

GIBRALTAR

HOUSE OF ASSEMBLY



HANSARD

15TH JANUARY, 1985

REPORT OF THE PROCEEDINGS OF THE HOUSE OF ASSEMBLY

The Sixth Meeting of the First Session of the Fifth House of Assembly held in the House of Assembly Chamber on Tuesday 15th January, 1985, at 10.30 am.

PRESENT:

Mr Speaker (In the Chair)
(The Hon A J Vasquez CBE, MA)

GOVERNMENT:

The Hon Sir Joshua Hassan CBE, LVO, QC, JP - Chief Minister
The Hon A J Canepa - Minister for Economic Development and Trade
The Hon M K Featherstone - Minister for Health and Housing
The Hon H J Zammit - Minister for Tourism
The Hon Major F J Dellipiani ED - Minister for Public Works
The Hon Dr R G Valarino - Minister for Labour and Social Security
The Hon J B Perez - Minister for Municipal Services
The Hon G Mascarenhas - Minister for Education, Sport and Postal Services
The Hon E Thistlethwaite QC - Attorney-General
The Hon B Traynor - Financial and Development Secretary

OPPOSITION:

The Hon J Bossano - Leader of the Opposition
The Hon J E Pilcher
The Hon M A Feetham
The Hon Miss M I Montegriffo
The Hon J C Perez
The Hon J L Baldachino
The Hon R Mor

IN ATTENDANCE:

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

PRAYER

Mr Speaker recited the prayer.

CONFIRMATION OF MINUTES

The Minutes of the Meeting held on the 11th December, 1984, having been previously circulated, were taken as read and confirmed.

PETITIONS

MR SPEAKER:

Mr Bossano I understand that you have a petition to present to the House.

HON J BOSSANO:

Mr Speaker, I have got a petition that I have been asked to present to the House which has been endorsed by the Clerk as being in conformity with the Rules governing petitions and I therefore ask that the petition be laid on the table.

Ordered to lie.

HON J BOSSANO:

Mr Speaker, I beg to move that the petition be read. The history of this is that shortly after the announcement of the Brussels Agreement a number of young people concerned about the implications for their future, thought that it was desirable that their concern should be brought to the notice of the House and on making enquiries as to the procedure that had to be followed were informed that the petition had to be introduced in the House of Assembly by a Member. They therefore approached me and I was able to tell them that we fully supported their views and that we would be happy to introduce this petition to the House of Assembly and, in fact, this occurred over the Christmas period and the petition in its original form had already been circulating and it required a re-drafting and a collection of signatures beginning afresh. It is for this reason that the youngsters have had to work extremely hard in a very short space of time since the beginning of the year to be able to obtain the level of support that they have for this petition which amounts to 5,448 signatures and I have no doubt at all in my mind, Mr Speaker, that that figure could easily have been doubled had it not been considered essential to bring the petition to the House at this point in time because of its relevance which will become obvious once the petition is read, because of its relevance to matters on the Agenda for this meeting. There would have been little point, in fact, in the petition being brought to the House subsequent to the meeting. The persons who are signing this petition and supporting the petition are a cross section of our community and there is no ideological or political bias in the signatories in that they consist of people not only who have supported Members of the Opposition in the last election but, indeed, of many people who have supported the party in Government and people of all ages and people of all income groups and therefore we consider it to be a clear reflection of a widespread view in Gibraltar.

MR SPEAKER:

There are two things you should say and that is what, basically, the petition is asking the House to do and, secondly, make a formal motion that it be read.

HON J BOSSANO:

Thank you, Mr Speaker. The petition, Mr Speaker, in its preamble, shall we say, expresses a particular view as to the implications of the Brussels Agreement and essentially what it seeks is to bring to the notice of the House this view so that the House may reconsider its intended decision of advancing EEC rights and therefore the prayer of the petition essentially is seeking from Members of this House support for the view that the Bill on the Agenda, which is the European Communities (Amendment) Ordinance advancing EEC rights, should not be proceeded with. I therefore move, Mr Speaker, that the petition be read.

MR SPEAKER:

Gentlemen, as you all know, in accordance with the Rules of Procedure there is no debate on the motion and all I have to do now is to put the question that the petition be read.

Mr Speaker then put the question in the terms of the Hon J Bossano's motion and on a vote being taken the following Hon Members voted in favour:

The Hon J L Baldachino
The Hon J Bossano
The Hon M A Feetham
The Hon Miss M I Montegriffo
The Hon R Mor
The Hon J C Perez
The Hon J E Pilcher

The following Hon Members abstained:

The Hon A J Canepa
The Hon Major F J Dellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon G Mascarenhas
The Hon J B Perez
The Hon Dr R G Valarino
The Hon H J Zammit
The Hon E Thistlethwaite
The Hon B Traynor

The motion was accordingly passed.

MR SPEAKER:

The motion is therefore carried and I will therefore ask the Clerk to read the petition.

3.

CLERK OF THE HOUSE:

The petition is addressed to the Honourable the House of Assembly of Gibraltar and reads as follows:

"THE HUMBLE PETITION of the undermentioned signatories SHEWETH as follows:

1. That as Gibraltarians, British citizens and inhabitants of the Rock (which saw us born after generations of British sovereignty) we feel it is a duty and an obligation, to manifest our disagreement with the recent Brussels Agreement referring to any issue of sovereignty over the Rock, being any other than that of the British Crown. We as people with rights to our territory cannot accept that Spain should have any say over any issue concerning Gibraltar.
2. We submit that to give preferential treatment to Spanish nationals by the advance implementation of EEC rights would be a negation of the sentiments expressed above and undermine the rights of Gibraltarians in Gibraltar and its future sovereignty.

YOUR PETITIONERS therefore pray that all Members of the House should not proceed with the legislative proposals giving effect to the Brussels Agreement by the advance implementation of EEC rights to Spanish nationals.

AND YOUR PETITIONERS, as in duty bound, will ever pray, etc".

And there follow all the signatories.

DOCUMENTS LAID

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

The accounts of the Gibraltar Quarry Company Limited for the year ended 30th November, 1983, together with the Principal Auditor's Report thereon.

Ordered to lie.

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

- (1) Supplementary Estimates Consolidated Fund (No 2 of 1984/85).
- (2) Statement of Consolidated Fund Re-Allocations approved by the Financial and Development Secretary (No 4 of 1984/85).
- (3) Statement of Consolidated Fund Re-Allocations approved by the Financial and Development Secretary (No 5 of 1984/85).

Ordered to lie.

ANSWERS TO QUESTIONS

The House recessed at 1.05 pm.

The House resumed at 3.25 pm.

Answers to Questions continued.

THE ORDER OF THE DAY

MINISTERIAL STATEMENTS

MR SPEAKER:

The Hon the Chief Minister and the Hon the Minister for Education, Sport and Postal Services have given notice that they wish to make statements. I now call on the Hon and Learned the Chief Minister.

HON CHIEF MINISTER:

Mr Speaker, on 16 May, 1984, I issued a statement on changes in the assignment of business to Ministers. In that statement I said that, in pursuance of the aim of achieving a greater degree of Ministerial coordination and inter-departmental efficiency, Mr A J Canepa would in future undertake a general supervisory role, on my behalf, in relation to the activities of Government Departments. I went on to say that he would in particular be responsible to me for the coordination of Ministerial policies and activities in matters affecting more than one Department, both on a day-to-day basis and in the preliminary detailed consultations required before policy issues are referred to Council of Ministers for decision.

Finally, I said that, while there was no provision in the Constitution for a Deputy Chief Minister, to all intents and purposes Mr Canepa would be my Deputy. He is now informally and unofficially referred to as such.

Sir, the effect of the new arrangements has been to place a considerably greater load of work and responsibility on Mr Canepa, who is, indeed, now substantially, though not entirely, a full-time Minister. After consultation with my colleagues, I have decided that Mr Canepa's pay be increased.

As the House is aware, Ministers at present receive one half of the pay of a Grade B Officer in the Government Service. The rate for the Deputy will be halfway between that of a Minister and that of the Chief Minister. Although Mr Canepa has been discharging his new additional responsibilities since May, 1984, the new rate will come into effect on 1st January, 1985.

HON J BOSSANO:

Mr Speaker, I understand that the Rules of the House provide for points of clarification to be raised in relation to statements but I think this is a statement of a particular nature and with your indulgence

MR SPEAKER:

No, I think you can go further as I have established the practice since I have been sitting in this Chair that I always allow the Leader of the Opposition to make a short reply to whatever statement is made. Questions themselves must be exclusively related to clarification and nothing else.

HON J BOSSANO:

Let me say, Mr Speaker, that we are opposed to the decision that the Government has taken and no doubt the matter will have to come before the House so that the money is voted and we shall vote against. It is in no way a reflection on Mr Canepa himself or on his commitment or on the amount of work that he does but we do not see why the taxpayer in Gibraltar should have to pay more for the government of Gibraltar because the Chief Minister of Gibraltar chooses to create a new post of Deputy Chief Minister for which there is no provision in the Constitution. I think if the Chief Minister feels so strongly about the valuable work that the Hon Mr Canepa is doing, then either he can step down and allow the Hon Mr Canepa to take over from him and get his salary as Chief Minister or, alternatively, he can choose to take a pay cut and pass over his pay cut as an increase to Mr Canepa or perhaps even, something that we tend to believe in, have a system where people who are full-time in politics get paid one rate and people who have got a part-time commitment to politics and their own income from outside, get a different rate of pay. These are, as far as we are concerned, alternatives which are compatible with what exists for everybody else in the House. But I think for the Chief Minister to say: "I am now going to have a Deputy Chief Minister" - which is a totally new situation which has never existed before and for which there is no constitutional provision, and let the people of Gibraltar foot the bill, is totally unacceptable and, quite frankly, it would be as unacceptable if I said: "I am going to have a Deputy Leader of the Opposition and I want the House to vote a certain amount of money to pay for the Deputy Leader of the Opposition because the GSLP has decided that we should have a Deputy Leader of the Opposition", which perhaps my Hon Friend might agree with but nobody else would on this side.

HON CHIEF MINISTER:

Mr Speaker, I tried to do this like all matters connected with Members' Interests on the basis of a consensus agreement. Unfortunately, apart from the fact that the Leader of the Opposition told me that it was the policy of the GSLP if they ever were to come into Government to have all full-time

Ministers and therefore of much more expense to the taxpayer, perhaps that would come out of the famous economic plan which has never been produced, I tried to do that but unfortunately after telling me that he rather cursorily disposed of the matter one day after not giving me an answer from the very beginning back in June and it is not that I have chosen to do that, it is that the work of the Government is ever-increasing and whilst I accept that the Hon Member has had good words for Mr Canepa, I do not require his advice how I could do it any other way, I know that. Perhaps we could ask all Members to cut their salaries in a bad situation financially for everything, not just for one Deputy and perhaps I might also offer since the Leader of the Opposition has been so generous in his remarks, I might say that I consider it completely unfair that a Member of the Opposition gets half of what a Minister gets because there is no proportion in the amount of work. But there it is, we accept it and it would be now for me to try and deprive Members opposite from their good £5,000 a year for coming here three or four times and putting twenty-five questions in to be able to justify themselves as Members of the Opposition. Having said that I would like to draw the attention of the House and of the public that Mr Canepa now chairs the Development and Planning Commission, the Land Board, the Coordinating Committee in Industrial Relations, the Steering Committee which deals with the matters of Shiprepair, the Efficiency Committee, the Expenditure Committee which has become necessary because Hon Members opposite do not want to form part of the Public Accounts Committee and therefore we have had an internal one to be able to make civil servants answerable and if there is a "tacañon" in the world that is Mr Canepa, if he can make people produce and so on that is my Colleague Mr Canepa and he has also other ad hoc Committees to attend. I tried to do this in the normal way, the Hon Member replied one day very quickly coming in, discussing it with his colleagues and coming out and I feel that I have the responsibility to see that that is the case and, of course, I will come to the House for supplementary funds from now till the end of the year and make provision in next year's estimates and I take full responsibility for that because I think it is mean, to say the least, of the Members of the Opposition who want to make themselves full-time Ministers, to question a small increase to somebody who is rendering such a good service to Gibraltar.

HON J BOSSANO:

I don't know what the Rules of debate are on this matter. The Hon Member has made a statement and then he has had the right of reply.

MR SPEAKER:

I think, basically, what the Chief Minister has done is to answer what has been put by you by way of questions but if you wish to say something you are free to do so provided you are succinct and to the point.

HON J BOSSANO:

Yes, because we are not begrudging Mr Canepa anything that he may deserve, Mr Speaker, and I have already said to the Hon Member and he has quoted me in his reply that we believe that there is merit in a system which distinguishes between people who are full-time working on Government duties and people who are part-time. What we are questioning is the principle of the creation of a post and payment for that post.

HON CHIEF MINISTER:

If the Hon Member will give way. I regret to say that whilst I was reading the first part of the statement the Hon Leader of the Opposition and his Colleague on his right were talking and were not listening to what I was saying. Perhaps for his benefit I will repeat it. I said that when I made the statement in May, 1984, on changes in the assignment of Ministers, I said that in pursuance of the aim of achieving a greater degree of Ministerial coordination and inter-departmental efficiency, Mr Canepa would in future undertake a general supervisory role, on my behalf, in relation to the activities of Government Departments. I then said that in particular, he would be responsible for the coordination of Ministerial policies and activities in matters affecting more than one Department, both on a day-to-day on-going basis and in the preliminary detailed consultations required before policy issues were referred to Council of Ministers for decision. That is the criteria. Finally, I said that though there was no provision in the Constitution, he would virtually be my Deputy as everybody knows that that is the case. But the criteria is the fact that we set up a new system whereby there was much more coordination and, in fact, the work of Government requires a lot to be done, in fact, some of the difficulties have been mentioned here in connection with something else. I am glad that the Hon Member has given way, that is what I said. I wasn't saying that because I made him my Deputy I was going to give him that, I am not kingmaker but the Hon Member was talking to his Colleague next door when I was talking.

HON J BOSSANO:

Well, Mr Speaker, be that as it may, then are we to take it that the Hon and Learned Chief Minister is not suggesting that there should be a different level of allowance for his Deputy because he is his Deputy but for his Deputy because of the volume of work and therefore by analogy, presumably the other Members of the Government then will get paid more if they get more work or get paid less if they get less work. If we are going to have a productivity agreement on the Government side that might not be a bad thing, we would presumably go along with that.

HON CHIEF MINISTER:

There would be no possibility of getting a productivity agreement from Hon Members opposite other than the Leader of the Opposition who should have three-quarters of the salary of all his Members because he asks us all the supplementary questions himself for everybody else. I didn't say something which I ought to say now and which I think is important and that is that whilst other Members of the Government have other activities and have other means of supporting themselves, Mr Canepa, as everybody knows, is totally dedicated to public life.

MR SPEAKER:

We are beginning to debate the statement and we should not do that. We will leave it there. We will now recess for tea for about half an hour.

The House recessed at 5.30 pm.

The House resumed at 6.10 pm.

MR SPEAKER:

I will now call on the Hon the Minister for Education, Sport and Postal Services to make his statement.

HON G MASCARENHAS:

Sir, I have a rather lengthy statement and I hope the House will bear with me.

As indicated in my replies to Questions Nos. 129 and 130 of 1984, a sub-committee of Council of Ministers assessed all areas concerned with the transfer of the Gibraltar and Dockyard Technical College to Government. I am pleased to inform the House that after consideration of the sub-committee's recommendations Government has agreed that it should take over the College and re-organise it for Further Education in Gibraltar as from April, 1985.

Members will be aware that the need for an institution offering Further Education in Gibraltar has long been felt. Although the Gibraltar and Dockyard Technical College met local technical/vocational requirements, very successfully, over a period of time, no community stands still. Recent events are accelerating the pace of change. An institution offering a broader spectrum of courses is now considered to be fundamentally necessary in Gibraltar.

Such a College is essential if local vocational training and re-training programmes are to be effected. Professional secretarial/commercial/management courses do not exist in Gibraltar at a time when such economic activities as a result of the financial centre, continue to expand. Tourism-oriented programmes also need to be considered within the short and long term. The commercialisation of the Dockyard and innovations such as computers and word-processors are also making

demands for skills not yet available locally in sufficient numbers. The development of Gibraltar as a language centre for foreign students is also a possibility. Local school leavers will also require appropriate training and qualifications in order that they be able to seek jobs with distinct advantage. The lack of a Further Education institution would increase the incidence of importation of skills. Certain major projects envisaged by Government eg Queensway, Rosia, and the East side, will also demand skills in numbers not presently available in Gibraltar.

It is also felt important that opportunities exist for persons wishing or needing to re-train or simply further their own education generally after leaving school. A Further Education College and its resources can also provide a central Government resource for Government's own training needs.

In recognition of the need, Government, as far back as 1976, instituted a programme aimed at localising the teaching staff at the Gibraltar and Dockyard Technical College. This was a necessary first phase if a transfer of the College were to become feasible. Expert advice from the Essex Education Authority was sought in 1979 and the resultant Bell Report established the professional framework upon which the College of Further Education would be developed. The Principal-designate was identified in 1983 and was seconded to the Gibraltar and Dockyard Technical College in April of that year.

A staff development course, in expectation of a new role, was undertaken under the guidance of Coombe Lodge, the main UK Further Education Staff College, in July, 1984. The Principal-designate has recently returned from an attachment to Essex to acquaint himself with the latest developments in the UK. My Department has not been idle in making the necessary preparations for the transfer.

The original target date of September, 1981, could not be achieved as no agreement could be reached on the specific question of the transfer of ownership of the site and buildings of the existing Gibraltar and Dockyard Technical College. The Lands Memorandum of 1983 provided the basis on which this matter could be progressed. Following very hard work at this end, local negotiations on the transfer of lands and buildings are now finalised and await formal clearance from MCD(UK). Government is agreed to meeting the proposed transfer cost of £114,000.

Realising that the re-organisation of the Technical College into a new institution, with an up-dated concept of a new role, will create an immediate need to expand the accommodation available, the School Section of the John Mackintosh Hall will become part of the fabric of the new College. This was envisaged and planned for in the construction of the new West-side School building. The Commercial Studies activities at this School will be reduced as the College expands and takes over this role at a more realistic age level.

Members are aware from previous information brought to the House that the new College will be structured into three departments. These departments will cater for Technology, Business/Commercial, and General/Adult Studies. The Technology Department will meet needs in Mechanical and Electrical Engineering, Building and Construction, and other technical areas such as Tele-communications, as the demand is felt. Given the experience and expertise accumulated over many years within the Gibraltar and Dockyard Technical College this department is particularly well placed to meet industrial/technical demands from the community. The Business/Commercial Studies Department is meant to provide a new and much needed facility in an area where little has been available to members of the community wishing to further their skills and qualifications. It will maintain and develop courses currently run by Westside School as well as introducing appropriate new Business Education Council courses. As a new venture in Gibraltar this Department faces perhaps the biggest challenge. The General/Adult Department will offer a support service to the other two departments in the areas of language, mathematics and communication skills and also have responsibility for the programming of Adult Education. In this latter role, it should be in a position to offer broader opportunities to the community, as well as develop the potential of Gibraltar as a language centre. Note should also be taken of the College's expertise and facilities in this field of computer education, a well subscribed area of the current Adult Education Programme.

Unlike the Gibraltar and Dockyard Technical College, which traditionally met the needs of HM Dockyard, the new College will need to be sensitive to a wider demand market in Gibraltar and react to it. A built-in flexibility of attitude will therefore be a vital ingredient necessary for its positive development. The prospects are good, a wide range of needs already exists. The College's management will now have to establish strong links with the employing market, translating these needs into suitable course offers. It is a challenge. But one, I am sure, there is already ample, demonstrated skill in our teaching force to believe it will be met positively and with success.

It will be appreciated that the current academic year will have to run its course. The effective operational date for the new College will therefore be September, 1985. Between now and then there are matters to decide and preparations to make. Procedures and conditions of service will now need to be discussed and agreed with the relevant Staff Sides. Given these agreements early recruitment of designate appointments is envisaged to prepare for the academic year 1985/86.

The Principal, as mentioned, is already identified. The overall teaching establishment has been initially set at twenty-five full-time staff, inclusive of the Principal. Further needs will be assessed in the light of experience as the College develops. The employment of temporary specialists to meet short-term needs will also be possible, as indeed already happens in Adult Education.

Three Grade II Heads of Department will need to be appointed for the three departments with one of them carrying extra responsibility as Vice-Principal. These are new posts and represent levels of responsibilities and promotion not open to locally-entered teaching staff until now. The level of other promotion posts within the new College will also be enhanced by two additional Lecturer II posts, as compared to the present level.

Under the Burnham Regulations governing conditions of service for all teaching grades in Gibraltar, the new College constitutes the re-organisation of an institution. As such, discussion will need to be entered into with the Gibraltar Teachers' Association to clear procedures and safeguards within the framework of Burnham.

In terms of the ancillary staff, the staffing level has been set at seventeen, inclusive of industrial staff already in employment at the School Section of the John Mackintosh Hall. Again, details and procedures will need to be discussed and agreed with the relevant Union representing these posts.

The administrative staff at the Gibraltar and Dockyard Technical College are all MOD employees, and as such, essentially an MOD responsibility. This is an area upon which I can make no pronouncement as it is a matter that lies outside the jurisdiction of my Department. Again, due steps will be taken, in consultation with the appropriate Staff Side, to provide the new College with administrative support at the same level as that offered to both Comprehensive Schools.

The House will be aware that the setting up of the Gibraltar College of Further Education is the single, most important expansion of educational provision since the re-structuring of primary and secondary education. It comes at a time when the community also finds itself entering a new phase in its development. It is a new phase full of challenges, yes, but one also providing us with exciting possibilities and opportunities for the future. The new College is a further indication of this Government's faith in the ability and skill of its people to face the future with confidence. It is a source of pride for me, particularly, as Minister for Education to be able to make this announcement today and I wish to take this opportunity to thank those colleagues, three ex-Ministers of Education, Maurice Featherstone, Frank Dellipiani and Brian Perez for the valuable contribution of their knowledge and experience, and all those who were involved at one time or another during those numerous and lengthy meetings of the sub-committee of Council of Ministers and particularly my Director of Education, Julio Alcantara.

We are embarking on a major expansion of Gibraltar's educational system and my hope is that as many individual Gibraltarians as possible benefit from further education in the future for the betterment and success of Gibraltar, and for the benefit of all.

I am sure all Members will join me in wishing the Principal and the new College well in their endeavours.

HON R MOR:

Mr Speaker, we welcome the fact that at long last . . .

MR SPEAKER:

May I ask if you will be making a short statement and no one else because, as I say, I am quite happy to delegate that from the Leader of the Opposition to you. We are not debating the statement, I am very well aware of the fact that one particular question this morning was not answered because the Minister said that he was going to make a statement, you are free to ask questions but you are not free to debate.

HON R MOR:

Could I ask then, Mr Speaker, of the £114,000 which have been paid how much of that is in plant and equipment within the College?

HON G MASCARENHAS:

Mr Speaker, the £114,000 is only for the building and the equipment therein. What is there in place today.

HON J BOSSANO:

Mr Speaker, isn't the value of the building covered by the Lands Memorandum?

HON G MASCARENHAS:

Yes, I said so.

HON J BOSSANO:

Mr Speaker, is the Hon Member saying that the plant and equipment is free?

HON G MASCARENHAS:

No, it is not free but, quite frankly, Mr Speaker, with what is inside the College today the equipment is rather old and antiquated and there will have to be new investments if we are to proceed with our requirements.

HON J BOSSANO:

The point is, Mr Speaker, that there is a formula which was announced by the Government, agreed with the United Kingdom Government, which is the current value of the building reduced by, I think it was 11/2% or something like that

for every year. Is the £114,000 the cost of the building based on that formula or does it include an element for plant and equipment, that is the point?

HON G MASCARENHAS:

No, Mr Speaker, as far as I am aware the £114,000 is for the building, everything else inside, I imagine, is coming free. We have been 50% shareholders in the Gibraltar and Dockyard Technical College over the years so we could say that we have paid for it already.

HON R MOR:

Mr Speaker, could I ask the Government why does it feel that they have no responsibility towards the MOD employees who are now presently in the College?

HON G MASCARENHAS:

Mr Speaker, as I said in my statement they are essentially MOD employees. We don't know what the needs exactly are for the administrative side. As far as we are concerned we know what the Comprehensives require and we shall need the same level of support for the new College but that can be carried out from the Education Department. There will have to be clericals there but I am afraid that is a matter for the establishment side and not for us in my Department.

