects.

SUPPLEMENTARY TO QUESTION NO. 236 OF 1985

HON J E PILCHER:

Mr Speaker, the answer to Question No. 162 - I have in front of me at the moment - went through several of the issues and the areas that are being looked at. This is not the extensive Report by the Tourism Consultative Board, is it?

HON H J ZAMMITT:

No, Mr Speaker, the Tourism Consultative Board made other recommendations not necessarily on projects, they made other recommendations on the improvement of the tourist product as a whole but not necessarily in building or in providing or in cleaning up.

HON J E PILCHER:

Nor is what has been asked for under the ODA submission all that the Tourism Consultative Board thought was needed in order to put Gibraltar back into the tourist-orientated world, there are X number of projects but there must have been other projects that were not put in the ODA because of the amount of money that they would have needed, am I correct in assuming that?

HON H J ZAMMITT:

Yes, Mr Speaker, there were other projects such as the painting which the Hon Member no doubt has the answer to question 162.

There were other projects there of £300,000 we made provision for under the special heading of the tourist vote last year.

HON J E PILCHER:

Mr Speaker, would the Hon Member be prepared to give the Opposition benches a copy of all the recommendations made by the different Tourism Consultative Boards so that we can gauge what the Government are in fact doing on tourism and what are the priorities being given to certain areas of tourism?

HON H J ZAMMITT:

Mr Speaker, there is no such thing as other Consultative Boards, there is one Consultative Board and Committees that furnish that Consultative Board with recommendations. I am delighted to see that the Opposition is taking an interest in tourism because I do not think they have ever been interested in tourism

HON J E PILCHER:

I am sorry, Mr Speaker, if you allow the Minister to get away with a comment like that and he has made the comment.....

MR SPEAKER:

Will you please sit down. I have not allowed the Minister to make a comment, I cannot expect to read the Minister's mind before he makes a comment, I have stopped him immediately I have been able to and that is the end of the matter.

HON M A FEETHAM:

Mr Speaker, I believe it was the Minister, gave an undertaking in this House that in the context of the Development Aid Programme which was going to be presented to Her Majesty's Government, certain projects for development in the tourist area were going to be included. Is he now in a position to tell the House what those projects are and with what aim are those projects being presented?

HON H J ZAMMITT:

No, Mr Speaker, I cannot do that. I don't think I would be prepared to, in anticipation of their approval, make them available to anybody at all never mind the Opposition.

HON M A FEETHAM:

But you did give the undertaking that you would inform us of the

projects that the Government had decided were to put forward to ODA, I recall this, it was either the Minister or the Minister for Economic Development and Trade.

HON H J ZAMMITT:

I don't think I can be held responsible for having said that I would make available the projects that we were going to put to ODA, Mr Speaker.

HON J E PILCHER:

Mr Speaker, I apologise for my argument. Mr Speaker, in answer to Question No. 192 the Hon Mr Canepa gave us the projects that have been submitted to ODA - redevelopment of St Michael's Cave and O'Hara's Battery - £0.5m; redevelopment of Upper Galleries - £0.13m; redevelopment of the Tower of Homage - £0.6m; I can go on. And not only that, Mr Speaker, can I just verify the answer given to me by the Hon Minister for Tourism, what he said to me in the last answer that he would look into whether or not he gives us the proposals because he is not happy that we consider tourism an important asset.....

MR SPEAKER:

No, I am not going to allow you now to ask what I asked you to withdraw.

HON J E PILCHER:

I think he said: 'I will consider whether I give you the proposals because of the fact that I am not interested in tourism, am I correct in assuming that that was his answer?

HON H J ZAMMITT:

Yes, Mr Speaker, I did say that.

HON J BOSSANO:

Mr Speaker, can I just ask, is this now Government policy, that is, that they will determine, for example, whether they answer questions on social insurance depending on whether they think we are interested in social insurance or is this something that will apply only in the field of tourism?

MR SPEAKER:

No, with respect, you will not answer that question. The position as far as answering questions is concerned is very, very clear. The Opposition ask questions, it is the prerogative

of the Government whether they wish to answer them or not.