HON R MOR:

But, Mr Speaker, isn't the Government aware that there is a redundancy situation within the Ministry of Defence and that if they refuse to take on these MOD employees it will result in extra redundancy taking place?

HON G MASCARENHAS:

Mr Speaker, I am not aware and I cannot really go any further than what I have said, it is a matter for the establishment once we know the exact needs from the administration side. Of course, I am concerned for the two persons that I believe that are there but they are essentially MOD employees and not our responsibility at this precise moment.

HON R MOR:

But, Mr Speaker, isn't it correct that quite a few years ago when there were redundancies in the War Department, as it was then, that the local Government took over redundant employees?

HON G MASCARENHAS:

Quite frankly at this stage I don't know whether the Ministry of Defence, Mr Speaker, would have the present administrative employees transferred to somewhere else.

HON R MOR:

If I may inform the Government, the situation as regards those two employees is that if they go back to the Naval Base two redundancies will have to be made.

HON G MASCARENHAS:

Yes, this is, Mr Speaker, what I hear, not officially, unofficially, and if that is the case I cannot pre-empt it, I have said earlier that I cannot pre-empt it, it is a matter for the establishment to arrive at the number of people that we will require at the College of Further Education. Preparations are being made now and I hope they will be speedy preparations in order to solve this problem of the administration staff.

HON R MOR:

Mr Speaker, I think I must insist. The Government is taking over the College and there are employees there. Surely, it must be the Government's responsibility to look after the future of these employees.

MR SPEAKER:

With respect, I don't know whether it is or it isn't, I do know what the statement has said. The statement has said that insofar as Government is concerned, they are taking over the College and not the employees.

HON A J CANEPA:

Mr Speaker, the Ministry of Defence have come back to the Government on the matter, they have made representations to the Government and they will be given serious consideration but there are two factors, additionally, that have not been mentioned so far today. First of all, I understand that the Gibraltar General Clerical Association, in other words, the Association that represents clerical officers employed with the Gibraltar Government, are not in favour of these two employees being taken over by the Government of Gibraltar. The other consideration that I think we have to bear in mind is that the last time we took over employees of the Ministry of Defence the settlement that was reached in respect of future pension commitments was totally unsatisfactory to the Gibraltar Government. I remember the case in some detail because it was somebody who was taken over by the Department of Labour and Social Security and I was the Minister at the time and what the Ministry of Defence paid over to the Gibraltar Government in respect of the accrued pension rights and in respect of the commitment that the Government would have to pay that person a better pension than the one he would have received from the Ministry of Defence on reaching the age of 60, the amount paid over was totally ridiculous, it was of the order of £500 for the whole of the commitment.

If that is going to be the attitude of the Ministry of Defence, if they are not going to consider paying over to the Government a realistic figure in respect of future pension commitments, we are going to have difficulties. I have mentioned two points that I am concerned about because the Establishment Officer has discussed this matter with me and the state of play, as I understand it is that the Ministry of Defence have written to the Deputy Governor about the matter and the representations are to be considered seriously.

HON J BOSSANO:

Mr Speaker, is the Minister aware that since the last time to which he is referring there is the United Kingdom Department's Pension Scheme in Gibraltar which has got within the scheme a scale which establishes what would be the transfer payments and that those transfer payments, in fact, are very substantial and are not open to negotiation, they are laid down in the agreement?

HON A J CANEPA:

But are those transfer payments payments that would be made to a prospective employer, to an employer taking over the commitment and it is not just for transfer within the Ministry of Defence Departments? If that is the case it is a factor I think that if that establishes a realistic payment then that is an obstacle that can be overcome.

HON J BOSSANO:

Mr Speaker, could I ask the Government whether they would look into this because the position is that if people move within the United Kingdom Department there is no transfer payment involved because in fact they carry their seniority with them. The transfer payments in the United Kingdom's Departments Scheme which is similar to that in UK is that provided there is a recipient pension scheme which is as good as the MOD and which will give people similar benefits, then there is a multiplier giving a lump sum payment which is, in fact, very, very substantial so I would ask the Government whether they will look into this because I think that would meet that point entirely.

HON A J CANEPA:

Yes, as I say, the matter is not closed, what I don't think Hon Members opposite can expect is a categorical statement from this side particularly having regard to the constitutional position. The Ministry of Defence have properly written to the Deputy Governor, that is the proper channel of communication. It will be taken from there and no doubt Gibraltar Government Ministers will be consulted in respect of the view which the administration takes on the matter.

HON R MOR:

Mr Speaker, could I ask the Government to keep us informed.

HON A J CANEPA:

I don't think there will be any difficulty in doing that.

HON J BOSSANO:

On a matter of clarification. The Minister said in paragraph 14 of his statement, on page 4, that under Burnham Regulations the new College constitutes a re-organisation of an institution. Does that imply that the post of Lecturer II currently in the establishment and held by people will be re-advertised once the College passes over to the Gibraltar Government and that the post holders will have to apply for their own jobs?

HON G MASCARENHAS:

Mr Speaker, the same occurred when the re-organisation of the Secondary and Primary Schools system was done. The answer to his question is yes.

HON J BOSSANO:

And is he aware that the union to which these people belong has already given notice that they will take industrial action if that happens?

HON G MASCARENHAS:

No, Mr Speaker.

HON J BOSSANO:

Will he therefore make himself aware of that fact?

HON G MASCARENHAS:

Yes, Mr Speaker.

BILLS

FIRST AND SECOND READINGS

THE EUROPEAN COMMUNITIES (AMENDMENT) ORDINANCE, 1985

HON CHIEF MINISTER:

Sir, I have the honour to move that a Bill for an Ordinance to make provision in connection with the inclusion of the Hellenic Republic within the European Communities and further to make provision for the application of Community rights in relation to the Kingdom of Spain its Nationals and Companies and other matters be read a first time.

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

The Hon A J Canepa
The Hon Major F J Dellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon G Mascarenhas
The Hon J B Perez
The Hon Dr R G Valarino
The Hon H J Zammit
The Hon E Thistlethwaite
The Hon B Traynor

The following Hon Members voted against;

The Hon J L Baldachino
The Hon J Bossano
The Hon M A Feetham
The Hon Miss M I Montegriffo
The Hon R Mor
The Hon J C Perez
The Hon J E Pilcher

The Bill was read a first time.

SECOND READING

HON CHIEF MINISTER:

Sir, I have the honour to move that the Bill be read a second time. The Bill is in two major parts. Part I deals with the requirements to incorporate in our Ordinance the provisions of the accession of the Hellenic Republic. This is a matter that should have been done some time ago but for some reasons of which we have heard some difficulties this morning it has not been done and that part of the law which we require under the European Communities Ordinance which is set out in the First Schedule of the Ordinance is deemed to have come into operation on the 1st January, 1981, which was the date of the Greek accession. The date of implementation has got very relevant importance because there are derogations in the Greek accession which date from the date of membership of the European Community. The second part of the Ordinance deals with the proposals for advance implementation in respect of the Spanish entry into the European Community. I made a very long statement in support of my motion that I brought before the House on the 12th December, 1984, on the circumstances that led to the Brussels Agreement. I do not propose to go over that ground all over again, it is very much in the minds of people and the Bill deals with that aspect of it. The first part of the Ordinance, as I say, should have deemed to have come into operation on the 1st January, 1981. Part II which deals with what I would call advance implementation, we all know what that is, that one will come on a date as may be prescribed by the Governor-in-Council by notice published in the Gazette. I shall refer to that

and to the timing of the question at a later stage. The main provisions of the Bill are set out in the Schedules. The First Schedule contains the necessary amendments which are required for the incorporation of the accession of Greece into the Community according to our law and when we come to the Third Schedule some of the matters which are put in the First Schedule are deemed to apply for the purposes of the advance implementation. The Second Schedule is a list of all the derogations, exceptions and modifications in relation to the Kingdom of Spain. Hon Members opposite have been provided with lists of the various Community documents therein referred and with up-to-date copies of the three major Ordinances being amended - the Immigration Control Ordinance, the Trade Licensing Ordinance and the Land (Titles) Order. In the case of Spain there is a fourth Ordinance which is the Traffic Ordinance which is also being amended. The derogations in the Second Schedule specifically mention all the items that have already been concluded in the chapters that have been completed in the negotiations for Spanish accession and I particularly draw attention to the first part of the Second Schedule which is that Articles 1 to 16 and Articles 13 to 23 inclusive of the Regulation on the Freedom of Movement of Workers within the Community shall not apply in Gibraltar to nationals of the Kingdom of Spain until the expiration of the transitional period of seven years from the date of accession of the Kingdom of Spain to the European Communities. Gibraltar may maintain in force with regard to Spanish nationals, national provisions submitting to prior authorisation immigration undertaken with a view to pursuing an activity as an employed person and/or taking up pursuit of paid employment. The point is that the derogations that apply to Spanish accession to the whole of the Community will also apply in the short period of advance implementation. I should remind the House at this stage of the precise wording of that part of the Brussels Agreement which refers to the question of legislation. The Agreement states "that the provision of equality and reciprocity of rights for Spaniards in Gibraltar and Gibraltarians in Spain will be implemented through the mutual concession of the rights which citizens of EC countries enjoy taking into account the transitional period and derogations agreed between Spain and the Common Market". The Agreement goes on to say: "the necessary legislative proposals to achieve this will be introduced in Spain and Gibraltar". I need hardly say that that is what we are doing now as far as Gibraltar is concerned and that is what the Bill before the House is about but the House will wish to know what is happening insofar as the corresponding process in Spain is concerned ie what is being done to confer EC rights for Gibraltarians. This matter has naturally been the subject of consultation between the British Embassy and the Spanish Ministry of Foreign Affairs and the Embassy has been given a number of assurances on the subject. I can inform the House that the Spanish Government intends to annul the decree of 1969 to give Gibraltarians the right to five-year resident permits in Spain to allow foreigners, including Gibraltarians, to buy up to one-tenth of the land in the security zones of the Campo Area except for areas actually owned by the

Military Authority. There are areas in certain parts of the vicinity which have been marked as indeed there are in the North of Spain and on the frontier with Portugal where they are described as military areas and where no foreigner is entitled to own property in those areas. They are reducing that by 10%, that is they are shrinking it for the moment and it is perhaps intended to carry on doing that. That is meant really for the purposes of people who want to reside in the more immediate vicinity in respect of that extension to the security area that they can buy property in their own name. The legislation will also accord recognition to degrees or diplomas held by Gibraltarians on the terms and conditions laid down by the Community for people in Gibraltar who wish to do so in Spain. So far one or two professional people who have been practising in Spain have done so under the provisions of that 1969 decree where you had to uproot yourself, take everything with you, washing machines and everything and establish yourself in Spain. Those are the people who have been given rights in the past, now it is not expected that you should uproot yourself but there is a reciprocal right and so on. It is also my understanding that in the sphere of investment in Spain of which there are a certain amount of restrictions, Gibraltarians will enjoy rights at least as extensive as those required by the European Community. This is being done in advance because that is not yet the law in Spain for other Members. In other areas Spanish law already provides rights to which Gibraltarians will be entitled under EC requirements. Insofar as social security is concerned, Spanish law does not require amendment because as a general principle Gibraltarians, like all foreigners, are entitled to the same benefits as Spaniards. The details of both sides will be pursued after the Ministerial meeting. All the necessary steps which we are taking here are being or will be taken in Spain to confer the appropriate EC rights on Gibraltarians which taken all together will match the measures which the House is being asked to approve. It is, of course, the intention that the relevant Spanish legislation, as our own, will come into force before the Ministerial meeting in Geneva and in time to give effect to the provisions of the Brussels Agreement. I should add that, of course, and in accordance with paragraph (d) of the Brussels Agreement, action is being put in Spain to allow for the free transit of persons, vehicles and goods across the border as well as the re-introduction of custom services. It is, of course, well known that the Government supports the Brussels Agreement and that the Opposition opposes it but that is in the normal state of affairs a matter which happens in all democracies where people take different views on matters of great importance for ideological or other reasons. The effect of not proceeding with the legislation now would be, first, to delay the removal of the restrictions for almost a year and, secondly, to require its re-introduction later on this year in order to comply with our European Community obligations. As made clear in the statement issued by Ministers this

morning, the advance mutual conferment of EC rights by Gibraltar and Spain has nothing to do with the issue of sovereignty, a question on which we are all at one and on which we rely on ourselves, the British Government and Parliament to maintain our wishes. Mr Speaker, I commend the Bill to the House.

MR SPEAKER:

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

HON J BOSSANO:

I take it that that is a rhetorical question, Mr Speaker. I think it is difficult to talk on the merits of the Bill so I will talk on the general principles because it is difficult to find any merit in the Bill. Let me say, first of all, that certainly the Opposition, as has already been indicated by our vote on the First Reading, will be opposing this Bill in its totality and I shall have to apologise to our Colleagues in Greece for the fact that we appear to be against their entry into the Common Market under Part I of the Ordinance. The fact that we are today in Gibraltar allowing Greece to join the Common Market is symptomatic of the state of affairs in which we find ourselves in relation to our Community obligations. This Bill, Mr Speaker, isn't just one more piece of legislation which in the normal run of events in a democracy the Government and the Opposition may have differing views and where there may be ideological differences. This Bill, Mr Speaker, is the very antithesis of the definition given by the Hon and Learned Chief Minister to the Brussels Agreement. This Bill is not a reflection of an honourable settlement, this Bill is the most shameful piece of legislation that has ever been introduced in the House of Assembly. This Bill, Mr Speaker, is a Bill that puts into effect the conferment of rights with the restrictions still on. Where are all those slogans of 'no talks under duress'? Where does this Bill leave all the statements that the Hon and Learned Chief Minister has made in this House of Assembly since 1977 when he defended the Strasbourg process, the Paris talks, the Lisbon Agreement, as exploratory, no negotiations taking place, it is all exploratory. Well, look where the exploration has brought us - a Bill which is signed, sealed and delivered. A Bill which the Government whether it was presented with a petition with 5,000 signatures or with a petition with 25,000 signatures has got no choice. The debate in this House is going to be a debate for posterity where the Opposition will put on record the strong objections that the people of Gibraltar have got to the Brussels Agreement and to this Ordinance but the vote of the Government is guaranteed. There is no argument that we can put here to change their minds because we know that deep down inside their hearts they have got serious doubts themselves at a personal level but they are not going to be reflected

today when the vote is taken in a political commitment that reflects what they feel because as Gibraltarians they feel as we do and as Gibraltarians they feel like the 5,448 petitioners do and the other thousands who would have signed had they had longer because there are hundreds of AACR signatures on that sheet of paper, Mr Speaker, and the Government knows it and the Hon and Learned Chief Minister knows it because I am sure there are many people who have told him like they have told me. What do we find in this Bill? We find that we are committing ourselves to granting rights in exchange for the lifting of the restrictions, that is clear because why otherwise is there no date for the coming into operation of the Ordinance because if at the last minute there were some hitch and the restrictions were not lifted, the Ordinance will not come into operation. Then it isn't that we are putting our laws right because they are wrong, it isn't that we are removing discrimination because we are against discrimination which we in the Opposition would support 100%, let us make that absolutely clear. As a party and as socialists we are committed to non-discriminatory laws, we are against discrimination on grounds of nationality, on grounds of race or on any other grounds and we don't require the lifting of restrictions to be persuaded of that. We are prepared to correct whatever is wrong in our legislation with the restrictions on and with the frontier closed because it is offensive to us as Gibraltarians and as a community and as a people but what we are not prepared to do, Mr Speaker, is to be told for four years that the Lisbon Agreement is not being implemented because the Spanish Government is breaking faith with what they are committed themselves to, because the Spanish Government said one thing in Lisbon and three months later they upped the stakes and now they want before they lift the restrictions, they want to have guarantees on equality of rights. They are putting pre-conditions now and that is unacceptable. What we cannot have is the Chief Minister of Gibraltar in evidence to the Foreign Affairs Committee of the House of Commons saying that the view of the Government of Gibraltar was that it was totally wrong for Spain to expect at the last minute just before they enter the Common Market and just before they have to lift the restrictions anyway, to expect to be able to hold the United Kingdom to the commitment to negotiate entered into in Lisbon because why should we agree to that? We were agreeing to it, which we didn't, but the Government was agreeing to it, it was going along with it reluctantly in 1980 because they were advancing it by X number of years, whatever advantage or disadvantage that may make because it is clear that there is still a big enigma about how big an advantage or disadvantage it is but certainly the Chief Minister tells the Foreign Affairs Committee: "There is no way that Spain is going to come to us at the last minute and invoke the Lisbon Agreement, either they get on with it now or it is dead". We have had Ministerial statements in the House saying that it is rotting, it is smelling, it is dead, it is buried and suddenly it is revived.

Why is it revived, because there is a change of policy in the Foreign and Commonwealth Office in London or are we expected to believe once again that this is another initiative of the Hon and Learned Member, like Strasbourg was an initiative of his? Well, then the greater his responsibility. If the whole idea has been his idea from the beginning the greater his responsibility because if he had never taken the initiative with Dr Owen to go to Strasbourg we might not be in the mess we are today. I know the high regard that Sir Geoffrey Howe has for the Hon Member and how much his wise advice is something on which Sir Geoffrey Howe is dependent. I imagine that any one of these days we are going to lose his valuable advice in this House of Assembly and Sir Geoffrey Howe is going to take him off to have meetings with Chernenko and Reagan and the rest of the elder statesmen of this world and we shall certainly regret very much not having him here with us any longer, Mr Speaker. Be that as it may, I would like to know from the Hon and Learned Member because he is certainly not giving us any of his wise advice so far in seeking support for this Bill, how he considers that his advice to Her Majesty's Government has in any way altered anything that Spain was seeking as a pre-requirement for the lifting of restrictions? Where does this leave us with the argument consistently used by the other side, the statement signed by the Hon Member and circulated in the House of Commons to which I referred in an earlier debate, The Truth About Gibraltar, where quite clearly Members in the Commons were told that the truth about Gibraltar was that Spain was re-defining the Lisbon Agreement because in fact the Lisbon Agreement talked about future cooperation based on equality of rights and that equality of rights would not be across the board, equality of rights would be applicable in areas where it was demonstrated to be of mutually beneficial effect on ourselves and on Spain. I would like the Hon Member to say of all the rights that the Spaniards were demanding, which one as a result of his advice has been thrown out because it was not of benefit to Gibraltar because as far as I am concerned what we are doing in this Bill, Mr Speaker, is not extending Community rights to Spanish nationals, we are extending the rights that we are granting to Spanish nationals to Community nationals and it is not going to stop here. We have already seen as a result of questions this morning and in the last House of Assembly, Mr Speaker, that when we have been able to pin down the Government which has not been an easy task, the final result of our probing has been that the Government has finished up saying that they are not sure and that they may have to take advice and that they may have to revise the situation; on family allowances, on residential rights, on rights to housing, on medical services, on income tax; so this isn't the end of the road. The reality of the situation is that Gibraltar has not belonged to the European Community since 1973 other than hypothetically because we have been physically separated from it by the Iberian Peninsula and nobody in his right mind is going to get on a plane from Denmark to London and London to Gibraltar to come here and claim family allowances, Mr

Speaker, but it is quite conceivable that someone might walk across to do it and therefore the argument which we have lost totally through the negligence of the Government is the argument brought to the House of Assembly on the 7th July, 1980, when we asked the Government to support a motion making immediate and urgent representations to change our terms of membership of the Common Market, on our existing terms of membership Gibraltar cannot survive for the reasons given by the Minister for Economic Development that it is a big boys' club and we are small but we are applying the rules of the big boys' club so how can he defend his vote in favour when he has been as critical on some occasions in the House and consistently inside the EEC Committee where the minutes are secret and I hope that now that the Government is implementing this legislation, which no doubt they will whatever arguments we put, they will have no further reservations about keeping the contents of the debates inside the EEC Committee of the House of Assembly secret because one of the overriding arguments used there, Mr Speaker, was that we couldn't come out saying anything because the Spaniards might get to know, as if the Spaniards did not know everything that happens in Gibraltar inside out anyway, but we couldn't discuss what rights we might or might not have to give them because they might find out. Well, there is no problem in them finding out they have got them so now we can make it all public. Mr Speaker, this Ordinance opens up Gibraltar to outside competition on every front in a way that has never been done before and in a way which is inconsistent with all our legislation and in a way which is inconsistent with our economic structure. Gibraltar is going to pay an extremely heavy price for this shameful piece of legislation and we want to make it absolutely and categorically clear that we disassociate ourselves entirely from page 1 to the final page with everything that this contains. The responsibility rests exclusively on the benches of the Government and they have no mandate to do this. This was not included in their manifesto, the Hon Member went to an election saying that the AACR supported the Lisbon Agreement having been saying for the three years that preceded the election that the Lisbon Agreement did not mean that we would give them rights before they opened the frontier, that the Lisbon Agreement meant the opposite, that the Lisbon Agreement meant that we would start talking about the possibility once they had taken the restrictions off - in the future. Now we are hearing the same story about sovereignty but once bitten twice shy, Mr Speaker. We have been hearing that story for three years on the Lisbon Agreement and on sovereignty we have been hearing it for twenty years, after all wasn't it the Hon and Learned Member who came back to Gibraltar after appearing before the Committee of 24 in the United Nations to support the line of the British Government that sovereignty was not a matter for discussion with Spain because sovereignty was not a matter that came within the terms of reference of the Committee of 24 and the question of de-colonisation because the question of sovereignty was covered by an international treaty which was binding on Britain and Spain and therefore de-colonisation had nothing to do with it

and the Committee of 24 had nothing to do with it and that was the British Government's position then, it was the position put by Mr King in the United Nations supported by the Hon and Learned Member for which he was received with acclaim in Gibraltar, for which the people of Gibraltar willingly withstood everything that the Franco regime was willing to throw at it, for which the people of Gibraltar have been told constantly how grateful they need to be for the support they have received from the United Kingdom which I personally considered to have been very meagre, Mr Speaker, but they have been constantly reminded how we ought to be grateful for being supported for defending the stand that the British Government was taking and now twenty years later the British Government decides that today a different stand needs to be taken and we are all now told that we all have to stand on our heads, well, we are not standing on our heads on this side of the House, Mr Speaker. We stand where we stood yesterday, where we stood four years ago and where we stood twenty years ago and we will stand there tomorrow and there are many, many hundreds of Gibraltarians who think like us and who feel like us and the Government is doing a great disservice to itself and to the traditions of its party, to the traditions and the grass roots of the AACR, Mr Speaker, it is doing a great disservice with this piece of legislation. It is straining the loyalties of its supporters to the maximum. I am not questioning for one moment their intentions, I find it very difficult to believe that any Member of this House can possibly want anything bad for Gibraltar, can possibly want to see the end of Gibraltar, the ruin of Gibraltar or a Spanish Gibraltar or a Gibraltar which is going downhill but I am certainly questioning the fundamental inconsistency between what they are asking this House to support today and the stand that they have been taking until now. I am questioning that because the facts speak for themselves. Mr Speaker, if we look at this Bill what do we find? The Hon Member has said that they have agreed with Spain that it shall be passports at the frontier. What their legislation will say is "subject to the provisions of Section 53 a Community National may enter Gibraltar on the production by such a National of a valid identity card or a valid passport" - one or the other - "by the Member State of which he is a national, or by Spain in the case of a Spanish National". What is the Hon and Learned Member telling me, that if a Community national arrives here with an identity card he is going to be told: "No, you cannot go in because we have agreed with Spain that you cannot"?

HON CHIEF MINISTER:

If the Hon Member will give way. At least let me clarify because different as our views may be at least we should know what we are talking about. I made it quite clear that there had been an agreement that passports would be used during the date of advance implementation. That is as far as we are concerned with the Spaniards. First of all, Spain is not a Member of the Community yet - they have agreements, I think, with France and other places - but if a Community National comes to Gibraltar with a proper identity card we have to let him come in. Spaniards are not Community Nationals and will not be until at the earliest the 1st January, 1986, and it was in that respect, in that period, that I said it had been agreed that passports would be required. Whether we can agree later on or not again is a matter for the two parties concerned.