HON J BOSSANO:

I accept that, I accept that they have the prerogative not to answer questions but given that the Minister for Tourism has been kind enough not only to tell us that he doesn't seem to be inclined to give us an answer but also why, I am trying to establish whether it is now Government policy in respect of all matters or it is only exclusively in the field of tourism that the degree of success in obtaining an answer will depend on the enthusiasm that we display to the satisfaction of the Minister for Tourism. I don't know whether we have to come here with castanets and play flamenco for him, Mr Speaker.

MR SPEAKER:

No, order, that is hypothetical. Next question.



27 11 85

NO. 237 OF 1985

ORAL

THE HON J L BALDACHINO

Can Government state if there has been a decrease of dwellings registered under the Labour from Abroad Ordinance.

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the number of dwellings registered under the Labour from Abroad (Accommodation) Ordinance has not decreased but has, in fact, increased over the last year. Twenty premises were removed from the register over the last twelve months, but 32 new premises were approved and registered over the same period. There has therefore been an increase of 12 premises overall. The number of premises currently registered stands at 465.

27 11 85

NO. 238 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

What specific measures has Government introduced to bring about an improvement in the Domiciliary Nursing Service promised over one year ago?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, since I answered Question No. 157 last year a senior member of Nursing Staff has been sent for training as a MacMillan Nurse and is now attached to the District Nursing Team.

SUPPLEMENTARY TO QUESTION NO. 238 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, is the Minister satisfied that our senior citizens are being adequately catered for with the new arrangements?

HON M K FEATHERSTONE:

I think it is working well, yes.

HON MISS M I MONTEGRIFFO:

Mr Speaker, the information that we have is that the trend for geriatric care seems to be in the increase. Would the Minister then be prepared to expand it further if the service proves to be insufficient because there are cases of elderly people not being catered for?

HON M K FEATHERSTONE:

I am willing to look at it in consonance on the amount of money that will be involved.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Can Government confirm that the necessary steps have now been implemented to gain acceptance by UK on Gibraltar Nursing Qualifications?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, arrangements are being made for a re-organisational and staffing review to be carried out to bring local conditions into line with UK standards and to the level required for recognition by the English National Board.

SUPPLEMENTARY TO QUESTION NO. 239 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, in June the Minister said that details had already been approved and that they would be implemented in a few months. Could he not be more specific on this occasion?

HON M K FEATHERSTONE:

As I said in answer to an earlier question, a consultant will be coming out to look at the whole thing very shortly.

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister at least give a guarantee that Gibraltar Nursing Qualifications will be accepted outside Gibraltar before the 1st January, 1986?

HON M K FEATHERSTONE:

No, Sir, I could not give that guarantee.

HON J BOSSANO:

Mr Speaker, if the Hon Member is saying that he is now going to bring a consultant, isn't that in fact what happened when Miss Briggs was brought out precisely who advised the Government on what steps they needed to do, is he saying now that they need fresh advice on what they need to do?

HON M K FEATHERSTONE:

Yes, Sir, since the time when Miss Briggs was brought out there

have been considerable changes in the nursing setup in the UK and we feel that a more up-do-date consultant is required.

HON J BOSSANO:

So that the Government is saying that if they now finally were to implement the original recommendations that would now not be sufficient?

HON M K FEATHERSTONE:

I think that is correct, Sir.

HON J BOSSANO:

Has the Minister taken any steps to inform those affected of this or has his Department, or has anybody told anybody, this is all new.

HON M K FEATHERSTONE:

I think once the consultant has been out and various staff matters have been discussed we will be able to move ahead rather quickly.

HON J BOSSANO:

Can the Minister clarify one point? Is the position that we are required in Gibraltar to accept nursing qualifications that are acceptable in other Member States of the European Community?

HON M K FEATHERSTONE:

I am afraid I don't know the answer to that question. I will find out and inform the Hon Member.

MR SPEAKER:

Next question.

27 11 85

NO. 240 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

Has the additional nurse for the Health Centre already been recruited as promised by the Minister in June of this year?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Yes, Sir.

NO. 241 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

Has the Minister for Medical Services now satisfied himself that a commitment was given some three years ago by the Administration to Staff that an additional post of Dental Clinic Assistant was being established?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, no record has been found of a commitment ever having been given by the Administration to create an additional post of Clinic Assistant, although reference to this allegation has been made during meetings held with the Staff Side.

The creation of this additional post is a matter that still has to be considered by the Government and will be dealt with in the context of the proposed re-organisational and staffing re-appraisal of the Nursing Grades.

SUPPLEMENTARY TO QUESTION NO. 241 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister, at this stage, accept that by drawing the Dental Clinic Assistant from the complement of the nursing staff he is, in fact, creating a shortage to the nursing establishment?

HON M K FEATHERSTONE:

Yes, I would agree with that.

HON J BOSSANO:

Mr Speaker, is the Minister then saying that because he has found no records they are not proceeding with implementing that commitment or is he saying that they are not prepared to implement that commitment, which of the two is it?

HON M K FEATHERSTONE:

I am saying at the moment we are not proceeding pending the investigation by the consultant.

HON J BOSSANO:

Mr Speaker, doesn't the Hon Member appreciate that if there is an

agreed establishment for St Bernard's Hospital and an additional person is employed in the Health Centre and instead of that additional person being employed on top of those who are at St Bernard's Hospital, that person is drawn away from the Hospital establishment then the Hospital establishment is short of one person. Where does the consultant come into that? That is the point that is being made and that was accepted by the Government three years ago.

HON M K FEATHERSTONE:

I have already said that as far as records show, no commitment to that effect was ever established three years ago or even since.

HON J BOSSANO:

What I am asking the Government is, is the reason why they are not prepared to do it now because they haven't been able to establish that this is the case because if that is the reason then would he be able to tell me that if he can be satisfied that this commitment was given he is prepared to fulfil it?

HON M K FEATHERSTONE:

If we can be satisfied we will fulfil it, yes.

MR SPEAKER:

Next question.

27 11 85

NO. 242 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

Can Government explain why they are not prepared to create a second post of Mental Welfare Officer since the urgent need for such a post has been established?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the Government has considered the advisability of creating another post in this field and has agreed to do so as soon as possible.

SUPPLEMENTARY TO QUESTION NO. 242 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister be more specific again? Can he say exactly when they are intending to create the post?

HON M K FEATHERSTONE:

I would imagine that an advertisement will go out within the next month.

MR SPEAKER:

Next question.



27 11 85

NO. 243 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

Is Government aware that the employment of trainee nurses on a supernumerary basis, as is the practice with trainees in other departments, was recommended by staff inspectors in 1977 and promised to the Staff in 1979?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, there is no record in the 1977 Staff Inspection Report of a recommendation having been made to employ trainee nurses on a supernumerary basis.

This recommendation was in fact made in a preliminary staff re-appraisal of the Nursing grades carried out in 1983/84, which also recognised the need for additional staff. However, this preliminary re-appraisal fell short of the requirement to carry out an in-depth re-organisational review which would not only provide adequate manning levels but would also bring local conditions into line with UK standards and to the level required for recognition by the English National Board.

The Government has just approved that such a review be carried out and, to this end, a consultant will be engaged from the United Kingdom as soon as possible.

NO. 244 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

Can Government confirm whether there are any categories of patients under the Health Scheme eligible for free prescriptions?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, persons entitled to medical attention and treatment under the District Medical Scheme are eligible to medicines under the Group Practice Medical Scheme and are exempted from the payment of a prescription fee.

SUPPLEMENTARY TO QUESTION NO. 244 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, is the Government prepared to give free prescriptions to people suffering from chronic diseases like, for example, diabetes?

HON M K FEATHERSTONE:

Not unless they are members of the District Medical Scheme. If we are going to widen the scope to that extent one gets to a stage in which one never ends. The position must be realised that the more one is willing to give the more that is asked for.

HON MISS M I MONTEGRIFFO:

Mr Speaker, it is the practice in all European Community countries that people suffering from chronic diseases get free prescriptions.

HON M K FEATHERSTONE:

I am not sure that this is so in all Community Countries but the position at the moment in Gibraltar is that we could not finance free prescriptions for diabetics.

MR SPEAKER:

Next question.

27 11 85

NO. 245 OF 1985

ORAL

THE HON MISS M I MONTEGRIFFO

Has Government now established that once Spain forms part of the European Community, Gibraltarians residing in the neighbouring territory and commuting to work in Gibraltar will be covered by their contributions to the Group Practice Medical Scheme in respect of their dependents?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, Gibraltarians residing in the neighbouring territory and commuting to work in Gibraltar will continue to be covered by the provisions of the Group Practice Medical Scheme whilst in Gibraltar. As 'frontier workers' they and their families will be covered for medical treatment in Spain at the expense of the country of insurance, ie Gibraltar.