HON J BOSSANO:

Right, Mr Speaker, so now we find that the Agreement puts a limitation on Spanish Nationals and not on Community Nationals but to my knowledge we have not allowed a Community National to enter Gibraltar since 1973 on the strength of an identity card. Presumably, if a Community National arrives in the Mons Calpe or arrives at the airport with an identity card he should be allowed in. Well, the Government had better let the immigration know that because the immigration have got the habit of putting a stamp saying how long they can stay in Gibraltar and you cannot do that on an identity card, Mr Speaker. I am glad that at least some benefit is going to come out of this Bill, Community Nationals are at long last going to start exercising Community rights in Gibraltar and I hope that the Government will in the process ensure that when a Gibraltarian goes to an EEC country it is possible to do so on the strength of a Gibraltar identity card because at the moment it is difficult to do it on the strength of a Gibraltar passport never mind a Gibraltar identity card. If you go with a Gibraltar passport you have to have a stamp saying that for EEC purposes you are a Community National, or a UK passport, because the Common Market, Mr Speaker, and this is the real significance of this Bill, this is where a very special relationship is being created between us and Spain, the Common Market doesn't recognise the existence of Gibraltar as a separate State, and let me assure the Hon and Learned Member that all the documents that are produced by Government Departments say this and the answers that are given to Members of the European Parliament which we have been given copies of and answers that are given to Members of the House of Commons which we have been given copies, of constantly make the point that the United Kingdom is a Member of the Common Market, that the United Kingdom is the authority responsible for Gibraltar and that the agreements are between the United Kingdom and the Common Market hence the reciprocal medical services, hence special

agreements on social insurance. Therefore, if the United Kingdom agrees something tomorrow with the EEC, de facto we are bound by that agreement. We are not sovereign in this matter, we were told that in 1973, Mr Speaker. When the legislation was brought here by the Attorney-General at the time, we were told that effectively we couldn't amend anything whatever we debated because, in fact, it flowed from our terms of membership of the Treaty of Rome that there were Treaty obligations which are overriding. Community law overrides any legislation that we pass here and therefore we have a situation where the rights of a Community National in Gibraltar, for example, on residential grounds, are related to residents within the EEC but the rights of a Spanish national in Gibraltar are not just an advancement of EEC rights, are an advancement of rights over and above the rights of an EEC national because if we give a right to a frontier worker prior to the entry of Spain, by virtue of Community law that right would be automatic and non-discriminatory, by virtue of a reciprocal agreement that right applies to Spanish Nationals and not to Community Nationals because Community Nationals do not have the right because they are not commuting between one State in the Common Market and another State in the Common Market because we are in the Common Market and they are not. So, effectively, what we have is a situation where our relationship with the European Economic Community is a relationship derived from our status as a dependent territory of the United Kingdom and therefore all our rights and obligations are a result of our constitutional position. Our relationship with the United Kingdom is a bilateral one because, obviously, the British Subject in France has got rights as a Community National, the Frenchman in the United Kingdom has got rights as a Community National and the Frenchman in Gibraltar has got them because they flow from the United Kingdom but the British Subject coming from UK to Gibraltar hasn't got them because he is not going from the UK to another EEC State, he is going from one part of the UK to another part of the UK as far as Community law is concerned but since United Kingdom law does not apply to us, since the health service does not apply to us, since the tax system does not apply to us and so forth, since we have got a different administrative structure, we have to have a special arrangement and in the context of the EEC the only people with whom we have a special arrangement is the United Kingdom because of our constitutional relationship. And after today the only other people with whom we will have it will be Spain. We will have a special arrangement with Spain and a special arrangement with UK, a special arrangement with UK because we are a dependent territory of UK and a special arrangement with Spain because it is vitally important for Spain that that should be so, because it is consistent with their claim that this is not our land that it is theirs and the party that is bringing this here is the party that has drummed into the heads of the people of Gibraltar for forty years the right to our land. Whose land? Mr Speaker, I am not going to go into any more detail on this Bill. I think the sentiments of the Opposition on this issue are more than manifest and I recommend to Members of the Government that they vote against.

HON A J CANEPA:

Mr Speaker, I want to divide my address to the House into two parts. In the first one, for the record, I think I should outline the provisions of the Bill as they affect the Trade Licensing Ordinance for which I have ministerial responsibility as Minister for Trade. In the first place Mr Speaker, I think it is essential to point out what is happening with regard to those matters which were introduced into the Second Schedule in 1983, namely, carpentry, decorating, joinery, painting, plumbing and woodwork. Just prior to 1983, the Trade Licensing Authority had been having considerable difficulties in considering applications for these matters and felt that there was a need to include them in the Schedule in order to make it clear that when somebody wished to carry out one of these activities in direct pursuance of building contracting, a trade licence was required. That was the genesis of those amendments, they emanated from the Trade Licensing Authority. Without knowing that that was the case, in fact, those amendments as they stand in the law at present in the Trade Licensing Ordinance contravened then and they contravene now what are termed 'the standstill provisions' which are contained in Articles 53 and 62 of the Treaty of Rome which establishes the European Community and the provision of these standstill requirements is that, in fact, Member States shall not introduce any new restrictions on the right of establishment or the freedom to provide services in respect of those who are self-employed after accession. Anyhow, we went ahead and we did that in 1983, nobody seemed to complain, no one seemed to bring the matter to our notice but now that it has come under the microscope, as it were, it is clear that we are in contravention of those provisions. But because, in fact, it is only in a sense when qualifying that these activities are undertaken in the context of building contracting that a trade licence is required and not when they are undertaken in isolation, that we can retain these provisions but qualify them by the amendment that we are moving in order to explain clearly that through adding the amending words "Insofar as undertaken in the context of Building Contracting", what in fact was intended at the time and which continues to be the intention. This is done, Mr Speaker, in page 13 of the Bill. And then also in respect of Trade Licensing in the Third Schedule, in pages 20, 21 and 22 of the Bill it goes on to introduce two items. One of them, item (a), extends the benefit there is to a proviso in Section 13(3) to include Spanish nationals and companies and it also extends the benefit of the proviso to European Community Nationals and Spanish Nationals who have a right of establishment in Gibraltar or a right to provide services and who, in fact, intend to exercise either of those rights. The second item, item (b), extends the benefits which are given by the existing Section 16(2) to Spanish Nationals. Additionally, Mr Speaker, we have taken advantage of the fact that there is an amendment to the Ordinance before the House to remove the out-dated reference to citizens of

the United Kingdom and Colonies and substitute that by "British Dependent Territories Citizens". That is so far as the Trade Licensing Ordinance is concerned seen in a cold and isolated context. Turning now to the intervention of the Hon Leader of the Opposition, Mr Speaker. He started his address by describing and, in fact, he returned to the same thing in the course of his address, by describing this Bill as the most shameful piece of legislation ever introduced in the House of Assembly. I cannot speak about what happened prior to 1972, Mr Speaker, because I wasn't here but I have no doubt in my mind that I have never done or been a party to anything shameful that has been introduced in this House of Assembly in all the years that I have been a Member since 1972 and I do not accept for one moment the Hon Member's description. Perhaps I could say that even more shameful was the motion that he introduced a very few months after the 1980 elections on the question of divorce because he had said nothing whatsoever about that in the 1980 election campaign, he had never taken any stand on the matter, unlike other people in Gibraltar, and yet a few months later he introduced a motion here in the House and on what became a free vote the legislation was amended but then, alright, the result of that because we are only dealing with divorce doesn't matter, here we are dealing with a different matter and therefore the action of the Government can be described as shameful and the Hon Member's action doesn't perhaps merit in his view that description. He said that over 5,000 people have signed the petition and if there had been more time many more would have signed but that it didn't matter because even if 25,000 signatures had been collected the Government would have taken no notice of them. If there are 25,000 people in Gibraltar who feel that strongly on this matter, who feel that what the Government is doing is wrong, I am sure that they would have come forward to sign the petition and if that is the position, if that is really what public opinion feels about it in Gibraltar, I do not think that the Government could go forward today and introduce the legislation before the House because there would probably be a demonstration of people clamouring outside trying to stop us from doing that. But the fact of the matter is that people have got mixed views about it and just as I accept that there may be hundreds of signatures from people who support the AACR, I am sure that there are also hundreds of signatures missing in that petition from people who would regard themselves as supporting the GSLP or for that matter the Democratic Party of British Gibraltar which may have even stronger views on the matter having regard to what some of the former leading lights have had to say in Gibraltar recently. If Sir Joshua had not taken the initiative that led to the Strasbourg and Paris meetings with Dr Owen, who is to say that the Foreign Ministers would probably not be meeting in Geneva in February over our heads? It has happened before, it happened during the 1960's, Harold Wilson was then Prime Minister and was affirming that there would be no talks under duress and there were talks held between Michael Stewart and Senor Castiella, and we were not there. Then later on there

was a process of thinking together, talking together, eating and drinking together, no doubt, between Sir Alec Douglas Home and Senor Lopez Bravo and the extent of consultation with the Government of Gibraltar then was much less than what it has been in the last four or five years. I remember seeing Sir Alec Douglas Home on one occasion in Gibraltar, I am not aware of how many meetings the then Chief Minister had in 1970 or 1971 or early 1972 when this process was under way. I don't think there were any meetings, certainly not in London, between the then Chief Minister and Sir Alec Douglas Home but that was the situation. They were discussing the future of Gibraltar over our heads because we were not represented. That is not the situation today and this is where I think the Government has got a different kind of responsibility and in arriving at a judgement has got to weigh certain factors, take certain factors into account which the Hon Members of the Opposition do not have to take into account. The Hon Member doesn't subscribe to a bipartisan approach, that is his privilege, he has held certain views consistently, he didn't subscribe to the bipartisan approach when he was the only Member of the GSLP on the benches opposite but because the Opposition are not in it they can afford to be totally critical of everything that is happening because they are not answerable ultimately to the electorate, you could say that they are not answerable. The Hon the Leader of the Opposition has been criticised recently in the press and Mr Xiberras has said that one of the reasons for revealing what he has revealed and no doubt we shall be discussing later on in this meeting of the House, one of his reasons for doing so was in order to pressurise the Hon Leader of the Opposition so that he would agree to the bipartisan approach and be present as part of the British delegation. Apparently, Mr Xiberras hasn't been very successful in that objective from what we have heard today. But when you are in Government the situation is different. When you are in Government the constitutional process insofar as foreign affairs is concerned is of a totally different nature, amongst other things because the Government subscribes and the Chief Minister has always done over the years, to the question of confidentiality. The Chief Minister has always maintained that it was important that responsible leaders in the exercise of their constitutional duties should subscribe to that view because if you are not going to maintain confidentiality then you are not going to be consulted. That doesn't mean that if you are consulted and proposals are put to you which are totally abhorrent that you are not going to reject them and that if there is a danger that your advice is not going to be accepted that you might not have to reach a stage when it is your duty to inform the people of Gibraltar as to what is happening. But you also have other duties and that is that if you consider that having regard to all the factors a certain deal is acceptable, you have a duty to put it to the electorate with all the consequences. If the supporters of the AACR feel that what we are doing is wrong, no doubt when the time comes for the next general election the result should be felt. That is a risk which any Government has

to take and the longer that you are in Government the longer the element of risk on that issue or on some other issue. But as I say, that is the difference between the responsibility on one side of the House and on the other side of the House and that is why I feel strongly having regard to those views, I reject strongly the assertion that this is the most shameful piece of legislation that has been introduced in the House. We are acting in consonance with our judgement, we are acting in consonance with our assessment of the situation and this is what we think should be done. The alternative, as I say, could be very much worse. The alternative could be that the Foreign Secretaries would go ahead over our heads, take no notice of the views of the representatives of the people of Gibraltar and we could be faced with a very serious constitutional situation, one in which the British Government might have to take over direct responsibility for the Government of Gibraltar and then all the progress that has been made in the last forty years would have been lost and Gibraltar could be faced with the kind of situation from a constitutional point of view only, with the kind of situation of, say, Northern Ireland. He made reference about my views about the nature of the Community and I am going to conclude on this point. My views don't change regardless of whether Spain accedes or doesn't accede or whether other countries accede in due course, whether the twelve become thirteen if Turkey joins or what have you but my views about the nature of the Community being a club for the big boys apply today, they are just as relevant today and they would be just as relevant in January, 1986, after accession by Portugal and Spain. The only difference is that instead of there being ten there will be twelve big boys and the root of our problems I think, they all go back to 1973 and I am not criticising for one moment today the then administration which greeted the accession of the United Kingdom, and with Great Britain, Gibraltar, with jubilation because the then administration saw this as a process of integrating

MR SPEAKER:

1972 not 1973.

HON A J CANEPA:

In 1972, I said 1973 because it came into effect in January, 1973, the legislation was introduced here in November, 1972, and in fact, the announcement about the fact that Gibraltar would be acceding with the United Kingdom as I recall it, it may have been made earlier in 1972 or indeed perhaps even in 1971, but they saw that as being conducive to the enactment of their policy of integration with Britain and they could not have the benefit of hindsight that we have today that three years later Franco would be dead and that Spain was within a very short period of time to make the successful transition which they appear to have made towards democracy and that is what has changed everything and we are in the

Community whether we like it or not and the dangers and the difficulties are there, we cannot run away from them and we have discussed in this House ad nauseam, I think, on more than one occasion already about the alternatives and the alternatives, again, are not easy. It is very easy to say from that side of the House: "Let us get out". Yes, a stage could be reached when the situation becomes intolerable but when you have got the responsibility for adopting that view, for arriving at that decision, you try to see whether there is, if possible, an alternative course of action. I have no doubt, Mr Speaker, that things are not going to be easy for Gibraltar, I said that before, I have been saying that consistently for many years. I said that the opening of the frontier is not a panacea for all our economic ills but I have no doubt that the present situation is not a tenable state of affairs and I have no doubt that the people of Gibraltar are entitled to and deserve a new era, a new climate which, perhaps, if the indications as we have seen them so far, notwithstanding the underlying problem about the Spanish claim, might give the people of Gibraltar an opportunity to compete fairly, an opportunity to develop their way of life in a more normal situation. What we are doing in this House is really only advancing by eleven months what we would have to do next year. If Spain does not accede to the Community then we will have to think again but I think the indications are that they are going to accede and that this big club which is now going to be bigger does pose problems for Gibraltar and that even when we go it together as we did to Brussels, it is not easy it is extremely difficult to change the inborn attitudes that there are in Brussels because to them Gibraltar is a bit of nuisance, I have no doubt, and what we have got to do is to continue to be vigilant and to continue, I think, to have and to win and to retain the support of the only country which whether we like it or not has given the people of Gibraltar any kind of support in the last two decades and the only country that has been prepared to allow conditions to develop in Gibraltar in a way that has led to the emancipation and the development of a people with a distinct identity and with a dignity of their own. Thank you, Mr Speaker.

The House recessed at 7.40 pm.

WEDNESDAY THE 16TH JANUARY, 1985

The House resumed at 10.40 am.

MR SPEAKER:

I will remind Members that we are on the Second Reading of the European Communities (Amendment) Ordinance, 1985.

HON MISS M I MONTEGRIFFO:

Mr Speaker, as regards Medical Services I would like to start off by saying that in this area it is particularly clear that we are already under strain and that the Opposition has been bringing this to the notice of the Government on a number of occasions. We have also, before the Agreement was announced, been putting questions as to how Government intended to cope with an open frontier situation and what the possible increase in the number of people having access to our medical services, including the effect on the medical services of an increase in tourism, was expected. What is now clear is that the Government is totally unprepared to deal with such an eventuality and although our objections are, in principle, to what this Bill stands for, there are major practical considerations why the Government's strategy should have been the very opposite with what it is in practice. What we should have been doing consistent with the policy that was accepted in the House in July, 1980, of studying how to protect Gibraltar against the effects of the enlargement of the EEC and the lifting of the restrictions should have been, in fact, to make maximum use of the ten months that are left prior to Spanish entry to make sure that we were ready to handle the situation when Spain lifted the restrictions because it had to then simply because it would be joining the EEC and to try to change our obligations under Community law in medical services and in other areas so that we were not faced with a mass burden. In practice, what they have done is the very opposite. They are exposing Gibraltar to a situation which will be very difficult to cope with and this is being done merely to obtain the lifting of the restrictions a few months earlier. This would have happened without us having to pass special legislation giving Spanish nationals rights in Gibraltar which they will not enjoy anywhere else in the EEC. What they are doing is creating a situation whereby a relationship between Spain and Gibraltar will be created which is unique in the Common Market because every obligation that we have got today under Community law is an obligation derived from British membership of the Common Market, not from Gibraltar membership. This is clearly illustrated by the reciprocal health agreement which we have with the United Kingdom. That agreement provides that UK citizens are entitled to medical treatment in Gibraltar because the UK provides special facilities for specialist treatment in UK for a fixed number of persons every year. The rest of the Common Market is entitled in Gibraltar to whatever they would be entitled in UK because for the rest of the Common Market we are part of the United Kingdom. What we are doing with Spain that is different is that Spanish nationals will have rights in Gibraltar which they do not have in the UK and they will be the only Europeans to enjoy rights in Gibraltar which are not derived from British membership of the Common Market and Spain will be the only nation in the Common Market which does not treat Gibraltar as part of the United Kingdom. So, Mr Speaker, in the very nature of the practical application of the Brussels Agreement, as reflected in this law, we are underscoring the nature of the Spanish claim over Gibraltar which places in doubt the validity of British sovereignty.

HON M K FEATHERSTONE:

Mr Speaker, the Hon Member who has just spoken seems to paint a picture under which it is to be assumed that all Spaniards in the neighbouring area and even as far away as Madrid and Bilbao are going to flood to Gibraltar to get medical services here. That, of course, is not the position. Spaniards resident in Spain will not be entitled to medical services in Gibraltar unless they are visiting Gibraltar and actually have an accident or are taken ill during that visit and as the situation is at the moment, if they are treated for an accident or for a sudden illness they can be charged for that treatment. Whether we continue charging would be the result of a bilateral agreement with Spain under which Gibraltarians would not be charged in Spain for similar facilities but we do not need to sign that bilateral agreement if we feel that we are opening a door far wider to the Spaniards coming in than to the Gibraltarians visiting Spain because of the numbers concerned. The British residents on the Costa del Sol likewise will not be able to have the benefit of Gibraltar's medical services free, they would be treated exactly the same as Spaniards if they came over and had an accident or were suddenly taken ill, they would be treated but would be charged for such treatment. A bona fide tourist from the European Community to the Costa del Sol who came to Gibraltar on a day visit and carried with him a form E111 and did have an accident or was taken ill, would necessarily have to be treated free of charge. That is one of our obligations under the EEC Community Agreement. But in the main we do not foresee a tremendous spate of tourists coming here tripping up or falling down the Rock and having accidents and being treated and therefore we feel that our present medical services will be able to cope with the small number that may occur. If the numbers tend to increase we would have to have another look at the situation but as the position is at the moment, as I say, we do not envisage a tremendous influx of medical treatment from Spain, etc. There is no obligation to treat malingerers, there is no obligation to treat people who are not seriously ill and there is no obligation to treat Spaniards who cross the border solely for the purpose of treatment. I think this should set the mind of the Hon Member somewhat more at ease. While talking on the Bill I will only mention one other point and that is the amendment to the Traffic Ordinance. This is a reasonably sensible amendment. The first part of it means that a Gibraltarian who goes to reside in Spain or anywhere else in the EEC will be able to drive on his own licence for the period of its validity or for the period of one year whichever is the lesser of the two periods. And the second part of it gives the right to a Spaniard or an EEC national to come to Gibraltar and to drive in Gibraltar on the strength of his valid licence in the same way as Gibraltarians can drive into Spain. That is, I think, a sensible amendment, one which is not going to do any tremendous upheaval at all and I think that it is highly commendable. Apart from that, Mr Speaker, I have nothing more to say on the major points of the Bill except that I find that they are eminently satisfactory, they are giving Gibraltar the opportunity to

improve its economic position ten months earlier than would have been the normal situation if Spain had joined the EEC in 1986 and I find that those ten months will be very worthy and very worthwhile. Thank you, Sir.

HON J L BALDACHINO:

Mr Speaker, what we are saying in the Bill is that whereas Clause 6 talks about extending the provisions of the laws of Gibraltar which apply currently to Members of the EEC so that they will apply to Spanish nationals after the lifting of the restrictions, in practice, Mr Speaker, it is the opposite that is happening. We see a number of laws having to be amended to give effect to EEC requirements which have been ignored by the Government until now. The clearest proof of this is that the Government is now recognising Greece as a Member of the Common Market four years after. In the case of housing, and as we have attempted to highlight in questions previously, Mr Speaker, the right to apply for public housing is not specifically mentioned but it is implicit in the general principles of the Bill as required by Article 9 of the Regulation of the Council 1612/68. Under this Article, Mr Speaker, and I quote what it says: "A worker who is a national of a Member State and who is employed in the territory of another Member State shall enjoy all the rights and benefits afforded to national workers in matters of housing, including ownership of the housing he needs. Such worker may, with the same right as nationals, put his name down on the housing lists in the region in which he is employed, where such lists exist, and he shall enjoy the resultant benefits and priorities. If his family has remained in the country whence he came, they shall be considered for this purpose as residing in such region, where national workers benefit from a similar presumption. And it even goes further in 1612/68, Mr Speaker, because if we look under the heading - 'The Council of the European Communities' - paragraph (5) states: "Whereas the right of freedom of movement, in order that it may be exercised in accordance with recognised standards of freedom and dignity, requires in fact and in law that equality of treatment shall be ensured in respect of all matters relating to the actual pursuit of activities as employed persons and to eligibility for housing, and also that obstacles to the mobility of workers shall be eliminated, in particular as regards the worker's right to be joined by his family and the conditions governing the integration of that family into the host country".

MR SPEAKER:

May I interrupt you at this stage, where are you quoting from?

HON J L BALDACHINO:

I said it, Mr Speaker, Regulation 1612/68.

MR SPEAKER:

I have no papers to be able to follow. Which page?

HON J L BALDACHINO:

Article 9 and page 2. And if I may also quote, Mr Speaker, at the very end of it, in Article 48, the last paragraph states: "This Regulation shall be binding in its entirety and directly applicable in all Member States". Mr Speaker, if I may quote what the Housing Allocation Scheme says and what the Hon and Learned Attorney-General has answered to Question No. 204 when I was asking him a question in relation to this, our Housing Allocation Scheme, revised 1980, Mr Speaker, says in Clause 3: "Eligibility and qualifications of persons for Government Housing - (a) The following categories of persons resident in Gibraltar are eligible for Government Housing:- (a) persons who have been registered in the Register of Gibraltarians; (b) persons who are not registered in the Register of Gibraltarians but who at the time of application have a right of permanent residence". It does not say, Mr Speaker, whether a person should have a permanent residence or not, it only mentions in 1612/68 that a person has the right once he is employed, to apply for a residence permit. Clause 3(b) states, Mr Speaker: "Subject to the provisions of (a) above, all applications for accommodation under this Scheme will only be accepted from residents in Gibraltar who reside in premises where a Tenancy Agreement, either in writing or implied exists. All other applications for accommodation made from hotels, caravans and non-permanent addresses will be assessed in accordance with the provisions contained in Appendix A", which is exactly the same because I think it has been amended to what it says in (a) and (b). Mr Speaker, the Attorney-General has quoted that that has not been in conflict with EEC Regulations. In Question No. 204 of 1984 where I asked the question: "Will the right of residence being granted to Spanish nationals under the Brussels Agreement qualify them for the right to apply for inclusion on the Government Housing Waiting List?" The answer I was given was: "No, Sir. The eligibility of persons for Government Housing is clearly set out in the Housing Allocation Scheme (Revised 1980)", which is in conflict to 1612 of the EEC Regulation, Mr Speaker, which is binding on us under Article 48, last paragraph. But it even goes further, Mr Speaker, because I was asking about Spanish nationals which might be true before their accession. I asked then, Mr Speaker, after that answer, in a supplementary question: "Will this also apply to EEC nationals already in Gibraltar?" The answer from the Hon and Learned Attorney-General was: "According to the Housing Allocation Scheme it is people who are entitled to Gibraltar status and people who have certificates of permanent residence" - which is not stated under that Regulation, Mr Speaker, and it is implicit because it even gives you the form that we should give them, it even states that a person can apply and cannot be denied residence so it is nothing about permanent residence, all it entails is for

a Community National once employed to go there and say: "I want to be classed as a resident of Gibraltar". Then I asked him, Mr Speaker, in another supplementary: "Isn't this contrary to EEC law?" And the Hon Member said: "No". I am not going to quote the whole thing because it is too long. The only thing is, Mr Speaker, that the Hon and Learned Chief Minister also intervened in this question and what he said is also incorrect because he said, after the Attorney-General had answered: "It is very difficult to get one" we were talking about getting a certificate of residence, - the Attorney-General answered: "It is very difficult to get one, it would be quite difficult for them to get one". And the Hon and Learned Chief Minister then intervened and said: "Not unless they are married to a local girl or something like that", which is contrary to what the EEC Regulation says, Mr Speaker, because what the EEC Regulation says is that if an EEC National comes to Gibraltar to work and he is married to somebody who is not an EEC National, the dependent of that person can come to Gibraltar and live with him and have the same rights, even if she or he for that matter, is not a Community National. We have had similar cases with Gibraltarians who have married non-British persons, Moroccans, and I think

HON CHIEF MINISTER:

Perhaps if the Hon Member will give way one moment, I do not want to interrupt him. The only point is it is not the alien who is entitled to housing, the entitlement is by virtue of the fact that the wife of the applicant is a Gibraltarian.