SUPPLEMENTARY TO QUESTION NO. 245 OF 1985

HON MISS M I MONTEGRIFFO:

Mr Speaker, is the Government fully satisfied that what they are doing is permissible under EEC Rules?

HON M K FEATHERSTONE:

This is the agreement under the EEC Regulations, yes.

27 11 85

NO. 246 OF 1985

ORAL

THE HON J C PEREZ

Can Government state what they propose to do in respect of the grievances brought to their attention by tenants at the North Gorge Hostel?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, all grievances brought to the attention of Government by the tenants of North Gorge Hostel have been carefully studied. Work on the safety aspects of the representations was completed by October 1985.

It is also intended to tarmac the approaches to the blocks once the Asphalt plant is operating normally, and to improve the steps leading down to the area.

NO. 247 OF 1985

ORAL

THE HON J L BALDACHINO

Can the Minister for Housing explain what he means when he said that the Housing Waiting List is not sacrosanct?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the expression 'that the Housing Waiting List is not sacrosanct' means that if a situation arises where a person who is overhoused voluntarily surrenders his tenancy in favour of smaller and adequate accommodation, the exchange may be authorised notwithstanding the fact that the person giving up the larger unit may not be the first in the list of that particular category of flat. In this manner, it is possible to benefit the maximum number of persons awaiting re-accommodation who are first in the category of the larger flat.

SUPPLEMENTARY TO QUESTION NO. 247 OF 1985

HON J L BALDACHINO:

Am I to understand that if the situation is not the one that the Hon Member has mentioned but an allocation of pointage system, then the Housing Waiting List is sacrosanct?

HON M K FEATHERSTONE:

No, Sir, this is simply that if somebody is overhoused and is giving up a flat he can be awarded a smaller flat even though he is not at the top of the list.

HON J L BALDACHINO:

I understand that. What I am saying is that in any other situation apart from that, if the allocation of new flats is going to be made then the Housing Waiting List is sacrosanct. In other words, the one at the top of the list will get the house unless it is in a situation as the Hon Member has just said?

HON M K FEATHERSTONE:

Unless we are doing the process of what we call 'musical chairs.'

HON J L BALDACHINO:

The Housing Waiting List will then be sacrosanct if we are not doing the 'musical chairs'?

MR SPEAKER:

What you are being asked is other than for the exception on 'musical chairs' the Housing List is sacrosanct?

HON M K FEATHERSTONE:

Yes, Sir.

MR SPEAKER:

Next question.

27 11 85

NO. 248 OF 1985

ORAL

THE HON J L BALDACHINO

What measures will Government introduce to monitor the Sinking Fund required to be set up by landlords under the Landlord and Tenant Ordinance?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, Section 16 of the Landlord and Tenant Ordinance which required Landlords to maintain a Sinking Fund was revoked and substituted by a new section 80A which requires landlords to maintain a reserve fund.

Under Section 81 the Governor may from time to time make regulations for the purpose of regulating the manner in which the reserve funds shall be maintained, the manner in which accounts shall be kept and the inspection and audit of such records. No Regulations have yet been made.

SUPPLEMENTARY TO QUESTION NO. 248 OF 1985

HON J L BALDACHINO:

But the Government has the intention of setting up measures to see if the landlords are complying with the Ordinance?

HON M K FEATHERSTONE:

Some form of inspection will have to be set up, yes, Sir.

HON J L BALDACHINO:

The Government doesn't know which measures they are going to use, is that correct?

HON M K FEATHERSTONE:

It hasn't completely cleared its mind on how it is to be done yet.

MR SPEAKER:

Next question.

NO. 249 OF 1985

ORAL

THE HON J L BALDACHINO

Can the Minister for Housing state what are the terms of reference for the Housing Allocation Committee?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the Terms of Reference of the Housing Allocation Committee are as follows:-

- (a) to consider applications for accommodation in Government owned premises;
- (b) to award points to applicants in accordance with the Government's Housing Allocation Scheme;
- (c) to place applicants on the basis of points awarded, on the Housing Priority List;
- (d) to approve the allocation of such accommodation except in cases which have been certified by the Minister for Housing to have been utilised for decanting purposes;
- (e) to review from time to time, the Housing Allocation Scheme and to recommend to the Minister such amendments as may be considered necessary in the light of prevailing circumstances;
- (f) to consider such matters relating to housing which may be referred to the Committee by the Minister and to make recommendations thereon, and
- (g) to approve the allocation to applicants, under the Scheme, of suitable accommodation to their need and requirements. However, should the public interest so demand, these recommendations may take the form of an allocation to one or more of the other family units forming part of the same household or of the provision of suitable alternative premises on an exchange or transfer basis for the household, or any other arrangement of this nature, which, in the opinion of the Committee, adequately meets the situation.

SUPPLEMENTARY TO QUESTION NO. 249 OF 1985

HON J L BALDACHINO:

May I ask the Hon Member why is it that it states in the Housing Allocation Scheme (Revised) 1980 and I quote: 'The Housing



Allocation Committee established by Section 3, subsection (1) of the Housing (Special Powers) Ordinance, 1972, advises the Minister for Housing on the allocation of Government housing. The Committee terms of reference are at present under review'.

HON M K FEATHERSTONE:

They are under review, Sir, as I have said these are the present terms but they are being reviewed.

HON J L BALDACHINO:

I have had correspondence on this before with the Hon Member and I would like to query with regard to the Housing Allocation Committee's terms of reference which are still under review but this is the one they are applying at the moment, is that correct? Under (g), what the Hon Member has just quoted is exactly the same that we had in 1974 which his predecessor, the Hon Mr Zammit, brought to the House, is that correct?

HON M K FEATHERSTONE:

Yes, Sir, I think Clause 1G is also the subject of a further question by the Hon Member.

HON J L BALDACHINO:

That is why I want to establish if the terms of reference that he has just mentioned are the ones that they will be applying permanently or is it under review?

MR SPEAKER:

These are the existing ones which are being reviewed. Is that correct?

HON M K FEATHERSTONE:

Yes, that is one of the Clauses which is under review.

MR SPEAKER:

These are the ones that apply now and they are being reviewed and (g) is one of the ones that is being reviewed.

HON J L BALDACHINO:

May I ask the Hon Member why has it taken five years and we still haven't got the reviewed terms of reference for the Housing Allocation Committee?

HON M K FEATHERSTONE:

The Hon Member hasn't taken five years because I haven't been there for five years.

HON J L BALDACHINO:

I mean the Government, naturally.

HON M K FEATHERSTONE:

I don't want to answer for previous Members. We are doing it as expeditiously as we can.

MR SPEAKER:

Next question.

NO. 250 OF 1985

ORAL

THE HON J L BALDACHINO

Can Government state whether they are applying the provisions of Clause 1G of the Housing Allocation Scheme?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the provisions of Clause 1G are still applicable. However, the Housing Allocation Committee is currently reviewing the Housing Allocation Scheme in the light of prevailing circumstances and pending subsequent recommendations which the Committee may consider necessary to advise they have decided to restrict the transfer of pointage only after careful consideration and in exceptional circumstances.

SUPPLEMENTARY TO QUESTION NO. 250 OF 1985

HON J L BALDACHINO:

Mr Speaker, I take it that Clause 1G means the terms of reference of the Housing Allocation Committee and if the terms of reference is enshrined in the other Committee in the Scheme, in other words, the Scheme that they are given to persons who are down in the Housing Waiting List, shouldn't the Minister then consider that some people might not be aware that Clause 1G exists and should also be enshrined in the Housing Allocation Committee as the terms of reference of the other Committee?

HON M K FEATHERSTONE:

I am not sure whether everybody is aware of all the Clauses of the Housing Allocation Scheme, anyway. People, if they apply, are given a copy of the Scheme but I don't think I can take responsibility for people's ignorance or otherwise of the actual terms of reference.

HON J L BALDACHINO:

Mr Speaker, it is not a question of people being ignorant, it is a question that the Housing Allocation Scheme does not set down the terms of reference of the Allocation Committee and therefore people might not be aware that Clause 1G exists or any other Clause for that matter and yet the terms of reference of other Committees, the Advisory Committee and the Medical Committee, if one may call it that, is enshrined in the Housing Allocation Scheme.