HON J L BALDACHINO:

Yes, Mr Speaker, I understand that but I am referring to a particular case so that we understand what the directives say. When a local Gibraltarian marries a Moroccan she would not remain in Gibraltar by right because she has to apply for residence to the Governor-in-Council, and by virtue of the fact that she is married to an EEC National - if that was the case - instead of being a Gibraltarian he had been an EEC National - by right she could have had the right of residence because she is married to a Gibraltarian. Mr Speaker it is quite clear that our Housing Allocation Scheme, irrespective of the Hon Attorney-General's answers to Question No. 204 or to any other answers he has given in relation to that, is in breach of EEC Regulations. If I may give advice to the Government, Mr Speaker, when they bring out to tender the Gasworks Project where I think one of the requirements will be that applicants should be in the Housing waiting list, that is also contrary to EEC law because EC law states that a person should be able to purchase a house according to his needs and if he is not able to be in the housing waiting list which is also contrary to EEC law, he won't be able to buy a house. I advise the Government that they should bring the Gasworks Project out before the 5th February otherwise that will most probably be challenged.

It is quite clear that the Housing Allocation Scheme is in breach of EEC Regulations and although Government is doing nothing to legislate in this Bill to put it right, the Housing Scheme will have to be altered in order to comply with the requirements of the European Communities Ordinance under Article 48, last paragraph, to comply with the requirements of the European Communities Ordinance and we are convinced that the first time that this is tested this will prove to be the case. This example in housing shows once again, Mr Speaker, how ill-prepared the Government is to face the problems that they are burdening Gibraltar with by the introduction of this Ordinance to which we are completely opposed. We, therefore, Mr Speaker, disassociate ourselves entirely from the stand of the Government in defending this as good for Gibraltar. The Government will also have to carry the sole responsibility and they will have to answer for the problems that will also arise on Housing, Medical Services and Education - which I haven't touched on, Mr Speaker - but which other Members of the Opposition have or will be stressing in this House.

HON ATTORNEY-GENERAL:

Mr Speaker, I think it is incumbent on me to reply to the Hon Member on the points of law.

MR SPEAKER:

This is a debate on the general principles of the Bill. You may have occasion to answer other legal points and you should refrain from speaking now because you only have the right to speak once to the motion.

HON DR R G VALARINO:

Sir, there will be a derogation of certain Articles of EC Regulation 1612/68 which relates to the free movement of labour, whereby nationals of the Kingdom of Spain will require work permits and be subject to the quota system in order to obtain employment in Gibraltar until the expiration of the transitional period of seven years from the date of accession. Spanish nationals establishing themselves in Gibraltar, or providing a service, will not require work permits nor will the drivers of goods vehicles or passenger coaches. Members of the family of a worker resident in Gibraltar would also be subject to transitional provisions with free access to employment only after three years residence in Gibraltar, reduced to eighteen months residence three years after Spanish accession. The following two rights will also apply to Spanish workers on an equal basis to EC nationals under advance implementation - The right to non-discrimination during employment on basis of nationality. Spanish nationals not to be treated differently from national workers by reason of their nationality in respect of conditions of employment and work. And Trade Union Rights - equality of treatment as regards membership rights, right to vote and eligibility for election to office in unions. Article 8 of EC Regulation No. 1612/68 provides that a worker

who is a national of a Member State and who is employed in the territory of another Member State shall enjoy equality of treatment as regards membership of trade unions and the exercise of rights attaching thereto including the right to vote and to be eligible for the administration or management posts of a trade union, he may be excluded from taking part in the management of bodies governed by public law and from holding an office governed by public law. Furthermore, he shall have the right of eligibility for workers' representative bodies in the undertaking. The provisions of this Article shall not affect laws or regulations in certain Member States which grant more extensive rights to workers coming from other Member States. Although there will be a transitional period in respect of those provisions of EC Regulation 1612/68 which relate to the free movement of labour, there will be no derogation in respect of certain other Articles, among which is Article 8. The provisions of this Article will therefore apply from the prescribed date of advance implementation. The European Communities (Amendment) Bill has the effect of applying Gibraltar's existing social security legislation to Spanish pensioners and workers from the prescribed date of advance implementation. The provisions of EC Regulation 1408/71 which relates to social security matters would not be applicable until the date of Spanish accession to the Community. The effect of this is that from the date of advanced implementation, all Spaniards employed or self-employed in Gibraltar would be entitled to the benefits payable under the Social Security legislation, ie the Social Insurance Ordinance, the Employment Injuries Insurance Ordinance and the Non-Contributory Social Insurance Benefit and Unemployment Insurance Ordinance, the Non-Contributory Social Insurance Benefit provisions have now been revoked. During the period of advanced implementation, Spanish pensioners would only be entitled to the payment of pensions at frozen, pre-1972, rates. Spaniards resident in Gibraltar with their families will be given the same rights as EEC Nationals in respect of Family Allowances, ie the qualifying period of residence would be six months instead of two years. During the period of advanced implementation Spanish Frontier workers will not be entitled to Family Allowances.

HON J BOSSANO:

Would the Hon Member give way? Could I ask the Hon Member where in the legislation it lays down that an EEC National has to have six months residence in Gibraltar to claim Family Allowances because in fact the Family Allowances Ordinance, as far as we can tell, makes a distinction between Gibraltarians who are said to be people in the Register of Gibraltarians under the Gibraltarian Status Ordinance and non-Gibraltarians. There are only two categories as far as we can tell so can he, in fact, refer us to where it provides special conditions for EEC Nationals?

HON DR R G VALARINO:

Mr Speaker, Sir, I haven't got the exact answer that the Hon Member requires but I am sure the Attorney-General will in his contribution answer the question that he has posed.

HON J BOSSANO:

Mr Speaker, if the Hon Member is saying that we are giving the rights to Spaniards resident in Gibraltar which currently is held by EEC Nationals, is he sure that that is the case or is it that he has to find out whether that is the case?

MR SPEAKER:

I think what the Hon Member is saying is that he is sure that that is the case and that the Hon and Learned Attorney-General in due course will give chapter and verse as to why.

HON DR R G VALARINO:

Thank you, Mr Speaker. The main effect of the application of EC Regulation 1408/71 on Spanish accession would be that pensioners would become entitled to current rates of pension benefits. The only effect which advance implementation will have in the Social Security field, will be that Spanish nationals residing in Gibraltar with their families will be placed on the same footing as other EEC Nationals in regard to Family Allowances. In the labour field therefore, the position throughout the whole of the seven year transitional period will not be very different from the present situation apart from the exceptions which I have mentioned, and the fact that in accordance with the terms of the Brussels Agreement, the Gibraltar Government will be favourably disposed towards Spanish nationals when granting work permits. The Government has, however, already stated that the interests of the present Moroccan workforce will be safeguarded and I repeat that those non-EEC nationals who become unemployed, will, during the six month period when they are entitled to collect unemployment benefit, be regarded as part of the regular labour force and have priority of employment over new applicants for work. Mr Speaker, Sir, on the general principles of the Bill I must state that Gibraltarians cannot ignore developments within the European Community. We can no longer have this artificial barrier which is distorting the natural development of our economy. Gibraltar must develop and both the passing of this Bill and the full and normal opening of the frontier will lead to this development, as it is now up to tourism and trade to take the opportunities offered for the benefit of the people of Gibraltar. Thank you, Sir.

HON J C PEREZ:

Mr Speaker, the Hon Dr Valarino has just said that Gibraltar cannot ignore the development within the EEC and I will tell Dr Valarino and his Government that the Government cannot ignore EEC directives and that the Government, by introducing this Bill, is committing itself to granting rights and privileges to Spanish nationals which we can ill afford. This Bill is advancing these rights to Spanish nationals in exchange for the lifting of the restrictions ten months before by virtue of Spain's entry into the Common Market they would have had to be lifted anyway. We are told by the Hon Mr Canepa that this will allow us to compete fairly and develop in a more normal situation. We are then told by the Hon Mr Featherstone that this will improve Gibraltar's position ten months earlier. Then why is it that in 1980 we set up an EEC Committee from both sides of the House to look at the repercussions and why is it that we held the view that reciprocity between 25,000 and 35 million people was a disaster for Gibraltar and could not be sustained? Why is it that we have been defending that position all along and today we are saying the complete opposite, because it suits the Government to defend a different political situation? Is that the reason? It is clear, Mr Speaker, especially through the exposition of my Colleague Mr Baldachino on the question of Housing, that the Government have not quantified at all the effect that this Bill will have for Gibraltar. They are talking about improving our chances commercially whereas they are not talking about the harmful effect it can have on the private sector by lifting so suddenly barriers which have been there protecting certain areas which are supporting jobs and which are part of our economic base. They have not quantified either, Mr Speaker, what the effects on the revenue of the Government of these measures will be and it is clear that they have not thought it out. We are being presented with this Bill, Mr Speaker, because the Foreign and Commonwealth Office have told the Government that they have to accept the Brussels Agreement and the Hon and Learned Chief Minister came to this House and indeed was quoted in the House of Commons as saying that it was an honourable and a good Agreement for Gibraltar. But the Hon Mr Canepa yesterday indicated in relation to the fact that the Opposition might perhaps take a different attitude had it been in Government, that we might have ended up under direct rule if we had not accepted the Brussels Agreement. That is not an honourable Agreement and that is not a good thing for Gibraltar.

HON A J CANEPA:

I did not say we would end up with direct rule if we did not accept the Brussels Agreement. What I said was that if the Government of Gibraltar found itself in a situation of direct confrontation and conflict, and I was speaking generally, then that could result in a constitutional crisis with direct rule from London but I did not link it directly to the Brussels Agreement in the way the Hon Member has done.

HON J C PEREZ:

But it is my contention, Mr Speaker, that if the Gibraltar Government had not accepted the Brussels Agreement they would have found themselves in the situation which Mr Canepa described. In fact, Mr Canepa was talking in the context of the Bill that gives effect to the Brussels Agreement. He said that if we had not gone along with this we might have had the February meeting over our heads. Well, Mr Speaker, what then is the situation that we are facing, that either we become more and more dependent on Spain and negotiate sovereignty or we have a confrontation with the British Government and perhaps incur the problems of direct rule and everything else? I do not believe that this is the case. I do not believe this is the case because if Sir Geoffrey Howe in the House of Commons had not said that the Chief Minister of Gibraltar supported wholly the Brussels Agreement and that it was a good thing and an honourable thing for Gibraltar, the Agreement would not have had an easy passage in the Commons. If the people of Gibraltar were saying no to an agreement because they did not agree with it, I am sure that there would have been many people in the House of Commons defending the position of the people of Gibraltar. But the Chief Minister sought fit to say that it was a good thing. Mr Speaker, Mr Canepa also said yesterday that to an extent the Opposition was not as answerable ultimately to the people as the Government were. I would like to tell the Government that everybody in this House is ultimately answerable to the electorate and that the difference of being in Opposition is not only that we are not in Government but that in this House of Assembly we are not prepared to support the Government on a situation which we consider is against the interests of the people of Gibraltar and that that responsibility must be carried solely by the Government of Gibraltar and it is they who will have to face the electorate, whenever that time comes. It is they who should have told the electorate in the elections of January, 1984, that the Chief Minister and the AACR Government had changed its position on the question of granting EEC rights to Spanish nationals because the Chief Minister in the debate in the last meeting of the House said that since the 15th of September, 1983, he had told the Foreign and Commonwealth Office to explore the possibility that this should be implemented.

HON CHIEF MINISTER:

It is no use allowing people to misquote. I did not say anything of the kind. My statement is there.

MR SPEAKER:

I take it that you are saying it is no use you allowing. I don't know if he is misquoting or not.

HON CHIEF MINISTER:

First of all it was November and I did not approach the British Government, the British Government suggested the idea and I said that I would be prepared to allow it to be pursued. It is no use twisting things. The whole purpose of interventions in this House is to reflect honestly what people say and if you twist it all we shall have to continue to

HON J C PEREZ:

Mr Speaker, I am not twisting anything.

HON CHIEF MINISTER:

Please, I am standing up. So long as I hold the floor nobody else should stand and the same applies the other way. It is no use misquoting us and not expecting us to protest. This is proper fair debate and the Member must be assured of his facts before he states them.

MR SPEAKER:

My only reference has been to the word "allowing". I am not expected to be conversant with every single thing that is being said in this House but apart from that it is the right of the Member who is being misquoted to stand and say that he is being misquoted.

HON J C PEREZ:

Mr Speaker, I do not believe that I was misquoting the Hon Member, I might have made a mistake but instead of the Hon Member . . . No, I will not give way. No, I will not give way because the Hon and Learned Chief Minister when I did give way abused the privilege that I gave him. Mr Speaker, I said on the 15th December, it was on the 15th November that the British Government approached the Chief Minister, alright, but the Chief Minister acceded on behalf of the Gibraltar Government that that policy should be pursued and there was a general election in January, 1984, and if the Government had changed its mind why did they carry on within the EEC Committee seeking derogations when on the other hand they had already given the go ahead to the British Government to pursue a policy which was contrary to everything that they had said, which was contrary to any mandate that they had? They should have gone to the elections in January, 1984, and they should have told the people of Gibraltar: "We changed our minds, we think it is an honourable thing and a good thing for Gibraltar that we should grant Spanish nationals advanced rights". That is what the Government should have done because they have no mandate whatsoever to implement these policies especially since the Hon and Learned Member disclosed in the last debate that that had

occurred in November, 1983. Mr Speaker, we were told in the EEC Committee that everything was confidential, that we could not say what was happening there, trying to seek derogations for Gibraltar because we could ill afford to grant these privileges and these rights to Spanish nationals. And now we are told that by granting it to them ten months earlier it is going to be the salvation of Gibraltar, that we are going to be in a much better and competitive position. I do not believe that this is the case and I believe that Members of the Government know that this is not the case, Mr Speaker, and I think that what the Government is doing is defending the interests of the Foreign and Commonwealth Office in this House, Mr Speaker, instead of defending the interests of the people of Gibraltar who have elected them. If it had not been in the interests of the people of Gibraltar ultimately because we might not have succeeded in getting derogations to be in the Common Market, we should have perhaps left, and there is a precedent for that because, Mr Speaker, the fight for derogations was given up when Government signed the Brussels Agreement. The fight for derogations was given up there but if we had carried on, if we had pursued that policy and if we would have found that it was impossible to get anywhere along that road, if it is in the interests of the people of Gibraltar that Gibraltar should leave the Common Market, we should have pursued that road like Greenland being a dependent territory of Denmark did, after successful negotiations with the EEC and with Denmark. Mr Speaker, the only thing I am going to add is that this Bill is not a good thing for Gibraltar and an honourable situation. This Bill spells the total capitulation of the position of Gibraltar for the last twenty years and it is not only shameful, as my Hon Colleague the Leader of the Opposition has said, it is a disgrace that the same Government that has been defending that position for the last twenty years, that the same Member, the Hon and Learned the Chief Minister, who came from the United Nations getting support for that position which was the British position, should now come to this House after forty years and say the reverse and expect the people of Gibraltar and this Opposition and this House to swallow it. We will not swallow it, Mr Speaker. They will have the ultimate responsibility and they will have to face the electorate when the time comes.

HON CHIEF MINISTER:

Absolutely.

HON J B PEREZ:

Mr Speaker, it is gradually getting warmer in this House. I do not know whether it is the heaters or the amount of hot air which is emanating from certain sectors of the House. The present Bill before the House, the Second Reading which we are debating, is really a follow-up and emanates quite clearly from the two motions or from the main motion which was debated in the last House of Assembly which was proposed

by the Hon and Learned the Chief Minister. Not only did we debate the motion in full but the Hon Leader of the Opposition proposed an amendment to this motion and that was also debated. The end result was that the motion was carried and, therefore, as a result of that, the legislation is now being put to the House in furtherance to the motion adopted by this House of Assembly. Admittedly, the Opposition voted against but nevertheless that was the decision of the House and that is the way democracy works. The matter was debated fully but not only in the House but full opportunity has been given for discussion both on television, in the newspapers and during the Christmas period one would meet and one would go to many places and the main topic for discussion was really the Brussels Agreement so one cannot say that this has been rushed, that the matter has not been discussed not only by the House but by Gibraltarians as a whole. I must confess that I find that there have been two very extreme views on the Brussels Agreement. One particular quarter are those people who find that anything to do with Spain is repugnant. For example, those few people who I may say, Mr Speaker, have not yet gone over to Spain, those people who still will not eat any Spanish food products. That is one extreme of the spectrum. The other extreme, I would say, there are still some people who advocate autonomy with Spain, they talk about the Spanish flag, and you see those people now trying to come into the picture and say: "Well, perhaps, this is what we were saying before, we should have autonomy with Spain", but two distinct extreme views. But the bulk of the people, the majority of Gibraltarians, I think, the general view has been one of uncertainty. There are many people who have been saying: "We are not entirely happy but what does it mean, what legislation is the Government going to bring to the House, what laws in Gibraltar are going to be changed and who will I, Mr Smith, the average Gibraltarian, how will I be affected?" I think that has been the bulk of the Gibraltarian, that has been the reaction. Yes, I have looked to see how it will affect me, of course. Most important of all, what people have been looking to their elected representatives has been what protection am I going to receive following the granting of EEC rights to Spanish nationals? That comes both from the workers and from the business side. Both, I think, are very concerned and still are. This is why I regret to say, Mr Speaker, that we find the contribution of the Hon the Leader of the Opposition totally disappointing because he has not attempted in any way in his contribution last night to analyse the rights afforded under the Bill and the derogations and the protection that workers and business people will continue to have in Gibraltar. He has not attempted to do that at all in his contribution. All he said and perhaps the answer to that question which I am posing as to why didn't he do that which he has done on many occasions, he has analysed things, in fact he has taken a long time to analyse many matters, going into it in great depth, whether one agrees with his conclusions or not is another thing, but nevertheless the House has been afforded the opportunity of listening to his analysis. But he said: "I am not going to go into this matter in great

depth. I will talk on the principles because since I don't consider there are any merits I might as well not bother". He gets over the hurdle of trying to make a critical analysis of the legislation before the House by saying it is a shameful piece of legislation. That I think is the way he attempted to get over it. I think, Mr Speaker, that to proceed in that manner is a most unfair and a misleading approach by the Hon Leader of the Opposition. He has told us, he has told the Government that we are risking losing support from some of our members. I would tell Mr Bossano that OK, the GSLP got around 3,500 block votes but he got nearly 6,000. Those other voters, those people who voted for him which were personal votes amounting to quite a substantial number, are people who want him in the House because they feel he had something to contribute both in his analyses and in his criticisms of proposals or his involvement in affairs surrounding Gibraltar and he got many, many votes on that basis. I would tell him, as he told us, that he is also risking losing those votes from those people. Mr Speaker, let us examine the legislation before the House, the legislation which is seeking to grant EEC rights, subject to derogations, to Spanish nationals. It has already been said within the House that the granting of these rights is inevitable in any event by the end of this year, there can be no doubt about that, and the criticism we are being faced with is, why bring this forward by ten months? The answer has been that we are getting an open frontier and that a normal frontier will be good for Gibraltar. I think, Mr Speaker, we all have to consider this problem. If we had not advanced these rights now, if we had waited until the Spanish Government were forced by virtue of their entry into the EEC to open that frontier, how do we think that that frontier would have really been opened by the Spaniards? We have always said and we have always agreed that what is important for Gibraltar is not that the frontier opens but in which manner it opens, Mr Speaker. We have always said that. Does any Member honestly think that if the Spanish Government had been forced to open that frontier at the end of the year that we would be allowed to have the free movement of goods and allowing investments to come into Gibraltar and vice versa? I think the answer is clearly no, Mr Speaker. I am of the opinion that an open frontier will improve our economy. I think it will bring a breath of fresh air to Gibraltar, one can see already investments coming into Gibraltar. One can see people making queries about purchasing this and doing that. Tourism: we have been saying tourism is one of the pillars of our economy particularly more so following the Dockyard closure. But we must accept that with a closed frontier tourism will never get off the ground however many Committees, however much effort, however much money one can put into that. I do not think that tourism can really stand a chance but with an open frontier there can be no doubt that tourism will flourish provided the frontier opening allows tourists to come in, allows people to come into Gibraltar, allows them to purchase goods and to take goods back. Mr Speaker, as I say, I do not accept the pessimistic view which is held by some Members of the House. I think the message that must emanate from this House of Assembly is threefold. To the workers one must tell them that the seven year transitional period applies. It was

only a week ago that I was talking to a prominent member of Mr Bossano's GSLP and you know, Mr Speaker, that man didn't know about the seven year transitional period. That man said to me: "How come the Government passed this legislation when we are going to be flooded with Spanish workers coming into Gibraltar with the same rights as Gibraltarians?" That, unfortunately, is the position and I have to point the finger at the Leader of the Opposition because of the manner he has tackled it and I accept that politically it is a very nice stand to take because, of course, one realises that there are going to be problems. One would be stupid to say everything is going to be hunky dory. Mr Bossano obviously wants to say when the problems arise: "Ah, you see, I told you, I voted against it, it is the Government who is to blame. Any problem, whether it affects the business sector or whether it affects workers". That is the political stand that the Leader of the Opposition has taken but what I ask him to do is to at least inform the public of what we are really trying to do in advancing EEC rights. Inform the people what the derogations are. Inform the people of Gibraltar what protection there still is. And if one remembers in the last House, at question time, the answers we were giving in connection with these rights, when we were saying: "Ah, the Trade Licensing Ordinance is there. These other Ordinances exist to protect ourselves". What was the reaction of the Opposition? They were saying: "Ah, that is against EEC". Here you have the Opposition telling us on one side: "You have to protect Gibraltar otherwise it is going to be a catastrophe, we are going to go down the drain, we are going to be ruined, and you should protect Gibraltarians". When we say: "Yes, the protection is there", they do not accept that protection, they say it is against EEC. That, Mr Speaker, I am sorry to say is the reality of the situation, the reality of the stand taken by Mr Bossano. Let all Gibraltarians know that the seven year transitional period is there. Gibraltarian workers have nothing to worry about from Spanish workers in any event. Let us not forget the investment that would come which I say you can see already coming into Gibraltar. More jobs are going to become available. That is good for those who are unemployed. To the traders, what message should we give them? To the traders, they should know the Trade Licensing Ordinance is there, to protect them and that is not against EEC. We have the Imports and Exports Ordinance. Yesterday, in the House, the Hon and Gallant Major Dellipiani, in answer to a question stated that in order to import sand one requires a licence from the Director of Public Works. There are other Ordinances which I think are controlled by the Consumer Protection relating to the importation of price controlled products like milk, butter, sugar, which requires suppliers to maintain a certain stock. That law is there. That will protect the Gibraltarian trader so why are we so worried, Mr Speaker? The law is there, the protection is there. Another point that must be made clear is that here in Gibraltar we all tend to think that all Spanish businessmen will want to come into Gibraltar to trade. I think many Spanish businessmen are going to realise that the market in Gibraltar is very

limited, we are a small population. But let us not forget that businessmen in Gibraltar will be able to transact business in Spain, Gibraltar will be able to be used as an entrepot. That is clear, that advantage is there for the local businessman as well which I think people totally forget. We will be able to go into the whole of the Spanish market which is huge compared to little Gibraltar. Finance Centre activities, that will boom. It is booming now in anticipation of the granting of EEC rights. That creates jobs, that creates wealth for Gibraltar. Why are we not saying all these things? Why is the Opposition totally quiet as to the advantages that will undoubtedly accrue to Gibraltar? Why such a negative and pessimistic attitude? I think, Mr Speaker, that that must be the message that must come across from this House of Assembly which the Government has attempted by way of press releases, by way of contributions in this House, to put forward as best as it can what the Bill is all about, the protections that are there and what, in fact, we are giving. My last point, Mr Speaker, is directed at Mr Bossano and that is that based on the question of the bipartisan approach. Again, I think it is regrettable that Mr Bossano should not feel that he could be included, he wants to be left out. And again I would say to him that he is doing that purely on a political basis. In other words, if he is left out, if anything happens, if he gets any queries, any problems, he can always say: "Ah, I was not involved, it is the Government you have to turn to". Mr Speaker, that is all I wish to say.