HON M K FEATHERSTONE:

I can only say that there are quite a number of people who seem to have used Clause 1G so they must be cognizant of the fact that it exists. Further than that I cannot go.

HON J L BALDACHINO:

Then, Mr Speaker, if I can make the Hon Member aware that there are people who come to me and say: 'Why has so and so made use of Clause 1G' and I have to explain it, a vast number of people have come to me, if I may make the Hon Member aware of that will he then look into it to see if the Housing Allocation Committee's terms of reference are enshrined in the Housing Allocation Scheme?

HON M K FEATHERSTONE:

It is very good of the Member to explain something which the person, if he went to the Housing Department, would get explained to him anyway.

MR SPEAKER: -

Next question.

NO. 251 OF 1985

ORAL

THE HON J L BALDACHINO

Is it Government's intention to apply the same policy to future allocation of bedsitters as to those of Glacis Estate?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Yes, Sir, should a similar situation arise.

SUPPLEMENTARY TO QUESTION NO. 251 OF 1985

HON J L BALDACHINO:

Mr Speaker, shouldn't the Hon Member then think that it is fit and proper that he makes a statement so that people are aware in the Waiting List for bedsitters that they most probably will not get one?

HON M K FEATHERSTONE:

We shall have to wait and see what is available and see whether the situation arises or not. I think it can be taken now from the actual House of Assembly proceedings that such a statement has been made.

HON J L BALDACHINO:

Mr Speaker, I have brought this question to the House because Government has the intention of building other bedsitters in other areas. Is the Hon Member then saying that once those bedsitters are completed then he will make up his mind whether to use them for 'musical chairs' or not or is he saying that he will use those bedsitters for 'musical chairs'?

HON M K FEATHERSTONE:

I think the Hon Member will accept that we have a very difficult housing situation and if we can house twenty people rather than ten we have done something of benefit to the people of Gibraltar. even if in so doing one or two people who thought they were going to be re-housed miss out on the deal.

HON J L BALDACHINO:

I agree with the Hon Member that that might be the right

procedure to take with the bedsitters they are building now. What I am saying is that if it is Government policy to do with the bedsitters what they did with the ones at Glacis then the Hon Member should state clearly what their policy is once those are built, that is what I am asking.

HON M K FEATHERSTONE:

When we have the next batch of housing accommodation available I will consider making such a statement.

HON J C PEREZ:

Mr Speaker, does the Hon Member not think it is advisable to draw up a policy for the allocation of those bedsitters beforehand so as not to give the impression to those people on the waiting list that they might be the ones to get those houses, that is to say, the Hon Member knows the number of bedsitters that he is going to have available, should he not beforehand give a statement as to what policy the Government is going to apply, whether it is going to be the musical chairs policy or they are going to be allocated by the Waiting List?

HON M K FEATHERSTONE:

The only difficulty is that the circumstances are changing almost from week to week and it is difficult to give it as a policy statement three months in advance.

HON H J ZAMMITT:

Mr Speaker, may I on a point of clarification to the Hon Mr Baldachino say that what was done at the Glacis bedsitters was certainly not a novel idea. For very many years in the past Government, in trying to maximise its housing stock, always tried to decant people that were overhoused and gave up larger accommodation and using Government smaller accommodation thereby generating vacancies for people requiring two, three or four bedrooms and therefore everybody benefitted from that movement. If we were to build 100 bedsitters and you deducted the first 100 people on the Waiting List you would find that those first 100 have been waiting possibly months as opposed to people waiting fourteen years for two, three and four bedrooms.

HON J L BALDACHINO:

Mr Speaker, I think the gist of my question has not been caught by the other side. I am not disputing what the allocation of

bedsitters for musical chairs does, I am not disputing that, I am not in disagreement with that. The point is that hardship has been created for people who are in the Housing Waiting List waiting for a bedsitter who find in the last week that they will not be getting one because the Government has used it for something else, for example, musical chairs, I am not disputing the procedure of the musical chairs, what I am asking is doesn't the Government consider that it is better to announce its policy so that they don't have any comeback afterwards? That is what I am asking.

MR SPEAKER:

Next question.