HON M A FEETHAM:

Mr Speaker, having listened to the last speaker, obviously, we are not living in the same world at this precise moment, that is quite clear. He made a lot of emphasis on the fact that my Colleague the Leader of the Opposition has not made an analysis of the situation and that he has tried to make cheap politics out of this at this precise moment in time. Perhaps, it may be opportune, therefore, to make an analysis of what this Bill means today. As the Hon Member opposite, Mr Canepa, said it is a matter of judgement at the end of the day. But what does this Bill represent today for Gibraltar? That is what we have to decide and that is what the people of Gibraltar have to consider at the end of the day, whether it is a good or bad thing for Gibraltar. This Bill, Mr Speaker, did not start today. This Bill is the epitaph of what the Government set out not to do and is going to do today or tomorrow when they vote in favour of the Bill. This is what this Bill is all about, it is an epitaph against the Government's consistent policy of the last few years. It is contrary to everything that Mr Perez is in fact trying to put over. His message is that we should be saying the Trade Licence is a good thing because it has got protection, the Bill is a good thing because it has got protection for labour, the Bill is a good thing because it is going to allow development and that is the message that should go out to the people of Gibraltar. Well, the Bill is not a good thing,

Mr Speaker, because it has got to be considered in the overall political context of Gibraltar now and its future and that is why this Bill is a terribly bad Bill for Gibraltar's future. I shall explain why it is a bad Bill for Gibraltar's future. Isn't it a fact, and the position has not changed, that both sides of the House have been saying that Gibraltar could not aspire to creating a mini economy on similar lines to the Member States of the European Community, isn't that a fact? We have been saying that all along. The position has not changed because to compete or to attempt or to be put in a position of competing on equal terms with the economies of the European Community is to wipe out Gibraltar economically and politically. That is a fact and I have not even discussed the question of Spain yet. It was therefore of fundamental importance both economically and politically, and both sides of the House have been clear about this, that Gibraltar should seek protection, that Gibraltar's position should be looked at in the light of the poor negotiations which were done on our behalf in 1972 and in the light of experience since then. We have not yet got to the Spanish application for membership. We were experiencing problems and it is no good the Hon Mr Perez saying that it is a good thing for the Finance Centre and it is a good thing for this and it is a good thing for that because precisely every organisation that he has mentioned has made representations to Government and they have all said that they will be faced with problems unless Gibraltar sought a re-negotiation or unless Gibraltar gained certain protection. That is a fact. The fact is that when the EEC sub-Committee was set up, these things were discussed and these things were pursued. The fact is that the Government have consistently played lip service to the people who have been making representations, lip service to all the motions that have been coming to this House since then, and at the end of the day have made a complete farce of what this House stands for and in the corridors of power have been playing lip service to us and accepting the advice of the Foreign Office all along. What has happened is that we have never been able to move the British Government one iota in seeking protection for Gibraltar, because of its size, because of its basic requirements to sustain its own economy and from the basic requirements of having an opportunity of continuing the identity of the people of Gibraltar as we would like it in the future. History will show that this is the case. What has happened since, Mr Speaker? We were pursuing that sort of line being aware of Spain's application to enter the EEC and it became a matter of serious and urgent concern that unless we were able to change our terms of membership and nobody has mentioned, as a matter of policy, leaving the membership of the EEC, that unless we did so the situation was going to be more serious and that our position was going to be more vulnerable because regardless of the political implications, regardless of that, Gibraltar if its economy were going to be suspect in the face of competition and I am not going to quote or quantify that competition. I am not going to quantify that at this stage but it was clear that we were going to be vulnerable. And what has happened? Motions

have come to this House and we have sought at different levels to obtain the protection that we thought was necessary. With regard to the protection of labour did we not say that the concern of Gibraltar, on the one hand stemmed from the size of the territory and its limited and dwindling resources and on the other from the political relationship with Spain and from that country's continuing avowed objective of seeking the incorporation of Gibraltar and its people into the Spanish state. Did we not say that Gibraltar had traditionally always had to import labour and still has a sizeable immigrant labour force and that we were beginning to experience unemployment, and that we were apprehensive about the 30% unemployment on the other side. And even if Spain was not pursuing a territorial claim on Gibraltar, that we would still have qualms about being swamped by a large neighbour in relation to the labour market. And did we not say, Mr Speaker, that regardless of the seven-year transitional period it was still in our interest to have a controlling factor after the transitional period, that it was still in our interests to sustain a system of a quota, did we not say that? What has changed the position today? Life continues after seven years, does it not? We must not try to sell something as easily as the Government is trying to sell to the people of Gibraltar because if the Government were so convinced that it was such a good thing and such an honourable thing, and since the Government saw it fit to have a debate in the House and to participate in a television programme, if it was such a good thing why did not the Government go to an election and why did not the Government put it to the people for final acceptance because they did not have a mandate to pursue the policy that they have pursued. If it was such a good thing, if they were so confident that Joe Bossano was going to lose so many votes and if Joe Bossano is so confident that the Government were going to lose support on this, then let us find the truth, why didn't they put it to the people of Gibraltar? Fundamental changes are taking place here and we must not forget, Mr Speaker, that the process that we are today pursuing is a policy of harmonisation, it is a policy of economic integration because that is the philosophy of the European Community and unfortunately for us, for the people of Gibraltar, that harmonisation, that economic integration is putting us in, for lack of better words, is putting us in the hands of our next door neighbour who has got a claim and will do everything possible to integrate us quicker with them because it is the only way that they will be able to achieve a change in sovereignty. Our mission is not to put ourselves in a confrontation position with the British Government and the British Government saying: "Well, if you do not agree with it Sir Joshua go back to Gibraltar because I am going to do what I think is necessary". That would never happen because if I thought personally that that was going to happen, I not only as a Gibraltarian but a man who believes in British traditions and institutions and constitutions and in British democracy, would talk out of this House today and forget about politics and forget about defending the interests of the people of Gibraltar, if I thought that that was the way the British Government was going to treat the people of Gibraltar if we had a genuine case to put over and if we had a sound case to put over. I genuinely and

sincerely believe that we have a genuine case to put over and that we have lost the opportunity. Ironically, we have lost the opportunity which Spain presented by its membership application to open our membership for the European Community if we were convinced that those changes were necessary. The Finance Centre, despite the boom that the Hon Member says they are enjoying today, do not agree with you. Neither do we on this side agree with you that we are going to be able for evermore to put the EEC directives to one side and forget about them. That is what we feel the situation is going to be. Having looked at this Bill from the political side let us look at the secondary stage of this Bill. I have been around for about twenty years in different sections of public life, and this is the culmination of it, and I have still to accept how is it possible to make statements which are on public record one year before, two years before, and statements which are fundamental, and statements which are statements of principle, and then it is swept underneath the carpet and something else is said and everything else that has been said before is no longer valid. This is the secondary stage of this Bill because having accepted that we have lost out on the re-negotiation, there was nothing that could be done, certainly Gibraltar could never have prevented Spanish entry into the European Community, that is a fact of life, it would be wishful thinking to think so. What we were saying is that we need to re-negotiate during the process of Spanish entry. It is not a question that we would have opposed Spanish entry, Spain has got a right to be a Member of the European Community, Spain has got a right to join a democracy and as a democrat myself I defend Spanish entry into the European Community. But what are the secondary implications here? The Chief Minister said in December, 1980, in a motion which my Colleague brought: "This House considers Spanish nationals cannot be granted the same rights as EEC Nationals in Gibraltar prior to Spain attaining full membership of the EEC". During the debate on this motion Sir Joshua said: "Finally, Sir, I wonder if it was really necessary to bring this motion before the House. I am sure the Hon Member does not believe that anyone in this House does not hold the views expressed in the motion". This was in 1980, and I ask the Chief Minister; what has changed since 1980 that we should do the "prima del año" of giving something away for nothing because nothing is what we are getting other than the lifting of the restrictions and the restrictions would have been lifted in ten months time, Mr Speaker. Where is the integrity of the people of Gibraltar who have sustained twenty years, admittedly at least fourteen of them have been because of a fascist rule in Spain, who have sustained and have gone along with British Government policies, have gone along with accepting having faith in the Chief Minister, and all of a sudden are told that all of that goes to one side and because it is a good thing so as not to allow animosity to continue on the Spanish side, that all that should be forgotten and that we should give the Spaniards EEC rights ten months

before in order to lift the restrictions. Is there an economic argument, Mr Speaker, because the Government has not put one forward, to allow that to happen ten months before? Of course there is an economic argument. The Government has got economic problems, the Government is on the verge of bankruptcy but that is a Government problem, it is not a problem of Spain and it is not a problem of principle because if the Government has got economic problems they shall have to face the people on the economic problems. The thing is, Mr Speaker, that in return for the dignified stand which we have taken over twenty years the people have been slapped across the face and the Chief Minister is responsible for that. No matter how much propaganda, no matter how much we sell it, the principle of it, the fundamental principle of it, the indignity of it is that we have traded that in for advancement of EEC rights to Spaniards. That is what this Bill, in its secondary nature, is all about. The fundamental importance of the Bill was that after so many years knowing the problem we have not achieved one iota, one change from the terms of membership which have gone against us since 1972, Mr Speaker, the way this is now being sold to the people and I quote the statement by the Council of Ministers in response to the petition signed by over 5,000 signatories, in paragraph 7, it says: "The official talks held last week have confirmed, both in approach and in substance, the Chief Minister's statement in his New Year message two weeks' ago that he believed that there occurred in the highest councils of the Spanish Government, a fundamental reappraisal of the future relationship between Spain and Gibraltar and that the essence of the relationship would be, as stated in the Brussels Agreement, the promotion of cooperation on a mutually beneficial basis and a new attitude to the people of Gibraltar". Well, the official talks held last week are talks which no doubt were necessary because when you are going to implement legislation affecting cross frontier services, etc it is only correct that at that level there should be mutual discussions but it is this further part of the statement which I would like to concentrate a little bit on, this future relationship between Spain and Gibraltar and a new attitude on the part of Spaniards towards Gibraltar. If this were to mean to me that Spain in this change of attitude was going to pursue a policy of wooing the people of Gibraltar over and at the same time continue its main aim of incorporating Gibraltar into Spain, then as far as I am concerned, not because it goes against my fundamental beliefs that Gibraltar belongs to the Gibraltarians then, of course, as far as I am concerned it does not mean a new relationship at all. It is only natural that a fascist attitude should be so different to a democratic approach otherwise we are wasting our time. But if this new attitude on the part of the Spaniards means that the Spaniards are prepared to accept the rights of the people of Gibraltar to self-determination and if that has been said somewhere, which I am sure it hasn't, then I would say we may have a chance

to survive as a people. But until such time as the national interests of Spain and our interests as the people of Gibraltar and the right of Gibraltarians to Gibraltar is accepted by the Spanish Government, the right of the people of self-determination and the right to decide their future and they give up their definitive claim to Gibraltar, the definitive claim of incorporating Gibraltar into Spain and allowing us to live our way, then as far as this side of the House is concerned there has not been a change at top level on the part of Spain towards the people of Gibraltar, Mr Speaker.

HON MAJOR F J DELLIPIANI:

Mr Speaker, I am quite relaxed on the general principles of the Bill even though I have been described before as a 'hawk' and now I might be described as a 'wet'. I was extremely disappointed on the 14th December, 1982, when the partial opening of the frontier was implemented by the Spanish Government, at the undignified rush to cross over into Spain, not only by people who had relations in Spain and they had the excuse, but by most of the Gibraltarians who are now getting so heated up about this. I wonder how many of those people who signed the petition have second homes in Spain. I think the Hon Mr Feetham mentioned the fact about statements being made by politicians a year ago or two years ago and now there have been fundamental changes. I do not think there have been any fundamental changes. All of us here, certainly in the history of this House everybody who has been elected to this House, has never asked for any kind of re-approachment with Spain. Anyone who has done that has never been elected so the future of Gibraltar is in the hands of the people of Gibraltar who will elect the next term again, and the next one and the next one. History has shown that anybody who has asked for any kind of deal where the sovereignty of Gibraltar is in dispute has not been elected so I am quite relaxed in that respect. I had intended to put blinkers on and try to ignore the fact that we have Spain just across the frontier but Spain exists it is over there. Whether we have gained a year or not, I think that gaining a year is very much in our favour. I think Gibraltar is suffering a lot economically, I think a lot of other factors have contributed to the economic situation of Gibraltar but I think the partial opening of the frontier has contributed even further to our economic problems. And even though, and this message is for the British Government, that because the frontier is open fully we are all going to become millionaires next year, I hope that they realise that this is not going to happen because I am quite convinced that even though we have gained a year, it will still take us two or three years before we can stand on our own two feet. That is something that I want as a Gibraltarian, I do not want help from Britain, I do not want help from anybody else but I certainly want help because of the situation that will arise through a

frontier opening and I hope the British Government takes note of that fact that her obligations are still there to sustain and support us. Politicians do change their minds, they change attitudes. A perfect example is that of our neighbour Felipe Gonzalez before he got into power and his attitude to NATO. But circumstances change and now he accepts NATO, even though with certain reservations. As far as I am concerned, Spain's contribution to NATO will be negligible because I think they will be even worse than the French, they will not be a very reliable ally within the NATO context. But if this is what the EEC and NATO think is necessary, so be it. Here is an instance of a man who was shouting against NATO and a referendum and all the rest of it and he has completely changed his mind. When one is in power one looks at things in a different way. I have said, Mr Speaker, that there is an advantage, and other Members have said it, in the advance implementation by one year before the forced implementation of the open frontier by Spain because of her membership of the EEC because during this transitional time the Parliaments of all the EEC countries have to agree to the entry of Spain and Portugal and in this period of time we still have time to gauge the way they open the frontier. I would urge the British Government that they should be the last to bring to their Parliament the question of allowing Spain into the EEC because during this time, this period that we have, we can gauge their behaviour and their attitude towards Gibraltar. I think that is something that should be borne in mind, the fact that the British Parliament should be the last one to give the OK to Spanish entry into the EEC. During this period of advance implementation we can gauge the attitude of Spain towards us. I really thought when we came to this House that all we were going to talk about was the question of sovereignty because that is the question that has bothered us all. Of course there will be problems with Spain in relation to labour and housing and education, of course there will be, I accept that, but I also accept the fact that if we are together we will be able to overcome all these problems, I really think so. I think that Gibraltar has the capacity to adapt to all situations. I think the Chief Minister has already said in this House that the question of negotiations were accepted with reservations and I know what those reservations are. The Chief Minister has made them public so I am quite relaxed about that because, certainly, I am not going to accept a change in sovereignty. And if there was any suspicion that there would be a change in sovereignty I would cross the floor and join you over there but I am quite relaxed about this, I really am. I think that the people of Gibraltar are being a bit emotive about this because I have been emotive in the past but I face the fact that this was something that was going to happen in a year's time and if we gain a year we can gauge the way they behave, we can see how they behave and we can tell the British Government: "Look, this is the way they are behaving, they are not behaving as a civilised European country". I would have liked to have gone into some of the general principles of the Bill but I really think that the people of Gibraltar are mostly concerned about sovereignty and I am quite relaxed about the issue of sovereignty.

HON R MOR:

Mr Speaker, if I may refer to the general principles of the Bill. In the first place, the Bill which is to make provision in connection with the inclusion of the Hellenic Republic four years ago, I think this is very much an obvious example of the Government moving expeditiously again. Going on to the Second Schedule which refers to the derogations, exceptions and modifications in relation to the Kingdom of Spain, I think, Mr Speaker, that there is a fundamental contradiction in the statement that EEC rights are being advanced to nationals of the Kingdom of Spain and to what we are being told in this House that will apply to nationals of the Kingdom of Spain. I think this raises the question of whether the Gibraltar law is in accord with that of the European Economic Community. I think, Mr Speaker, that in some cases, from what has transpired in this House, the answer to this question is no, that some of the laws are not following the EEC directive. I think in this respect, if I may refer to the family allowance, for instance, we are being told that our legislation says that there are two categories, a Gibraltarian and a non-Gibraltarian and that a non-Gibraltarian to qualify for family allowance has to be resident in Gibraltar for two years. Now we are being told in this Bill that a Spanish national has to be resident six months before he can claim his family allowance. Well, what is the situation as regards an EEC National? As regards pensions, again, there seems to be some controversy. In Question No. 18 we asked whether the Government could state which of the two conditions, ordinarily resident in Gibraltar or 104 weeks of insurance contributions since the 2nd July, 1970, as a requirement for the full rate of benefits is contrary to EEC legislation. The answer we were given, Mr Speaker, was that neither of the two conditions is contrary to EEC legislation inasmuch as they apply to nationals of all countries and are therefore not discriminatory. But we heard the Minister for Labour and Social Security saying not so long ago that with respect to Spaniards they would be paid pensions to what they were worth before 1969. If the Bill is saying that you are advancing EEC rights to nationals of the Kingdom of Spain, then I think this is absurd. I think, Mr Speaker, there is one point that has not been raised in this debate so far and this is as regards what authority does this House have to offer a foreign power EEC rights. Mr Speaker, if I may quote from an EEC document, the definition given to 'competent authority'

MR SPEAKER:

Which is the document you are going to quote?

HON R MOR:

The document is 1408/71 but I think the definition will probably be constant throughout all the document because it just makes reference to the competent authority of an EEC State. And it says: "A competent authority means in respect of each Member State, the Minister or other equivalent authority". Well, Mr Speaker, in our case the Member State is not Gibraltar, the Member State is the United Kingdom and I think it is then quite obvious that if any legislation has to be introduced to give advance rights to Spanish nationals then it has to be the United Kingdom and not this House. I think, Mr Speaker, what is happening is that we are being used. I think this House is being used, it is intended that we be manipulated, moved about like puppets, and in this respect neither myself nor other Members of this Opposition want anything to do with it.

HON G MASCARENHAS:

Mr Speaker, there is no doubt that in all the Hon Members' speeches there has been a certain amount of apprehension from both sides. If we were to have a sliding scale perhaps I could describe it from the opposite side we have 100 and from this side we have 10, but there is no doubt that we all share the anxiety to a certain extent. The fact remains that we shall be supporting the legislation in its entirety partly because I think that on this side we are a little bit more optimistic than the other side. I think the Hon the Leader of the Opposition tends to be a pessimist on many occasions when, as my Hon Friend Mr Brian Perez said, he could make a bigger contribution if he were to be a little more of an optimist on certain issues certainly on an issue of this magnitude. Most of the Hon Members on this side of the House have mentioned the fact that at the end of the day it is a matter of judgement, judgement which might be reflected in three years' time, in 1988, if there is an election in 1988, possibly before. Of one thing I am certain is that as far as the AACR is concerned we can almost be guaranteed that it will be in 1988, because we serve our terms. This will tell whether the judgement that we are exercising today will be correct or not. Gibraltar has to move forward, of that there is no doubt. The fact that the advance implementation will be eleven months earlier I think has been described by the Hon and Gallant Major very, very correctly, it will give us a period of adjustment, in seeing how the other side reacts to what we are doing. If at the end of the period the Government should feel justifiably that we have been taken for a ride, I think we would be justified in decrying the advance implementation. Gibraltar has to move forward, of that there is no doubt. In 1986 Spain will become a Member of the EEC and then whether we like it or not we would have to agree to EEC rights for Spain.

What are the alternatives? The alternatives are dangerous. Withdraw from the EEC? I have given this matter a lot of thought but, quite frankly, I have dismissed it totally and so have my Colleagues. There is no way in which Gibraltar would survive in a Europe of the 1980's which is moving forward at such a pace for integration of all its citizens. I have said before on many occasions that Gibraltar is extremely well suited to facing challenges perhaps because we are small. We are cohesive, others are not. I think that we have been afflicted by a paranoia here in Gibraltar for far too long and this is why I decry the attitude of the Opposition, particularly the Hon J C Perez when he becomes hysterical over it. There is no need to get hysterical, things can be thought out and the paranoia can be put aside and things can be done quietly. I remember a few weeks ago an incident that will take a long time to forget and that is the matter of the chestnuts when people became so paranoid because a Spaniard was selling chestnuts. The Hon Michael Feetham is not in the Chamber but if twenty taxi drivers were to come and fill those ranks down there, I think everybody would stand up and decry it. Mr Speaker, the other thing I wanted to say was that somebody stopped me in the street and accused us of selling down the river everything that we stood for and we have heard Hon Members saying that. My answer to that gentleman was very straightforward and very simple. Does that gentleman think that Members on this side of the House are Martians, are we not Gibraltarians? The Hon Leader of the Opposition said yesterday that we were all Gibraltarians at the end of the day and we feel as they feel. And when people in the street tell us that we are selling them down the river and they are creating that small barrier between them and us, I think it is unfair and unjust because I think we are just as Gibraltarian and the question of the right to our land is just as important to us as it is to the Members of the GSLP on the other side. The Hon and Gallant Major mentioned the matter of sovereignty. I am just as relaxed as he is on that issue and whatever happens in Geneva on the 5th and 6th February, I am sure that the people of Gibraltar will not have to sigh with relief because quite frankly I don't think that any developments will take place on that score. I was hoping that the Hon Robert Mor would mention something on the question of education. We has not and I am glad that he has not because there is nothing absolutely in the legislation being passed today which affects education and there is no anxiety as far as I am concerned because we are very amply covered and we will not have an influx of Spaniards wishing to take up residence in our Schools. The legislation is very clear, it is not against EEC legislation and we are amply covered in that respect. I am satisfied that anybody who is not resident physically in Gibraltar will be unable to attend our Schools.

HON J BOSSANO:

Is he saying that this will continue to be true after Spain becomes a member of the EEC or only in the interim period?

HON G MASCARENHAS:

Mr Speaker, I can categorically state that that will be the case in the future. Many nations, the big boys, as the Hon Adolfo Canepa refers to them, have not complied with EEC Regulations since they have become members and that is a fact of life. What does not suit us, does not suit us and that is a reality whether we like it or not. Mr Speaker, it might be described as a shameful piece of legislation by the Opposition but that, I think, is a pessimistic outlook. I tend to think of it as a very optimistic way forward for Gibraltar and I think we will not have cause to regret it in three years' time when we go to the electorate once again and I think that time will prove us right.

HON J E PILCHER:

Mr Speaker, I would like to, in my contribution, tackle different things and try and sum up the position of this side of the House. I would like to make a passing comment about one of the things said by the Hon and Learned Chief Minister in his contribution, where he was trying to tell this side of the House that apart from what we are offering Spanish nationals in Gibraltar we, the Gibraltarians, were also being offered reciprocal rights in Spain. I think, rightly so, from this side of the House, we were shaking our heads because really, Mr Speaker, this is of no consequence to this side of the House and I think it is of no consequence to anybody in Gibraltar. I take the Hon Major Dellipiani's statement that a lot of people want to go to Spain, either on holiday or just crossing over the frontier but I think, in essence, what we are discussing today is the rights that we are going to give Spanish nationals in Gibraltar, that is what we are discussing not the right of movement across the frontier but the rights that we are giving Spanish nationals in Gibraltar. Various statements have been made on both sides of the House that the EEC is a club for the big boys and whatever Spain gives us in Spain is nominal, it is of no importance. Every penny that we give Spanish nationals in Gibraltar is a notch in our economy, every peseta that the Gibraltarians get in Spain is a drop in the ocean because we can be absorbed, 25,000 people can be absorbed by the economy of Spain without any single problem whereas ten, twenty or thirty people in Gibraltar can make a dent in our economy. I would also like to refer, I think my Hon Colleague Mr J C Perez mentioned this question of the date of the 15th November, 1983, and I have got it right because I questioned the Hon and Learned Chief Minister in the last House when we were discussing the motion on

the Brussels Agreement, welcoming the Brussels Agreement, and when I told him that what he should have done in November, 1983, is make this public through the manifesto of his party, he said to me that he had his own way of testing public opinion, that he had ways and means of knowing what the people of Gibraltar felt and that he did not have to make things public. This is the gist of what he said but I will give way to the Hon Member if he wants to state exactly what he said.

HON CHIEF MINISTER:

I did not want to interrupt him. It was not in that context it was not in the context of testing, it was in the context of the process that started in November, 1983.

HON J E PILCHER:

Be that as it may, the Chief Minister said that he did not think that he should make it public because he had his way of testing this thing and yet we are presented at the start of this House of Assembly with a petition endorsed by 5,500 or so signatories and the petition is laid on the table with the AACR abstaining from the vote. The AACR abstained not from discussing the motion but abstained from having the motion read in the House. I do not know what the idea is behind abstaining, perhaps it is another of this ostrich tactic, if you abstain you put your head in the sand and think that just because you have abstained the petition is not there, something which the Government accuse us of many a time. I will not go into the petition because it has already been read but I think it says two very important things: "We as people with rights to our territory cannot accept that Spain should have any say over any issue concerning Gibraltar". I will tackle the sovereignty issue which the Hon and Gallant Major Dellipiani said we had not discussed because in answer to this petition the Government of Gibraltar issued a statement by the Council of Ministers reiterating that they did accept the Brussels Agreement with a reservation but the statement in the petition: "We as people with rights to our territory cannot accept that Spain should have any say over any issue concerning Gibraltar", is not an acceptance with reservations of the Agreement, it is a tantamount denial of the discussion of sovereignty. In the second paragraph of this petition, it says: "We submit that to give preferential treatment to Spanish nationals by the advance implementation of EEC rights would be a negation of the sentiments expressed above and undermine the rights of Gibraltarians in Gibraltar and its future sovereignty". These are not the words of the Hon Leader of the Opposition, these are not the words of the Opposition, this petition which collected 5,500 signatures, although the Hon Leader of the Opposition, who the petition was presented to, says that perhaps it might have been possible to get more signatures, this petition did not have behind it the muscle

of any political power. It wasn't Joe Bossano collecting signatures, it wasn't Joe Pilcher, it wasn't Members of the DPBG, it wasn't like, for example, other petitions, it was children collecting 5,000 signatures. Children collected the signatures, the youth of Gibraltar. In answer to this paragraph the statement by the Council of Ministers said: "We cannot agree with the second paragraph of the petition. Spanish nationals will in any case enjoy European Community rights from the moment Spain enters the Community probably in less than a year's time". And this is where I refer to the Brussels Agreement. And it says: "The necessary legislative proposals to achieve this will be introduced in Spain and in Gibraltar". And this word "introduced" is the word that should have been put in inverted commas which is the normal practice of the Government benches now because this word "introduced" means introduce and pass and I have to agree with the Hon Leader of the Opposition that irrespective of how many people have signed the petition the outcome would be exactly the same. There is no way that the Government of Gibraltar could vote against the legislation which gives Spanish nationals the same rights as EEC nationals in Gibraltar, with certain derogations. But this is, Mr Speaker, what is behind the sometimes aggressive opposition behind the advance implementation of rights because it is really this, the advance implementation, which will lead, I mean, if we read the legislation we will see that the derogations are only effective until Spain joins the EEC and this is why the Opposition are so opposed to the advance implementation of EEC rights because the advance implementation of EEC rights leads to those EEC rights. This is the real importance behind the opposition that we have EEC directives in front of us. Some are dated, for example, June, 1971; March, 1972, and I think there is one in 1968. I have only seen these regulations and directives for a week and in that week of studying these regulations we have seen what my Hon Colleague Mr Baldachino has said about the dangers affecting the housing list. We talk about the fact that only the people resident in Gibraltar can apply for a house, this goes by the window. The fact that in the same allocation list we have a pointage system that gives preferential treatment to Gibraltarians, it has got Gibraltarian status 100 points, that cannot be maintained so you will put Spanish nationals on the same footing as Gibraltarians. Perhaps not now, but certainly in ten months and this is the real opposition. Since July, 1980, we in the GSLP, and I say we in the GSLP and not we in the Opposition because in July, 1980, there was only one person in Opposition, but since July, 1980, we have been telling the Government that we had to look closely at these regulations and seek the areas where we would be affected in Gibraltar and that we should be taking certain steps to be able to get derogations and certain privileges for Gibraltar because of our size. We have not done this and I disagree slightly with my Hon Colleague J C Perez when he said that the Government gave up the fight when they signed the Brussels Agreement, the Government gave up the

fight before but, officially, they gave up the fight when they signed the Brussels Agreement because I think it is a farce to say what the Hon Mr Mascarenhas has said, that we will test what the reaction of Spain is and then if we see that the reaction is not what it should be, then we will withdraw it. Who is he trying to kid? When are we going to withdraw it, to be implemented today and withdraw it in three months' time? And, anyhow, by the time that we have seen whether they mean what they say or not, the ten months will have elapsed and we will be in a position where we have to give them full EEC rights, not by virtue of bilateral agreements but by virtue of the fact that we are a member of the EEC and they are a member of the EEC. On education the Hon Mr Mascarenhas says that in the future they can maintain their residence clause in education and, perhaps, even in medical services. But does not Mr Mascarenhas know that the definition of the EEC as regards residence is not residence in the Member State, it is residence in the Community irrespective of whether it is Gibraltar, Spain, England, Germany or whatever it is? That is the definition of residence. The Hon Mr Canepa was right when he was referring to one of our laws, that it had been put under a microscope and that they had found that they would have to change slight areas of the law because when they had checked them under a microscope what we had to give the EEC, then they had found that we had to change our laws. This will be exactly what happens to all our laws, to our Employment Injuries Ordinance, to our Social Insurance Ordinance, to our Medical and Health Ordinance, to our Group Practice Medical Scheme Ordinance. All these laws will come under a microscope and we will find that by the end of the year we will have to apply 1408/79 to all those Ordinances and Spanish nationals will be entitled to housing, to medical services, to education and to everything. This is the way we see it and we have only had a week to study this. What is the real reason behind the Government's acceptance of the Brussels Agreement? I think, again, it is found in their own statement: "We cannot agree with the second paragraph of the petition as Spanish nationals will in any case enjoy European Community rights from the moment Spain enters the Community". That is the real reason, the real reason is that it is much easier to accede to something than to fight it. We have eleven months to fight it. We have eleven months to try and get derogations. We only have eleven months because we have had four years and we have done nothing about it. It is exactly the same argument as was put by the Gibraltar Government on Gibraltar Shiprepair, on Appledore, it is a defeatist attitude. It is an attitude reflected by the Hon Mr Canepa who said that to oppose these things could create constitutional changes. I know my Hon Colleague J C Perez has already mentioned this but I thought to myself, is this what the AACR consider the future Chief Minister of Gibraltar, the Hon Mr Canepa telling us that if we threaten the United Kingdom Government they might stop the Constitution and we might have direct rule from the United Kingdom. If that is the policy, if that is the policy

MR SPEAKER:

Order. He clarified what he had in fact said when Mr Perez misquoted him.

HON J E PILCHER:

I am sorry, Mr Speaker. I might have misunderstood that but certainly that is the gist that I got when we were referring to constitutional change. But, anyhow, it does not vary or alter the question that the position accepted by the Government is a defeatist one, one where it is easier to accede than to fight. I think this is the history of the AACR, the history of the governing party, where every time we are at a crossroad of Gibraltar's future they take the easy way out, the way of not confronting the British Government and I think, personally, although I know that perhaps they do not, it is a matter of judgement, I think compromise Gibraltar's future by doing so. If I may again refer to the petition because I think that the petitioners have really hit the nail on the head when they say that the advance implementation of EEC rights would be a negation of the sentiments expressed above which are the sentiments that as a people we have rights to our territory and cannot accept that Spain should have any say over any issue concerning Gibraltar. I think they have hit the nail on the head because I think one of my Hon Colleagues said this, I think it was the Hon Leader of the Opposition, by advance implementation of EEC rights what we are doing is entering into a bilateral agreement with Spain which at the moment we only have with the United Kingdom. If we have this bilateral agreement with the United Kingdom, it is because of the special status, because of the special link that there has always been between us and the United Kingdom. By giving that same bilateral agreement to Spain, we are to a point giving the same kind of status, the same kind of link to the Government of Spain. I think this is why, on a matter of principle, we cannot agree not only to the Brussels Agreement but any legislation which gives Spanish nationals advancement of EEC rights. I think various contributors opposite asked us to go into and analyse the legislation that was in front of us. I think I have already stated why it is not important because the legislation that we are passing in an interim period is not what is important. What is important is what we are going to have to give them once the interim period is through. And, officially, the moment we signed the Brussels Agreement the Gibraltar Government gave up the fight. There is no way that we can go back to Brussels and tell the Commission that we want special derogations because they would laugh us out of Brussels. We are giving Spanish nationals advancement of those rights. How could we go back and argue that we should not give them any rights at all? Another contributor from the Government benches talked about, I think he was referring that Gibraltar would not be flooded with Spanish nationals queuing up at the

Health Centre. I would like to inform the Hon Member that they do not have to queue up at the Health Centre, I have just been approached by a woman who went to make an appointment today and was referred to Monday, the appointment has been made on Monday because of the limited resources of the Centre. We do not have to have Gibraltar flooded with Spanish nationals, all we need is perhaps another thirty or forty Spanish nationals but the point I am trying to make is not that, the point I am trying to make is that a bona fide tourist with an E111 form can get medical treatment at the Health Centre for an accident or because he suddenly falls ill and what is the definition of suddenly falling ill? Are the authorities in the Health Centre going to turn back Spanish nationals who suddenly are feverish or who suddenly feel a stomach pain? Once they come into Gibraltar they are visitors. People from Madrid might not come to Gibraltar to go to the Health Centre but certainly people in the adjoining area will come to Gibraltar for free medical services. The point made by the Hon Dr Valarino on trade unions: I refer to Question No. 199 of 1984. The Hon Joe Bossano asking a supplementary on the initial question said: "So that means that seven Spanish nationals will be able to form a union in Gibraltar which they can call UGT or whatever they like if they wish?"

"According to Gibraltar law unless there is any amendment to that law, it is Section 16 of the Trade Union and Trade Disputes Ordinance, that would apply, yes. This is establishing a union under EEC rights, this is part of the law of Gibraltar and anybody who complies with the law of Gibraltar gets all the rights that the law of Gibraltar gives them". The dangers when we give Spanish nationals advance rights is a danger that we have never had in Gibraltar, a danger that we have always avoided by the use of the word 'alien' in our laws. This means, Mr Speaker, that after the 5th February Spanish nationals can register a trade union in Gibraltar and can by virtue of that slowly build up a membership and slowly get negotiating rights, perhaps not in the public sector because the public sector is a very strong body and it would certainly be difficult but in areas of the private sector we could have a situation where in a year's time we would have Spanish unions with negotiating rights and those Spanish unions would certainly be looking after the interest of the Moroccan workforce and certainly looking after the interests of the Gibraltarians, most certainly they would. Mr Speaker, the legislation and the things that go by the legislation are not all that they are painted up to be by the governing party. I would like to refer also to a statement made by the Hon Brian Perez when he said - and I think it has been tackled by my Hon Colleague - that if we had not given Spain advance EEC rights can we imagine how they would have opened that frontier in eleven months' time and how does that statement made by the Hon J B Perez, how does that statement link up with paragraph 7 of the statement by the Council of Ministers which says: "It is believed that there has occurred in the highest Council of Spanish Government a fundamental reappraisal of the

future relationship between Spain and Gibraltar and that the essence of that relationship would be as stated in the Brussels Agreement, the promotion of cooperation on a mutually beneficial basis and a new attitude towards the people of Gibraltar". How does that conform with what the Hon Brian Perez was saying that if we had not given them advance implementation of EEC rights, God knows what they would have done at the frontier in eleven months' time. The fact is that this is only true because we have given them advance EEC rights and that is only true because we have agreed to talk on sovereignty and that is only true because we are discussing this legislation under duress. That is why that statement is true, that is why the Spanish Government is suddenly so prepared to open their arms to us and that is the only reason. The Hon Brian Perez spoke to the Opposition benches that we should inform the people of the legislation, inform the people. Is he talking from the Government benches, a Government who have had Gibraltar in the dark for the past four years on everything; on electricity reports, on the EEC report, on EEC directives and they want us to inform the people? Why doesn't the Government inform the public of what is going on behind the scenes and perhaps then we can have an outright and honest discussion in this House but certainly not before then.

HON CHIEF MINISTER:

Mr Speaker, in the absence of Mr Perez. He wasn't saying that, what he was saying was that the Opposition was not telling the people the truth regarding the question of labour and the seven-year transition and the other matters which protected labour. He wasn't saying that you should do the work for us at all, we don't expect that and we wouldn't like it either.

HON J E PILCHER:

We are not telling them their version, what we are telling them is our version. I am glad that the Hon and Learned Chief Minister has made this contribution because he has just made me remember a point which I missed and that is, it is true and perhaps the Hon Mr Perez will tell me who is a prominent member of the GSLP who didn't know about the seven-year transitional period because we have been discussing this in the executive for the past two years so perhaps he should let me know who he is. We know that there is a transitional period for labour, of course we know, it is there because we fought for it because it is the only thing that the Gibraltar Government were prepared to fight for, the rights of a transitional period for labour but what the Hon Mr Brian Perez did not tell the public is that this transitional period will not apply to self-employed persons and will not apply to cross frontier services and that is very, very dangerous. Self-employed persons, people can come to Gibraltar and work in a self-

employed basis on carpentry, decorating, joinery, painting, plumbing, woodwork as far as that is not undertaken in the contract of a Building contractor because it is one of the derogations. This is something that has not been told, how do you control self-employed people? How is the Government going to control self-employed people? Are they going to have 300 inspectors at the frontier following people all the day because they won't have to pay stamps here, they won't have to pay income tax here, that is something that the Government should be telling the people of Gibraltar. The Government want us to have this bipartisan approach to the Brussels Agreement but I think I said this last time, we are analytical in the way that we look at things and when we come up with our thoughts they are not the same thoughts as those that come up in the Government benches. As far as we are concerned what is going to happen in Gibraltar is that our laws are going to be challenged and when they are challenged we will find that our laws are against the EEC and we are going to have to change them and that will happen in this next ten months, perhaps we will find that in some cases we might have to change the laws before Spain enters the EEC and once we do that because we are giving Spanish nationals advance implementation because this is Part II of the Bill: "As from the appointed day the European Communities Ordinance, 1972 and any other provision...", well, I am not going to read it all but it gives the same: "...apply in the like manner to the Kingdom of Spain, to the nationals of the Kingdom of Spain and to a company incorporated under the laws of the Kingdom of Spain". Once we change our laws even before their accession we might have to give them certain rights inside Gibraltar that we didn't think we would have to give to them.

MR SPEAKER:

May I ask whether your contribution is going to last much longer?

HON J E PILCHER:

No, Mr Speaker, I would say about five or maybe another ten minutes at the most. The Hon Mr Brian Perez spoke about the protection on trade in the Trade Licensing Ordinance. It is something that we have also discussed but we do not come up with the same conclusions as the Hon Brian Perez. We honestly think that our Trade Licensing Ordinance when challenged will not stand up in Court because they are against the free movement and free competition of trade as implicit in the EEC. This is the way we see it. I think I have gone over most of the things in the legislation and as you can see we come up with completely different conclusions than that of the governing party. How are we supposed to tackle that? We are supposed to tackle that in the way that we are tackling it. We are

completely opposing the legislation because it stems from the Brussels Agreement which stems from the Lisbon Agreement and it is not just a question of saying no for the sake of no, it is a question of saying no because when we have analysed it we have come up with a different conclusion and this is why we oppose the legislation but what is even worse is that when we oppose the legislation we are to a point making a bit of a farce of the democracy which we pride ourselves in Gibraltar and I think the Hon Michael Feetham made this point and the point is that irrespective of the points that we are making, of the validity of the points that we are making, the Gibraltar Government is going to pass this legislation because of the Brussels Agreement, because of the fact that they have to pass the Brussels Agreement because there is an agreement between Britain and Spain on the matter and irrespective of our arguments, irrespective of whether instead of the shaking of the heads opposite there would have been nodding of the heads, it would have been the same and when the time came the legislation would be passed. I do not think I have left anything out. Just one final point, Mr Speaker, and that is a point that I have been answering in the street when I was stopped by the public. Up to a point I understood the sentiments expressed by the public but I certainly do not understand the sentiments expressed by the Hon Brian Perez when he said that he would like to see Joe Bossano in Brussels. I can understand this from GSLP supporters who want Joe Bossano in Brussels or in Geneva or wherever it is because they have faith in our leader and they have faith that he will be there representing them but coming from the Hon and Learned Brian Perez, I ask myself why does the Hon Member want Joe Bosano there? Is it to use his analytical mind? Does he not trust his own Chief Minister and Deputy Chief Minister? Does he want a check on Sir Joshua, is that why he wants Joe Bossano there? Again, that must not be the answer.

HON CHIEF MINISTER:

You know that that is not so.

HON J E PILCHER:

Right, but this is what I am asking myself. Is he afraid that Joe Bossano might lose all those votes that Brian Perez is saying, is that why they want Joe Bossano there? So why do the AACR, as voiced by the Hon and Learned Brian Perez, want Joe Bossano there? The reality is that they would like to see the GSLP doing what the DPBG did, accepting a bipartisan approach and the message is that there can never be a bipartisan approach and it is a message not only to the governing party but to the whole of Gibraltar. There cannot be a bipartisan approach. A bipartisan approach means that both parties are in agreement and we are in total disagreement with the Brussels Agreement and in total disagreement with the Lisbon Agreement.

HON CHIEF MINISTER:

If the Hon Member will give way one moment. Of course we know that. I said in my reply to the previous debate when I was saying that I had means of finding out public opinion, I said I did not have to look for the reaction of Members opposite, I knew more or less what they felt and I made no secret that they were against the Lisbon Agreement. We are realists about that.

HON J E PILCHER:

As I was saying, we are against the bipartisan approach because we are against what this signifies, what the legislation signifies, what the Brussels Agreement signifies and what the talks in Geneva on the 5th February will signify, a confirmation of the Brussels Agreement, an advancement of EEC rights and the fact that sovereignty will be on the discussion table and there can never be a bipartisan approach on that. On a final point, Mr Speaker, the Hon Mr Canepa said that the people of Gibraltar had mixed views on this Agreement and I agree with him entirely but they have mixed views because they do not have leadership that is why they have mixed views, because this side of the House says one thing and that side of the House says another, that is why they have mixed ideas not because they don't have fears, not because they welcome the Agreement, not because they are satisfied or relaxed as the Hon and Gallant Major Dellipiani seems to be and the Hon Mr Mascarenhas. I don't think anybody in Gibraltar is relaxed, I think everybody in Gibraltar is apprehensive. The mixed views are the result of two different messages, one issued by this side of the House and one issued by that side of the House and moreover I would like to tell the Hon Mr Canepa when he said that if there were 2,000 people out there in the lobby of the House of Assembly, that would change matters. If there were 2,000 members in the lobby of the House of Assembly what the Government would do is what the Government did when the Gibraltar Shiprepair Ordinance was discussed or when they were discussing the closure of the Naval Dockyard. They would have said that those 2,000 people were out there to intimidate the House of Assembly and that they would not proceed with the House of Assembly under intimidation. That is what would have happened if we had 5,000 people or 2,000 people down in the lobby of the House of Assembly and that is the reality of the situation, Mr Speaker. Thank you.

MR SPEAKER:

I think we will now recess for lunch until 3.15 pm.

The House recessed at 1.05 pm.

The House resumed at 3.30 pm.

MR SPEAKER:

I will remind the House that we are still on the Second Reading of the European Communities (Amendment) Ordinance, 1985, and as far as I can recall the Hon Mr Zammitt and of course, the Financial and Development Secretary if he so wishes and the Attorney-General can speak to the motion.

HON H J ZAMMITT:

Mr Speaker, the attitude of the Opposition Members has in no way surprised the Government and one questions the logic behind that and one questions very strongly the reasoning behind their arguments particularly when one weighs up all the arguments that have been put by the other side and hearing from each individual Member different points of view and not a cohesive front to the situation. It is alarming because one is told by Members opposite that they have been looking at the consequences of the Brussels Agreement or previously the Lisbon Agreement over a number of years and it is when one points out or one is able to detect the differing views by Members opposite that one sees that they certainly have not done their homework as well as one would have expected on this very vital issue. Mr Speaker, the Hon the Leader of the Opposition Mr Joe Bossano yesterday commenced by saying that we did not have a mandate. I think, Mr Speaker, that if ever a mandate was given it was certainly given at the last elections to the AACR Government. I came eighth in the AACR and still had 500 votes more than the number two of the GSLP so I think the AACR has a mandate to govern Gibraltar. And whether there is a Brussels Agreement, a Lisbon Agreement, the raising of income tax or the lowering of taxes, we have an overwhelming mandate to govern Gibraltar and that is exactly the mandate that the people of Gibraltar gave. And if one cares to look at the manifesto of the AACR, it will be noted that the very first matter that we drew people's attention to was in fact the Spanish question. I think that the AACR was not returned to power purely on the Dockyard issue but very much indeed because of the consistency of the Leader of the AACR, Sir Joshua Hassan, and the AACR policy vis-a-vis the Spanish question. Mr Speaker, it is odd that Mr Bossano should ask the Government to vote against and he gave no explanation whatsoever that if we were to vote against, then what? When one hears the Hon Mr Juan Carlos Perez saying that we could opt out of the Common Market, I don't know if the Hon Mr Bossano had that in mind when he said "vote against". Other Members on the other side have said that it is premature that we should be implementing this in December. That is a matter of judgement. On that issue I would agree it is a matter of judgement, as most cases are, particularly in politics, that most instances and most decisions are purely a matter of judgement and nobody has been born yet that can forecast the future with total clarity. Every issue that is discussed is of course a matter of judgement and one could be proved right or be

proved wrong but I think it is very comfortable for the Opposition to constantly take this sitting on the fence attitude without accepting any responsibility, not just in this issue but in every other issue since they have been Members of this House nearly a year old to the day. One sees them voting against the money for tourism, they have no faith in tourism, they were constantly against the Shiprepair. Everything we have brought to the House they have been extremely negative about it. I would have liked Mr Bossano to have said: "I would ask Members opposite to vote against and do this". But no, we vote against, then what do we do, Mr Speaker? Have the Hon Members opposite walked down Main Street and spoken to shopowners? I have, Mr Speaker. I know of one particular individual, Mr Speaker, who has asked the bank to hold fast until the 15th February, ten days after the opening. The man must have high hopes. Since the Lisbon Agreement and the 1982 Falklands situation when the frontier did not open, an awful lot of traders embarked on tremendous overdraft hoping that there would be normalisation at the frontier and they would be able to uplift their trade and those people are still suffering the consequences. I think those people in particular would very much welcome the anticipated ten months, whatever, they would appreciate it tremendously because they have gone through very difficult times. If one accepts Mr Juan Carlos Perez's attitude of opting out of the Common Market, we have to consider things very seriously and I do not think they have. We would then be out of the Common Market and Spain would be in the Common Market. Spain would not be obliged to open the frontier if we were not Community nationals. Then what, Mr Speaker? How are we expected to survive? On tourism? This is too serious a matter, Mr Speaker, to take that kind of attitude. How does the Opposition think that we can survive with a closed frontier and let me say, Mr Speaker, that the Chief Minister had the political courage on more than one occasion to remind the people of Gibraltar about this indecent haste of crossing over the frontier. I do not recall the Leader of the Opposition having joined in asking people to refrain and I wonder all those 10,000 or 12,000 people that cross the frontier every day into Spain, or every week, how they would feel if they knew that Mr Juan Carlos Perez wanted to opt out of the Common Market and go back to a closed frontier situation.

HON J C PEREZ:

If the Hon Member will give way. Mr Speaker, I did not say that. I said that if we were not able to get the necessary derogations to protect ourselves it was found to be in the interests of Gibraltar to do so, that that was better than the acceptance of the Brussels Agreement, that is what I said.