NO. 252 OF 1985

ORAL

THE HON J C PEREZ

Is Government now in a position to give a definite date on when the Motor Vehicle Test Centre at Eastern Beach is expected to be fully operational?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, a first draft of a Bill introducing private motor vehicle testing was received from Sir John Spry but as some amendments are necessary it has not proved possible to include such provision in the Traffic (Amendment) Ordinance that will be taken through all its stages at this meeting. The other problem lay in the filling of the vacancies, the last one of which is now in the process of being filled.

Pending unforeseen circumstances, it is expected that the Centre will be fully operational in the reasonably near future.

The Centre has been operational since April this year and, inter alia, PSV and goods vehicles are examined there.

SUPPLEMENTARY TO QUESTION NO. 252 OF 1985

HON J C PEREZ:

Mr Speaker, since I have been raising this issue since I came to the House of Assembly nearly two years ago when the Test Centre was already built and ready for use, I think it is not enough that the Minister should say 'in a reasonable time'. I think that the Minister should, now that the legislation is being promulgated, commit himself to a definite date as to when he expects the Test Centre to be fully operational.

HON M K FEATHERSTONE:

As I have told the Hon Member we have to have the legislation and I can only comment on the Spanish adage 'cosas de palacio van despacio'.

HON J BOSSANO:

Mr Speaker, are we actually going to get an estimate from the Government of income and expenditure of the operation of the Centre which he promised us a long time ago?



HON M K FEATHERSTONE:

I would hope, Sir, in due course, Sir.

MR SPEAKER:

Next question.

27 11 85

NO. 253 OF 1985

ORAL

THE HON M A FEETHAM

Is it still Government's policy to reduce earnings of employees where these are considered to be too high and compensate by creating additional jobs in the Government Service?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, it is still Government's policy to consider the possibility of creating additional employment in areas where long hours are being worked in excess of conditioned hours. As there is already financial provision for most of the cost, it is possible to create the additional jobs without the need to vote excessive supplementary funds.

In areas where such a policy is to be implemented, the proposals will be put to the staff side for consultation.

NO. 254 OF 1985

ORAL

THE HON J L BALDACHINO

Can Government state when it will be offering other Government tenants the same opportunity to purchase their dwellings as was offered in 1984 to tenants of Shorthorn Estate?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, an offer of sale was made in March 1985 to 247 tenants in the following Estates:-

St Joseph's  
Town Range (Maisonettes)  
Rosia Dale  
St Jago's  
Medview Terrace  
Seaview Terrace  
Rose Shrine House  
Tank Ramp

The terms and conditions of sale in fact represent an improvement on those offered in October 1979 to all Government tenants which was only taken up by the tenants of Shorthorn Estate.

The response to the offer is encouraging and a Home Ownership Unit is now being set up in order to expedite matters.

SUPPLEMENTARY TO QUESTION NO. 254 OF 1985

HON J L BALDACHINO:

So in actual fact, Mr Speaker, the thing hasn't materialised, has it?

HON A J CANEPA:

A survey has been carried out of the responses that were made and the response on the whole is quite encouraging. The matter is to be implemented by the Crown Lands Department and because of excessive demands made on the staff there in the last few months due to considerable interest that there is in private sector development, I have already obtained the approval of Council to some modest increase in staff for the Crown Lands Department which should enable a Unit to be set up of people who will be able to provide additional information for those who have expressed an interest and those answers from whom are still pending. But if I can give some indication of the kind of response that there

is, there are some Estates, for instance, like Rosia Dale where out of 83 circulars that were sent 73 have been returned and 44 tenants have indicated that they are interested in buying their flats. That is the best response that we have had but the overall position is that out of 247 circular letters sent 195 replied, 52 are pending and 105, which is over 40%, indicated that they were interested in buying. What we want to do through this Unit is to follow-up those that are pending and pursue, in particular, the matter in those Estates where a positive response has been indicated.

HON J L BALDACHINO:

If I may draw the attention of the Hon Member to the pamphlet that was circulated to create an incentive, point 9 where it states more or less 'buy now or you might find that the selling price might go up because of the revised rents', will the Government be honouring that seeing that it is not the tenants' fault that they haven't been able to buy now?

HON A J CANEPA:

I think it is only fair that the Government should take that into account, naturally.