HON H J ZAMMITT:

Mr Speaker, I do not understand the Hon Mr Juan Carlos Perez at all because I cannot see how it would be better for Gibraltar to come out of the EEC if Spain wants to implement the restrictions again. How would we survive, Mr Speaker? We would have to find our own two feet, we would have to find our own financial setting. So I think that they have not considered this carefully, Mr Speaker. And whether we like it or not all we are doing is benefitting to a degree and giving us time to assess the whole situation. That point was made very clearly this morning by my Hon Friend Mr Brian Perez and I think it is a very valuable point. I think we are going to be very fortunate that it happens to be in February because if it was at the height of the season I think we would find matters much more difficult to cope with. Between February and July it will give us a certain amount of adjustment and I am of course talking of tourism, day excursionists. Mr Speaker, we expected from the Opposition an attitude but not as negative, quite honestly, as has been seen here today and yesterday. I can assure Members opposite that Members on the Government side too, have been probing and looking and trying to find ways and considering factors pro and against. All in all we find that there are tremendous problems but problems that we could overcome but there are also benefits. There may have been 5,548 signatures on the petition. I do not doubt that for one moment and I do not doubt the good intentions of the petition but there are 12,000 people who go into Spain despite the restrictions, despite the harassment, they are still going, and very many of them are buying property in Spain. Mr Speaker, I think I have mentioned in the House before that at this present moment in time, with the restrictions that we have at the frontier, in movement of Spaniards and Gibraltarians, or British residents only, that no tourists are coming through the frontier, that the Spaniards who are coming through cannot take things back, statistics show that there is a spend of about £2m in Gibraltar. If that is the case, that with all the restrictions that they have at the frontier they are spending about £2m here, and I want this to be carefully noted, that I think Gibraltarians are spending possibly £6m there but we are getting with the present situation some £2m into the economy then under a normal situation, would it be exaggerated to say that that figure would be ten times more and I think I am being very conservative. That has to be of benefit to Gibraltar. These ten months are going to give a breathing space to our traders in particular and to all the economy. I think the point must be made that we are really not giving anything up and I think the public must be told this clearly. I think it was Mr Brian Perez who said this morning that Spaniards do not have the right of employment in Gibraltar after the 5th of February, and I cleared this point up with the Hon Mr Bossano privately and he said: "Well, if that is so I am not all that unhappy". There are things that can be interpreted wrongly and the wrong impression

can be given. Mr Speaker, all in all, it is a matter of judgement, I think we have to take advantage of the ten months ahead. We would have had to implement this whether we liked this or not in December or whenever Spain joins the EEC. Let us take advantage of it, let us try and work together, Mr Speaker, and put our house in order and I am sure as we have in the past overcome so very many other difficulties we will be able to overcome this one and I am sure we can. Thank you, Sir.

HON ATTORNEY-GENERAL:

Mr Speaker, one or two legal points have been raised in this debate in the Second Reading and it is on those legal points that I would like to reply. I would like to deal first of all, Mr Speaker, with the Hon Robert Mor's points raised in his contribution to the debate on the Second Reading and in Question No. 18 of 1985. It is my view, Mr Speaker, that neither of the two conditions contained in Section 10A of the Social Insurance Ordinance are contrary to EEC law in that they apply to the nationals of all countries and are therefore not discriminatory. EEC Regulation 1408 applies to EEC nationals and it will apply to Spanish nationals after accession. I would like to draw Hon Members' attention to Article 45 of EEC Regulation 1408 but, unfortunately, the version that Members have got has been amended and I have the latest amendment together with the official journal and I would like Members, perhaps to have this amended, Section 45, and Mr Speaker can hold the original copy of the EEC Regulation. Mr Speaker, Article 45 is contained in Chapter 3 which is the portion of the Regulation which deals with Old Age and Death Pensions. The heading of Article 45 is this: "Consideration of periods of insurance or residence completed under the legislation to which an employed or self-employed person has been subject, for the acquisition, retention, or recovery of the right to benefits". Paragraph 1 is: "The competent institution of a Member State whose legislation makes the acquisition, retention or recovery of the right to benefit conditional upon the completion of periods of insurance or residence, shall take into account to the extent necessary, periods of insurance or residence completed under the legislation of any Member State as if they were periods completed under the legislation which it administers". Consequently, Mr Speaker, in my view, the periods of insurance or residence in EEC countries, or in Spain after accession, are deemed to be periods of insurance or residence under Section 10A of the Social Insurance Ordinance. Therefore, you will need the requisite number of weeks or the requisite number of months if it be obtained in Spain or in France. Then for the purposes of our Ordinance they are applicable to achieve the higher rates of benefit.

HON J BOSSANO:

If the Hon Member will give way. Surely, Mr Speaker, the aggregation of periods of residence or contribution is used by the competent institution in the Member State where the person was last employed which is the place where the payment is being made and what we are talking about is a situation in Gibraltar where people who ceased employment in 1969 have one rate of benefit and people who have been in employment since 1970 have another rate of benefit. If it is possible to maintain a two-tier system, the fact that there is somebody who since may have worked in France or in Germany or in Holland, does not mean that we have to give them the higher rate of benefit, what it means is that if he retires in Holland he can count his insurance in Gibraltar for his pension in Holland.

HON ATTORNEY-GENERAL:

Yes, I say Article 45, Mr Speaker, enables to aggregate the periods, the periods under Section 10A of the Social Insurance Ordinance.

HON J BOSSANO:

Yes but, Mr Speaker, the eligibility in the Social Insurance legislation under the EEC rules are the responsibility of the competent institution in the Community State where the person retires. So if we have got somebody who comes to work in Gibraltar for the first time next year at the age of 64 and has worked until the age of 64 in Spain, he will be able to retire in 65 here and ask for his insurance in Spain to be aggregated to his insurance in Gibraltar but if we have got countless of Spaniards who stopped working in Gibraltar in 1969 and have retired since in Spain, it is the Spanish institution paying them the pension that has to aggregate it. That does not explain why the Government tells us that the two-tier system has got to go when Spain joins the EEC in order to comply with the requirements of the EEC and that is the advice that Mr Hannay gave the EEC Committee in which we were represented, that the two-tier system was incompatible with Community law and that the moment they joined in it would be discriminatory to have two sets of pensions, one for people who were paying contributions after 1970, 99% of whom are Gibraltarians, and another one for people who stopped paying contributions then, 99% of whom happen to be Spanish. I am absolutely clear what the advice was that was given. I am assuming the Government is acting on the same advice that the EEC Committee was given by Mr Hannay and that advice has got absolutely nothing to do with the explanation the Hon and Learned Member has given.

HON ATTORNEY-GENERAL:

I am talking, Mr Speaker, about the period under Section 10A and those periods are not discriminatory. This was the point made by the Hon Robert Mor, that those periods were discriminatory and we say they are not because any period in Spain or in France or in Germany can be added here for the benefit of getting the higher rate of benefit payable in Gibraltar.

HON J BOSSANO:

Mr Speaker, surely, the Hon Member will recognise the point that I am making, that in this same legislation which he is quoting from the EEC, the requirement for aggregation of periods of insurance in different Member States is a computation that has to be carried out in the Member State in which the member retires. We are talking about people who stopped being in Gibraltar in 1969 and left. There is no question of you going back to the Member State where you were fourteen years ago and saying: "I want my contribution where I have been subsequently to be counted back". What happens under the EEC Rules is that if you retire in Gibraltar you are entitled to ask that your period of employment and insurance in the Common Market should all be taken into account and if you retire in Spain you are entitled to ask that your Gibraltar insurance record should be taken into account in Spain. That doesn't explain why we have been told that the two-tier system cannot be sustained once Spain goes into the EEC, it follows logically from having been told that, that we should ask if the system cannot be sustained after we go into the EEC which of the two things that produce the system, that is, either residence or contributions after 1970, those are the two conditions required for higher benefits and you cannot have a system of a higher and a lower benefit because one of those conditions infringes Community law. If neither do, there is absolutely no reason why we should even be considering granting higher pensions in 1986.

HON ATTORNEY-GENERAL:

Mr Speaker, I have given my view and of course insofar as Spain is concerned 1408 does not apply to Spanish nationals until accession. That is my view and it is a matter of argument, it is only a view. To deal with family allowances, the right of EEC nationals to family allowances in Gibraltar is obtained in this way and it is rather a long way round but this is the way we get to it; we equate EEC nationals with Gibraltarians so as not to discriminate in any way against EEC nationals, we give them the same rights and the same periods of pension as we give to Gibraltarians and the same residence requirement as we give to a Gibraltarian, namely, six months.

HON J BOSSANO:

But, Mr Speaker, does the law say that?

HON ATTORNEY-GENERAL:

Yes, I would say it is a long route and I will try and take the Hon Member along the route. The first one is Section 18 of the Family Allowances Ordinance. Section 18 says: "It shall be a condition of the right to any allowance to the family of a man and his wife living together that either - (a) the man or his wife is a Gibraltarian or, if not; (b) such requirements as to nationality, residence, place of birth or other matters as may be prescribed are satisfied as respects the man or his wife or either or both of them according as may be prescribed by Regulations and the like conditions shall apply in certain cases". And 18(2) says this: "It shall be a condition of the right to any allowance for the family of a man and his wife living together that each or one of them is in Gibraltar or such other place as the Governor may by order declare, and the like condition shall apply, etc". If one looks at the Family Allowances (Qualifications) Regulations, we have got first of all Regulation 3: "It shall be a condition of the right to any allowances at any date for the family of a man and his wife living together, if the man is not a Gibraltarian, etc", certain conditions, and (b): "that (unless his wife is a Gibraltarian) he or his wife has for at least 104 weeks in the aggregate out of the three years immediately preceding that date been present in Gibraltar". That deals with the Gibraltarian and his wife living together. Regulation 4: "It shall be a condition of the right to any allowance at any date for the family of a man not having a wife or not living together with his wife if he is not a Gibraltarian that - (a) he has for at least 104 weeks of the aggregate out of the three years immediately preceding that date been present in Gibraltar; and, etc" and another condition. Regulation 5 applies to a non-Gibraltarian woman living with her husband - "It shall be a condition of the right to any allowance at any date for a family of a woman not having a husband or not living together with her husband if she is not a Gibraltarian that - (a) she has for at least 104 weeks in the aggregate out of the three years immediately preceding that date been present in Gibraltar; and...". Those three Regulations, 3, 4 and 5, all deal with non-Gibraltarians. If you look at Regulation 8(1): "For the purposes of subsection (2) of Section 18 of the Ordinance", and Section 18 is the Section which I have said deals with non-Gibraltarians - "(a) the presence of a person at any date shall be treated as temporary except in the following circumstances - (i) if for at least 26 weeks in the aggregate out of the twelve months immediately preceding that date he has been present in Gibraltar; or (ii) if the period of that presence has been immediately preceded by a period of absence throughout which there was a right to an allowance for his family".

In my view that sets out the qualification for a Gibraltarian which is more favourable to that for a non-Gibraltarian and that it only requires a 26 weeks residence instead of two years, 104 weeks, and therefore that is the condition which is the most favourable condition and so as not to discriminate in favour of Gibraltarians and against EEC nationals, this Regulation 8(1)(a) has been applied in the case of EEC nationals because it is not discriminatory, it is the same treatment as a Gibraltarian receives.

HON J BOSSANO:

Mr Speaker, how is it being applied when the Hon Member has just read the law out and the law distinguishes between Gibraltarians and non-Gibraltarians. If, in fact, the law is in conflict with Community law then surely the law should have been amended, he cannot just apply it without the authority of the law, surely?

HON ATTORNEY-GENERAL:

We have applied the European Communities Ordinance, 1972, where we obtain all the benefits and all the disadvantages of Common Market membership and we are not allowed to discriminate against EEC nationals by virtue of that and so we do not discriminate, we give EEC nationals the same treatment as we give to Gibraltarians.

HON J BOSSANO:

If the Hon Member will allow me. Is he then saying that notwithstanding the fact that we have got a law on the Statute Book which is in conflict with the European Communities Ordinance or in conflict with the obligations Gibraltar acquired in 1973, here we are in 1985, we haven't altered the law, the law still says one thing and we are ignoring the law because we are instead applying what we ought to be applying as a requirement of the EEC law, that is what I am being told?

HON ATTORNEY-GENERAL:

Yes, that is so and of course the EEC law takes precedence over any local legislation, over any national legislation.

HON J BOSSANO:

But then, Mr Speaker, why do we have a European Communities (Amendment) Ordinance at the moment on the floor of the House? The Hon Member is amending other things and this thing unless he has discovered it in the course of the debate today, is not being amended. Why is it that we are altering other things in the European Communities

Ordinance to bring them into line with our Community obligations including the entry of Greece, and we are not amending this Ordinance which all that it would require, I imagine, is a clause under the interpretations which says: "A Gibraltarian for the purpose of this Ordinance is a European Community National who has got a permit under Part IX of the Immigration Control Ordinance", and that would make the thing completely legal. The other point that I would like to make to the Hon Member, if in fact he is saying that although the law has not been changed the allowances are being paid extra legally because they are being paid in compliance with Community law which is overriding the local legislation, then can he tell me what happens to an EEC National who may be living in the Consular District of Her Majesty's Government in La Linea and Algeciras which according to the Ordinance is the area which is the other place appointed by the Governor or are we maintaining a discrimination and paying allowances to Gibraltarians only who live in Spain and not to other Community Nationals and if we have to do it to other Community Nationals under EEC law how is it that the amendment that he has brought to the House in this Bill maintains the discrimination because it will then be Gibraltarians in the Consular District, EEC Nationals in the Consular District by virtue of the Treaty of Rome and Spaniards resident in Gibraltar with their children residing in Gibraltar. How does he explain that tiny anomaly?

HON ATTORNEY-GENERAL:

Insofar as amending the Qualifications Regulations, the Hon Leader of the Opposition will bear in mind that they are Regulations and they are subsidiary legislation and would not be altered by this Ordinance, they would be the subject matter of amending Regulations, subsidiary legislation which would not have to come before this House because the qualification period, the so-called difference between a non-Gibraltarian and a Gibraltarian, are contained in the Regulations and not in the Family Allowances Ordinance and therefore those Regulations will be amended by subsidiary legislation and not in this Bill.

HON J BOSSANO:

And then, Mr Speaker, why is it that the Hon Member has got in the European Communities (Amendment) Ordinance a clause under the Second Schedule, Clause 5, sub-clause 3, which says: "A national of the Kingdom of Spain shall be entitled to family allowances in accordance with the provisions of the Family Allowances Ordinance (Cap 58) in respect of members of his family who are residing with him in Gibraltar". Why is it that for everybody else except the Spaniard it is done by Regulations and for the Spaniard it is being done here, why?

HON ATTORNEY-GENERAL:

These are the derogations, exceptions and modifications that have been made in respect of Spanish nationals. They are not members of the EEC, the EEC Regulation would apply to them on accession but not before and so this paragraph 5(3) of the Second Schedule covers the period of advance implementation and so we have specifically said in the case of Spaniards six months qualifying period as for all other EEC Nationals.

HON J BOSSANO:

I am afraid the Hon Member has either not understood the point I have made or not answered it. I have asked him, if the situation is that notwithstanding what the law says Community Nationals have got to be given equal treatment with Gibraltarians and there is a situation in Gibraltar where, let us say, a Moroccan or a Portuguese national will only be able to get family allowances on the basis of a residential qualification of two years out of three. The law at the moment says Gibraltarians need six months and everybody else needs two years. The Hon and Learned Member then says because Community law does not allow discrimination, in practice we are applying the Gibraltarian rule to EEC Nationals which means we are applying it to people other than three obvious national groups we have in Gibraltar, Portuguese, Moroccan and Spaniards. He is now legislating here saying Spaniards will need six months therefore, presumably, the Moroccans and the Portuguese will continue to need two years out of three but the law as well says that Gibraltarians in the Campo Area get family allowances and therefore if he cannot discriminate between Gibraltarians and EEC Nationals it must follow that EEC Nationals in the Campo Area get family allowances and if he has introduced a clause to remove the discrimination between EEC Nationals and Spanish Nationals it must follow that Spanish Nationals should get it in the Campo Area but this legislation here is saying Spanish Nationals with residence in Gibraltar so he is having a three-tier system, he is having Moroccans in Gibraltar with two years; Spaniards in Gibraltar with six months and EEC Nationals in the Campo Area with six months. Am I correct in that analysis?

HON ATTORNEY-GENERAL:

There is, certainly, this Order that was made way back in 1964 when the Consular Districts of Her Majesty's Vice-Consulates of La Linea and Algeciras were declared as other places for the purposes of this Section. They don't exist and it is completely out-of-date. You can tear the little slip of paper off there because those Consular Districts don't exist.

HON J BOSSANO:

But am I correct in saying that that is the legal position in respect of the existing law, the obligation under Community law and the amendment brought to the House?

HON ATTORNEY-GENERAL:

Except insofar as the Appendix to the Family Allowance Ordinance about the Consular Districts, that is gone.

HON J BOSSANO:

Is it in the law or not, Mr Speaker, because I have got an up-to-date version of the thing and it is there? Didn't the Government confirm at an earlier meeting of the House, Mr Speaker, that Gibraltarians residing in La Linea and working in Gibraltar would continue to be able to claim family allowances in respect of their dependent children, we have asked that and it has been confirmed. Is the Hon Member saying that that is now going to be taken away from them?

HON ATTORNEY-GENERAL:

No, that has nothing to do with this particular Appendix to the law.

HON J BOSSANO:

Mr Speaker, I am asking, is the situation that as the law stands today a Gibraltarian residing in La Linea and working in Gibraltar can claim family allowance in respect of his children residing with him in La Linea and if it is so today is it the intention to maintain it or not? We have asked that question before and we have been told, yes. If the answer is still yes at this moment, if that is still yes, then does it follow that if it is granted to Gibraltarians it has to be granted to Community Nationals by virtue of the explanation given by the Hon Member and if it is granted to Community Nationals how is it that he has to reduce the period of six months for Spaniards in order not to discriminate between them and EEC Nationals but he doesn't have to give them the right if they reside in La Linea and that is not discriminating between them and EEC Nationals?

MR SPEAKER:

With respect, I would rather this matter were left for the Committee Stage. It is the interpretation of one particular clause and we are not going to get any further.

HON ATTORNEY-GENERAL:

Indeed, Mr Speaker, it is just a question of legal interpretation. I am giving my views on the interpretation and the Hon Leader of the Opposition knows quite well that if he wants to challenge any opinion we give in this House he is free to do that. Housing is again not one of the easiest things but the rights of EEC Nationals for housing in Gibraltar are certainly contained in Article 9 of Regulation 1612 and it may be useful to read Article 9 again: "A worker who is a national of a Member State and who is employed in the territory of another Member State shall enjoy all the rights and benefits afforded to national workers in matters of housing, including ownership of the housing he needs. Such worker may, with the same right as nationals, put his name down on the housing lists in the region in which he is employed, where such lists exist, and he shall enjoy the resultant benefits and priorities". That is the EEC Regulation so you have got to ask yourself: "What rights to Government housing do national workers in Gibraltar hold?" My submission is that national workers in Gibraltar hold no rights to Government housing. Workers in Gibraltar of whatever nationality have no rights to Government housing. Residents of Gibraltar of whatever nationality have no rights to Government housing. The only persons who are eligible and qualified for Government housing are those persons named in the Housing Allocation Scheme, the revised scheme, and they are persons who have actually been registered in the Register of Gibraltarians.

HON J L BALDACHINO:

Mr Speaker, will the Hon Member give way? I understand that nobody has rights to housing in Gibraltar, including Gibraltarians as a matter of fact, but if we have a Housing Scheme which is applicable to Gibraltarians, surely, then that is also applicable to EEC Nationals otherwise it would be discriminating. If the Government of Gibraltar was not giving any houses at all, it was not granting houses then, of course, that would apply to EEC Nationals as well and EEC Nationals would not be able to apply under Article 9 because there is no provision for that but if you have a provision and it is applicable to Gibraltarians, surely, that must be also applicable to EEC Nationals?

HON CHIEF MINISTER:

Perhaps it might be better if the Attorney-General were allowed to finish his proposition.

HON ATTORNEY-GENERAL:

I think you have got to limit and again, as the Hon Member will realise, this is a technical legal argument on the wording of 1612 afforded to national workers with the same rights as nationals. There are many people in Gibraltar, I have been here for eleven years, for example, and I am not entitled to go on the housing list and I am not entitled

to Government housing. Workers of Gibraltar just because they are workers are not going to have it and nor are residents. I am prepared to argue that this is not discriminatory of EEC and I do have some support for this not only in Gibraltar that the housing in Gibraltar is limited to that very limited number and that very special breed of people who are named in the Gibraltarian Status Ordinance and it is only those that have the right, that I say and I am prepared to argue, is not discriminatory of other people. If it was all workers in Gibraltar entitled to houses or all Gibraltarian workers but, no, it is not even that. It is a very limited number of Gibraltarians who are entitled and actually have been registered in the Register of Gibraltarians.

HON J BOSSANO:

If the Hon Member will give way. Mr Speaker, isn't that exactly the same distinction as the one the Hon and Learned Member has just made in respect of the family allowances, that it isn't everybody in Gibraltar that is entitled to family allowances after six months, it is only Gibraltarians who are in the Register of Gibraltarians and he says that that goes against EEC law and that therefore instead of Gibraltarians it is being applied to EEC Nationals because to have one criteria for Gibraltarians and another one for EEC Nationals is contradictory? He is saying that in the case of housing it can be done, you can have a situation where you can say: "We have a Government scheme which allocates houses on the basis that the only people entitled to apply under that scheme and to be included in the priority list under that scheme are those who are on the Register of Gibraltarians and that is not contrary to Community law". If he is convinced of that the only thing I can tell him, Mr Speaker, is that we will see whether the Commission agrees with him.

HON ATTORNEY-GENERAL:

That, again, is a question of legal interpretation, it is a question of challenge but this is the way it has been looked at throughout, that we have never felt that Spanish nationals and EEC Nationals can go on the housing list because the housing list is so limited in its scope to people who are actually on the Register of Gibraltarians. The other point; Trade Union rights. The trade union rights are set out in Article 8 of EEC Regulation 1612. There are no EEC rights appertaining to the setting up of trade unions or the establishment of trade unions. The setting up and establishment of trade unions is governed by the Gibraltar law which is contained in the Trade Unions and Trade Disputes Ordinance. There is no EEC rights to set up a union, the rights are limited to Article 8 rights. Education:- The rights to education for the children of EEC Nationals. Again, they are clearly set out in Article 12 of Regulation EC 1612 of 1968 and these people are

entitled:- "The children of a national of a Member State who is or has been employed in the territory of another Member State shall be admitted to that State's general educational, apprenticeship and vocational training courses under the same conditions as the nationals of that State, if such children are residing in its territory. Member States shall encourage all efforts to enable such children to attend the above-mentioned courses under the best possible conditions".

HON R MOR:

Mr Speaker, before the Hon Member finishes. I raised a point during my contribution in relation to the competence of this House to pass legislation granting EEC rights to a foreign power. Perhaps the Hon Member would let us know what the legal position is as regards that. As far as I understand it, Gibraltar can only deal with defined domestic matters and we learnt that, really, when we tried to have the frontier gates closed at midnight when the Spaniards lifted the restrictions and I think also by the definition given that a competent institution of a Member State is the Minister or Ministers of that institution, which in our case is the United Kingdom, how can we pass legislation on this?

HON ATTORNEY-GENERAL:

We have our own European Communities Ordinance, 1972, where we apply EEC rights, we apply the whole EEC system in Gibraltar. We are sovereign here in that we can give what rights that we choose in Gibraltar to whomsoever we choose and in this particular instance we are choosing to give them to Spanish nationals for a period until Spain accedes to the European Community. We in Gibraltar during this intervening period can give what rights we want to anybody, we are sovereign in this. If we want to give them rights on education, if we want to give them rights for family allowances, if we want to give them rights of residence we can do it, the power is in us and in nobody else.

MR SPEAKER:

I will then call on the Hon and Learned Chief Minister to reply to the motion.