MR SPEAKER:

Next question.

27 11 85

NO. 255 OF 1985

ORAL

THE HON J L BALDACHINO

Can Government confirm that it is their intention to sell Government Quarters particularly those classified as A1 and A2 to present occupants?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

No, Sir.

NO. 256 OF 1985

ORAL

THE HON M A FEETHAM

Can Government list the 302 items which are alleged to constitute new TGWU claims submitted to Government between December 1984, and May 1985?

ANSWERTHE HON THE CHIEF MINISTER

The Government has never alleged that the 302 items constituted new claims. What the Government said was that there had been an increase in the number of claims and then proceeded to quote comparative figures under the heading, quite clearly, 'Number of items recorded in minutes'. The figures were 302 during the period December 1984 to May 1985, 129 during the same period in 1983 and 1984 and 76 during the same period in 1982 and 1983. The fact that some of the items appear more than once in the minutes does not in any way detract from the work that has to be carried out by the staff of the Industrial Relations Office who have to follow up and investigate what progress has been made on all pending items. The fact remains that, in a period of 2 years, the number of items recorded in the minutes actually quadrupled. It is worthwhile noting also that from 1 January 1985 to date the TGWU has tabled 95 new claims at meetings with the Industrial Relations Officer and has sent 47 new claims in writing, a total of 142 which compares with a total of 55 new TGWU claims during 1984. I don't know what the reason for the question is but let me say that it was never intended to be offensive to say that, it was only an attempt to show the extent of the workload that had to be coped with when allegations were being made that claims were not being dealt with, that was the reason for that.

SUPPLEMENTARY TO QUESTION NO. 256 OF 1985

HON J BOSSANO:

Mr Speaker, isn't it a fact that when the Government made that statement and when they included it in a paid advertisement, the allegation that was being made was that, in fact, the Government was being inundated with claims? That is in the context in which the 302 items were mentioned by the Government.

HON CHIEF MINISTER:

I am sorry I hadn't realised we had come to the end of questions

so quickly, I asked for the print part to be produced but I will show it to Hon Members, it is matter of looking at the thing but my recollection was that it was in response to allegations that we were not dealing with claims suitably. It was intended to indicate the extent of the workload in the Department and hence the time that it took to deal with some claims at the time when allegations were being made that the Government wasn't dealing with claims properly.

HON J BOSSANO:

But isn't the Hon and Learned the Chief Minister aware that it was at the instigation of the Official Side that regular weekly meetings were instituted at which the items that had not been answered were recorded as still awaiting an answer and, of course, if the Official Side proposes regular weekly meetings and doesn't answer any item and there are twenty items the first week, after four weeks there are eighty items. Is the Hon and Learned Member not aware of that?

HON CHIEF MINISTER:

I am not disputing that, I won't say I am aware of it, I am not disputing that.

HON J BOSSANO:

But then, surely, the Hon Member must understand that it isn't compatible to say that it involves extra workload if (a) the extra workload was initiated by the Government and (b) if the extra workload consists simply of having a record because some of the items related to matters that had been raised years previously and in some cases both the Staff Side and the Official Side had even forgotten about them, that the procedure to improve industrial relations at the request of the Official Side was introduced of having regular meetings with a list of all outstanding items. How can the Government then say that that is then produced as evidence of an increase of work initiated by the staff when in fact the whole thing was initiated by the Government?

HON CHIEF MINISTER:

Well, if I may ask the Hon Member not to pursue the matter, we hope we have a better climate now as a result of everything which everybody has learnt of recent events and certainly I can assure you that it was not meant to be competitive, it may have been defensive rather than offensive and that in fact in many cases it may well be true that the fact that the

items have only been recorded to be sure that they are not dropped but in some cases progress was made. I don't look at these papers but I know that in some cases some progress is made but if you don't finish you still keep it in the item but let us hope that there are no pending claims.

HON J BOSSANO:

I only have one further point and I don't intend to pursue the matter further. I would ask the Hon and Learned the Chief Minister whether for his own satisfaction he will actually look into the record of the thing and he will see that to say the least, the way it was presented publicly gave a different impression, for his own satisfaction I would ask him whether he will look into that?

HON CHIEF MINISTER:

Yes, I will look when I have the time.