HON CHIEF MINISTER:

First of all, I would like to state that this has been a full debate in every sense since every Member of the House has taken part in it. I think there are very few Parliaments, perhaps because of our numbers, that could pride themselves in saying that every Member participated in a general debate. It is an indication of the importance of the debate and of the fact that democracy is at work in Gibraltar. In

the first place, my Colleague, Mr Canepa, last night said that he had been here since 1972 and he had never been a party to any shameful legislation. Well, I would repudiate the word shameful, going back to 1950 which is the time that I have been in this House. It is not only that the Ordinance is not shameful but it is an Ordinance which I bring here in my capacity as Chief Minister and I am fully satisfied that it is an Ordinance which is in the interests of the people of Gibraltar. Members opposite can object to that, they may not agree, of course that is their privilege but it is also my privilege to bring here what I think is right for the people and I repudiate entirely the word shameful that was mentioned by the Hon Member which is his own, not mine, and I repudiate it with all the strength that I can because it is shameful that it should be shameful. There are two areas in which Members opposite have concentrated in their interventions which I think I should like to spell out in general terms and then I will go to the particulars. First, by misrepresenting the situation of what has been said either now or before and I will come to instances of that and, secondly, and I think that was mentioned by one of my Colleagues, have tried to make complicated matters more complicated because when we have said, and the Attorney-General who has no interest except to advise the Government on his legal view of the situation, says that his interpretation is one which is favourable to the rights of the people of Gibraltar as against Community nationals and particularly as against Spain, they tried to question that. They tried to minimise that. When we say that something, for example, the Trade Licensing Ordinance, which is a very good piece of legislation, and we say that is a protection not only against Spaniards or against anybody, it is a protection for the community as a whole, they said no, we question that. Well, they can question it and perhaps after this Ordinance they may take 25 matters to the European Court and see who was right or not. It will take a couple of years and in the meantime Spain will have entered the Common Market and we would have seen how the thing works. Really, Mr Speaker, I regret to say that despite the fact, and I have listened with great care, I am one of those who stay here all the time and listen to all Members, that the thrust of the Opposition is to try and bring disrepute and contempt for a law which I think and my Colleagues think and it is quite clear there was even an attempt to say that Members of my party were worried about it, well, they have all spoken entirely at their own will and when they wanted and in whatever way they wanted and it is quite clear that we are ad idem on this matter. All Members say what they like here and as far as I am concerned I do not exercise any control nor do I have any pre-meeting meeting to try and see how the work is distributed or anything like that. I say that there has been misrepresentation for many reasons. For example, this morning this question of October and that I knew it and I should have gone to the electorate. Well, I made a very long and considered statement on the 12th December, 1984, and this has really been a prolongation

of that debate because that is where it all started. I do not hesitate to say that if we had had the legislation ready we would have had one whole meeting in which the motion would have been carried and we would have proceeded with the legislation but the legislation is complicated and it has required a considerable amount of study and consultation too. By any standards, EEC Regulations and Rules are complicated and I might say at this stage that perhaps it is not understood that by entering the Common Market all those who did and we did with the British Government, we gave up part of our sovereignty in the sense that those matters which are controlled by the Common Market by a Treaty and every Treaty between nations is a surrender of part of the sovereignty of that nation insofar as that Treaty is concerned because it gives up the sovereign right to do what it wants subject to the conditions of the Treaty and therefore if there is any conflict between the legislation of any country and a member of the Community as has been decided over and over again in the High Court in England the Community law prevails if it is clear, if it is not clear then there is no question of Community law prevailing. Talking about this question of having gone to the electorate, a close examination of what I said would show that nothing, really, had been decided at all at the time of the election and as I said at the last meeting, I had no obligation to give the Hon Members and the public any account of how things had developed going back to November but I did it because as I said at the time, I wanted to be quite sincere and quite frank about it and I wanted the people to know exactly how it had happened. In that statement I said: "We know of other reasons why implementation of the Lisbon Agreement was delayed, notably the Falklands war in 1982. By 1983 there was deadlock, no progress seemed possible and then on the 15th November, 1983" - and I asked the House to take note of that very carefully - "during a meeting with the Secretary of State in London, it was suggested to me that the impasse might be broken if all concerned were to agree that European Community rights might be mutually conceded between Spain and Gibraltar at some appropriate date in the future when greater progress had been made in the negotiation for Spain's accession to the Community but before that accession actually took place. My reaction to this suggestion was that I saw no objections to it being explored further without commitment" - that is what I said. And then I said: "By March, 1984, exploratory talks had been held at diplomatic level and I was then asked on 7th March", so that in between the first approach where they said: "What would you think about that?" I said: "It is worth exploring". I always think and I say so and I have no hesitation in repeating it, that any idea where there is a conflict and perhaps I have inherited this from my attitude in my profession, when there is a conflict any attitude, any new movement ought to be explored in order to avoid conflict. That, I think, is a general principle which has guided me all my life and which I think is sensible. This happened in November, 1983. At that time the House was

in existence and we hadn't dissolved the House and therefore there was no question of an election at that time, in November, 1983. By the time that I was approached again it was March, 1984, by which time of course we had had the little incident of the election count and the temporary appointment of the Hon Mr Bossano who gave two interviews as Chief Minister, he was Chief Minister for one and a half hours - they talk about "Reina por un dia", that was "Rey por dos horas" - and it was with great relief that those votes that had been held behind, great relief by the bulk of the people who were following the event, particularly those ladies who were wearing fur coats, who were greatly relieved when the results were announced and the true results emerged and not the pattern which appeared to have been showing much to the concern also of some Hon Members opposite who had never counted on being made Ministers. Anyhow, be that as it may, there was no question about going to the people and telling them of something which was purely an enquiry and therefore all that the Hon Member, Mr Juan Carlos Perez, said in his excitement this morning about that is absolute nonsense, in fact, these facts are known because I have chosen to disclose them. If they were facts that in any way compromised me and I had any feeling of guilt about it I would not have disclosed them but they are here and I have put them before the House because I felt that I ought to. The other matter which I would like to mention is the question of a mandate and this is very interesting. We have a mandate to govern and we have a mandate to do what we think is right and if we do something wrong we are sent out but I think the point the Hon Mr Zammit made was a very valid one in that we were not elected just by chance or just by one vote, we were elected by a substantial majority. Hon Members opposite improved their position considerably but not at the expense of my party. We won and they won at the expense of some other party, that was the result of the election, but it is quite true that the nature of the votes with which we were returned and if you make an allowance for wastage, then that result is even more important because after being in public life for forty years to get the best marks ever is, I think, something that I do not like to say often but if there is any opportunity in which I ought to say it, I am saying it now because I feel that what has been said is exactly what has not happened, there has been leadership, there was leadership with the Dockyard. I was accused when I made the package in July, 1983, that I had no right to do it, alright, I did it, I took the chance and what happened? I was returned with a bigger majority which meant that my leadership was accepted. I am saying that that is what is happening now and the same as if we had accepted the proposals of not having a commercial dockyard now we would have 500 or 600 or 700 people unemployed and more people without any prospects of employment and yet it is working, and yet it will work and I know Hon Members opposite think that it will not work but I have often said that I am sure that they hope that they are wrong because in the interests of Gibraltar

if that thing works it is good for everybody, even for the Opposition, and I would not tell them "I told you so" if it works and it was good for the people of Gibraltar. That is my attitude and that is what is happening now. I have made whatever reservations were required, I have openly and freely discussed and told everybody; The Times, the Spanish media, the whole world that comes round here when there is trouble, we do not see them when there is no trouble around here but all the media comes when we have problems, I told them all as to my stand and the stand of my party on sovereignty. How could I change that after forty years fighting for that? Well, not forty but at least since the Spaniards started to put the claim in which was in 1963 when we first went to the United Nations, I couldn't change now, why should I change now? Why? And that is something that Hon Members opposite may not want to understand. The Leader of the Opposition understands that if I say that something is right in respect of sovereignty in Gibraltar people believe me. Maybe he thinks they ought not to believe me, I don't know, he didn't attribute any improper motives to us, he attributed an error of judgement, bad judgement, whatever it is, and I am grateful to him for having specially said that. The Hon Mr Pilcher said that at the previous debate and, again, I am appreciative because, first of all, if we differ we differ and it is the essence of democracy that if there are different views those who have the responsibility to carry out the functions of Government must prevail. There is no question of saying: "You have to pass this law otherwise there was no Brussels", and so what? That is why the Brussels Agreement says, and that for the Spaniards is something, that the necessary proposals for legislation will be introduced in Spain and Gibraltar because if it had been necessary to pass this legislation in England it would have been because we would not have been in agreement with what was agreed there and if they wanted to give Spaniards advance rights they would have done it by the British Parliament against this Parliament and perhaps then we would all be out. That is why that Agreement to which Spain was a signatory says and recognises implicitly that it is the people of Gibraltar who are to legislate to come to an agreement which Spain and Britain have come to with the approval of the leader of the people of Gibraltar in these circumstances. I think some of the smaller points have been cleared. I understand Members are not very interested in some of the other amendments but judging by the interest that they have taken in the general debate I hope we will not be held up in other ones. The Hon Mr Mor made a very short contribution but let me tell the Hon Mr Mor that I have never been a puppet of anybody and the Government is not a puppet of anybody. I do not know whether he has any experience of being a puppet of somebody, I haven't and I am a bit older than he is. We do what we think is right. If we coincide with the British Government, alright, if we do not we fight them; if we come out together after a fight with a modified

view I think it is in the interest of Gibraltar. It is no use saying "we want to be independent", it is no use saying "we want to leave the Common Market". Of course we are not treated as a nation, I said so before, we are not treated as a nation because we are not a nation. Unfortunately, we are only a nation in our minds and in our hearts but in real political terms we are not and that is something we have to realise and we have to live with and, my God, if we do not get the support of Britain and we do not get the help of Britain and we do not try and take Britain by the hand to the extent that we can, what is the other option? All Hon Members know what the other option is and it is quite clear which we prefer. So much so that when you make a little move about something that would appear to be leaving that option or looks like it, people are afraid and there is unhappiness. What there is, I think, is concern, serious concern as to how the whole thing is going to work in the conditions that have been stated so often here on both sides about the fact that we are part of a community next to a country of thirty million. I don't know how many millions there are in Europe but Luxembourg has got 320,000 inhabitants and I suppose in proportion to the countries that surround Luxembourg, they could be said to be more or less in the same position and they have been able to survive. It is true that because she was one of the earlier members she was able to have a derogation about the free movement of labour but the question there and I have investigated this and if I haven't said so here I will say so now and if I have said so before I apologise but I think it bears repeating. I have spoken to people from Luxembourg, when I was in Strasbourg I took the point about this back in 1980, whenever it was, that we went to see the European Parliament and I spoke to representatives of the Luxembourg Parliament and I said had they had to have recourse to the derogation about labour and they said: "No, people do not go where there isn't work". There is Europe with five million or six million or eight million people unemployed and yet people do not go to Luxembourg to look for work because they know there is no work there. This idea that because Spain is coming into the Common Market and we are here we are going to get 35 million Spaniards, what have we got to give 35 million Spaniards? We still have to make the best endeavours to keep our standard of living and so on and we cannot give them work. That Gibraltar has historically always required an alien labour force is a historical fact, it is true, and that in the past when it was required for defence purposes people were employed for that particular work and then they were sent back home, people won't put up with that anymore. But if there is work here and if the Community improves and if the economic activity of Gibraltar improves and labour is required and labour is available across the way, there will be no problem, in fact. We all complained bitterly that the Spanish labour force was withdrawn by an act of Franco. The Brussels Agreement, Mr Speaker, and the legislation we have been considering today is, in my view, in the considered view of my colleagues, the best

possible deal that we can get to get out of this rut we were in before there was any movement. I think I said this at the last meeting. First of all, as was mentioned by one of my colleagues this morning, we will be able to see Spain's good faith which I have proclaimed as being changing and let me say that I would never expect the Spaniards to give up their right to claim Gibraltar in their goodwill, I would never expect them to do this. If I were a Spaniard I might not do that but I would change my attitude certainly if I want to live with them, certainly. I do not think anybody, any power, would be expected to give up for any temporary or small matter what is considered a historical fact, a historical mistake, a historical defeat, no, but that there is a change in the approach, I think Hon Members opposite must accept that and let me say that I do not know very much about the details of what happened in the technical talks here but certainly the atmosphere there was said by all to be very friendly and I think, in fairness, perhaps because he is a socialist, Moran has said quite clearly that there is no question of Spain attempting to rule over Gibraltar against the wishes of the people. He is not going to give us an undertaking forever of self-determination, I do not think that anybody could expect him to do that. I think he stuck his neck out quite a lot and we will see what happens after Geneva. I think he stuck his neck out quite a lot because he has seen the reality of the situation, because as a socialist and as a democrat, as has happened from the beginning of the change of regime, he has realised that the people of Gibraltar particularly in the regional Spain where everyone has his own characteristics, he has realised that the people counted which was something that Franco never thought of. Franco thought we were camp followers or peanut sellers to the soldiers but the democratic institutions of Spain have thought differently. I have here which I thought I ought to mention now though it is not strictly relevant and that is the jubilation in a debate in which the Hon Leader of the Opposition was present. I have here the remarks made by the three then leading lights of that party in 1972 when we were considering the Communities Ordinance and everybody said how good it was; "European integration was ideal, that is exactly what we had been waiting for for a long time, well done". That was the reaction of Major Peliza. He went on: "Naturally, we who have always advocated that Gibraltar should become an integral part of the new united Europe welcome the Bill". Mr Isola said: "The Hon Leader of the Opposition has already stated the support of the Opposition for this Bill because of the attitude we have taken all along on the question of entry of Gibraltar into the European Economic Community". And Mr Xiberras said more or less the same. He said they wanted to stop delegated powers which didn't arise anyhow. With hindsight, of course, it is very good to say that and let me say that we as we were then in the Opposition, we were also consulted and I make no apologies for saying that at that time it didn't seem to be when the debate was going on in the United Kingdom whether Britain should form part of the European Community or not, in my own mind I thought

that if Britain entered it was inevitable that we should enter and I still believe that, I still believe that we are an oddity in history and that we would be a bigger oddity if the whole of Europe belonged to the Community and Gibraltar was left out. That I believe in and I know that that carries a considerable burden and I know we must try to see and there are provisions, certainly in the question of labour, if there are any upsets in the movement of labour the institutions of the Community will look at any problems that arise and I know that there are many other areas in which the Community care for small people. But on the whole, yes, the rules are made in a big way and they have no time for small special cases and I think that that was seen, despite the good reception we got, that was seen by the Hon Leader of the Opposition and myself when we went to Brussels. We were listened to carefully and so on but the result in the end was that much as they would want to it would not be in consonance with the spirit of the Community. Mr Speaker, the Bill that is before this House may make a considerable impact for the benefit of Gibraltar. I believe passionately that it will make a considerable impact in the long term despite some difficulties that may arise in the short term. It is a Bill which has been brought after considerable thought. The Agreement was the subject of considerable discussions. I made the necessary reservation on the main point, it in no way affects us and therefore I am proud to be able to give it support. I just want to make one final remark because I was not going to say anything about the petition but Mr Pilcher thought fit to make a remark that we had abstained. Let me tell Hon Members opposite why we abstained on the motion that the petition be read and that is because much as I admire the young people whether they were children of members of the Hon Member's party, of the GSLP, or the trade union movement, I have great regard and great admiration for anybody young who gets himself involved in public life but let us not believe that the boys were the ones that obtained all the signatures because there were stalwarts, grown up members of the Hon Leader of the Opposition's party who were seeking signatures all over the place, with moustache and without moustache, as I said this morning, grown up people, stopping cars at road blocks and everything and asking people to sign. It was first presented as if it had arisen out of the Sixth Formers and then the Sixth Formers formally repudiated having anything to do with it. That kind of political manipulation certainly we are not prepared to support. That is why I have made the comments because the Hon Member has said that we abstained, that is why we abstained, we did not object, we could have said no we won't receive it. No, of course, there it is and for those genuine young people who took part in it I have the highest admiration. For those grown ups who took part and then put the merit on the young people, for those I think I have the greatest contempt.

HON R MOR:

Mr Speaker, can I make a clarification?

MR SPEAKER:

A clarification on what?

HON R MOR:

On something that the Chief Minister has said.

MR SPEAKER:

No, I am afraid the debate is finished and the Mover has made his reply. Unless it is a matter of personal explanation there is no way you can speak. Personal explanation or something that you may have said and may have been misinterpreted.

HON R MOR:

What I would like to say is that in my contribution I never said that the Hon and Learned Chief Minister was a puppet. What I said was that we were being used by the United Kingdom Government and that we were being manoeuvred and moved like puppets and that that was why we didn't want any part of it. I never said that the Chief Minister was a puppet.

HON CHIEF MINISTER:

I accept that.

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

The Hon A J Canepa
The Hon Major F J Dellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon G Mascarenhas
The Hon J B Perez
The Hon Dr R G Valarino
The Hon H J Zammit

The following Hon Members voted against:

The Hon J L Baldachino
The Hon J Bossano
The Hon M A Feetham
The Hon Miss M I Montegriffo
The Hon R Mor
The Hon J C Perez
The Hon J E Pilcher

The following Hon Members abstained:

The Hon E Thistlethwaite
The Hon B Traynor

The Bill was read a second time.

HON CHIEF MINISTER:

Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken at a later stage in the meeting. If Hon Members opposite agree today if there is time, if not tomorrow or if Hon Members want time, I have asked the Hon Leader of the Opposition and they don't want any time for the Committee Stage so let us proceed then to whatever business there is and let us take it whenever it comes.

This was agreed to.

THE SUPPLEMENTARY APPROPRIATION (1984/85) ORDINANCE, 1985

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I have the honour to move that a Bill for an Ordinance to appropriate further sums of money to the service of the year ending with the 31st day of March, 1985, be read a first time.

Mr Speaker then put the question which was resolved in the affirmative and the Bill was read a first time.

SECOND READING

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I have the honour to move that the Bill be now read a second time. The Bill seeks to appropriate the sum of just over £500,000 and of this the great majority of the money required is in respect of the Electricity Undertaking. The Bill as published gives a summary of this amount but the Schedule which Hon Members have been provided explains that the figure for the Electricity Undertaking is really the composite of two items. Approximately half or just over half is in respect of the increase in fuel costs and the remainder is in respect of a re-instatement of funds previously re-allocated which was in fact the subject of a question at an earlier meeting of the House, Question No. 132 of 1984, when my Hon Friend the Minister for Municipal Services explained the re-allocation or the probability that the funds which had been re-allocated would be required for fuel costs. That is one half of the amount. The other feature of the sum required is for increase in fuel costs and I think Hon Members will be

aware this is very largely as a result of the decline in the value of sterling relative to the dollar, a decline which, alas, does not yet seem to have ended. With those few words, Mr Speaker, I commend the Bill to the House.

MR SPEAKER:

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

HON J C PEREZ:

Mr Speaker, we in the Opposition will be abstaining because there is certain supplementary expenditure which we would vote in favour and certain supplementary expenditure which we would vote against and I will explain to the House, Mr Speaker, that in Question No. 132 of 1984 which the Hon Member has quoted, I said in a supplementary to an answer given by the Hon Minister for Municipal Services that since we have been opposing the continuation of Hawker Siddeley in the running of the Generating Station and since the re-allocation of the funds from subheads 4 and 8 on King's Bastion and Waterport Power Station consisted of £220,000 - £110,000 of each subhead - to meet the last payments to Hawker Siddeley, I gave notice at question time that we would be voting against that and that is why we are now abstaining.

MR SPEAKER:

May I perhaps inform the Hon Member that there is another manner in which he can express his views on this one. We are now debating the general principles of the Appropriation Bill and there is no reason why you shouldn't vote in favour. You will be given an opportunity to vote each Head upon which you can choose on which Head to vote for and which Head to vote against.

HON J C PEREZ:

Mr Speaker, I have taken the opportunity to put the position clear now. That is all I have to say.

MR SPEAKER:

What I am saying is that there is no need to abstain on the Second Reading but if you so wish you are of course entitled to.

HON J BOSSANO:

Mr Speaker, I would like some clarification from the Government on the question of the GBC vote which we are in favour of.

MR SPEAKER:

We can do that at the Committee Stage.

HON J BOSSANO:

Well, I think it is something that I want to bring to your notice. What we want to know, really, is whether that includes any money in respect of the General Manager that has to be recruited overseas or this is purely for the local staff?

HON CHIEF MINISTER:

I want to make a statement when we come to this. It has nothing to do with this but I still want to make a statement on that and I will then explain to Hon Members.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I suggest that this be dealt with at the Committee Stage.

MR SPEAKER:

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

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

The Hon A J Canepa
The Hon Major F J Dellipiani
The Hon M K Featherstone
The Hon Sir Joshua Hassan
The Hon G Mascarenhas
The Hon J B Perez
The Hon H J Zammit
The Hon E Thistlethwaite
The Hon B Traynor

The following Hon Members abstained:

The Hon J Bossano
The Hon M A Feetham
The Hon Miss M I Montegriffo
The Hon J C Perez

The following Hon Members were absent from the Chamber:

The Hon J L Baldachino
The Hon R Mor
The Hon J E Pilcher
The Hon Dr R G Valarino

The Bill was read a second time.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sir, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken at a later stage in the meeting.

This was agreed to.

COMMITTEE STAGE

HON ATTORNEY-GENERAL:

Sir, I have the honour to move that the House should resolve itself into Committee to consider the following Bills clause by clause: The Development Aid (Amendment) Bill, 1984; The European Communities (Amendment) Bill, 1985, and The Supplementary Appropriation (1984/85) Bill, 1985.

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

THE DEVELOPMENT AID (AMENDMENT) BILL, 1984

Clause 1

HON ATTORNEY-GENERAL:

Sir, I have the honour to move that Clause 1 be amended by the deletion of the figures "1984" and the substitution thereof by the figures "1985".

Mr Speaker then put the question which was resolved in the affirmative and Clause 1, as amended, was agreed to and stood part of the Bill.

Clause 2

HON ATTORNEY-GENERAL:

Mr Speaker, I beg to move an amendment to Clause 2 of the Bill by the addition of the following new paragraphs (3) and (4) to Section 15E. Hon Members have been given notice of the amendment, Mr Speaker. Subsection (3) reads: "Notwithstanding anything contained in subsection (2) of this Section where any residential hereditament which is part of a development project carried out in pursuance of a licence granted under the previous Development Aid Ordinance came into beneficial occupation on a date subsequent to the 1st April, 1980, the annual relief from liability for rates already allowed under the provisions of Section 298A of the Public Health Ordinance shall remain unaltered until such time as the corresponding annual relief from liability for rates allowable under Section 15B has been attained".

And subsection (4): "For the avoidance of doubt nothing contained in this Section shall entitle any person to any remission or refund of rates".

HON A J CANEPA:

I would like to explain. I think I made reference to this when the Second Reading of the Bill was taken, Mr Speaker. The object behind this amendment is to assimilate those cases where people who are getting the relief granted from rates under a development aid licence have not yet reached the maximum of the scale, or rather they haven't progressed through the scale to an extent that they are paying full rates. The previous scale went up in steps of 20%, from 0% to 20% to 40% to 60% to 80% and then people were liable to pay the full rates and the intention is that as greater relief is going to be granted under the amendment before the Bill, the relief that is going to be granted will be for a maximum of ten years whereas previously it was only for five, people who are in a transitional situation should be absorbed into the new scale at the appropriate point thus, for instance, somebody who is paying 60% of the rates under the present Ordinance would be assimilated into the 60% rate under the amendment and then progress along the new scale to 70%, 80%, 90% and 100%. So they are transitional provisions intended to assimilate cases where relief is still being obtained so that these people will not be worse off than those who may qualify from the date of implementation of the new Ordinance.

Mr Speaker then put the question which was resolved in the affirmative and Clause 2, as amended, was agreed to and stood part of the Bill.

Clause 3 was agreed to and stood part of the Bill.

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

THE EUROPEAN COMMUNITIES (AMENDMENT) BILL, 1985

HON J BOSSANO:

Mr Speaker, we have listened to the Government view on this Bill and I said in my earlier contribution on the general principles that we would not seek to make any amendments and therefore to raise matters at the Committee Stage when I said that there were no merits in this Bill as far as we were concerned because by definition the raising of matters at the Committee Stage and the making of amendments are an attempt to improve the legislation in the House of Assembly by contributions from this side of the House. We do not think it is possible to deal with this other than as a matter of fundamental principle on which

there are clearly two opposing views in the House of Assembly and therefore I have to say that we have not changed our mind by any of the arguments put forward from the Government benches, we are more convinced than ever that there are even more ramifications than are manifested in the Clauses in the Bill and that those ramifications will come to light as some of the theories of interpretation that we have had today are put to the test and therefore I can tell the Government that we can promise them unrelenting opposition on this issue. We are totally against this advancement of EEC rights and we will continue to oppose it at every stage and at every opportunity. We cannot forgive the AACR for this and we will not allow Gibraltar to forget it. We will not allow them to forget it, they may choose having remembered it to do something different but we will not allow them to forget it, Mr Speaker. For us it is clear that only when the AACR is removed from office can something practical be done to stop the rot and end the situation in which we find ourselves going rapidly downhill, hidden from sight behind the pink cloud of the Chief Minister's naive optimism and therefore in the light of that analysis we consider that the very least we can do at this stage is to demonstrate our total disconformity with the passage of this Bill through the House by departing now and therefore I am giving notice that I shall be moving the motion of which I had previously given notice at the next meeting of the House of Assembly and that we shall not remain here for the Committee Stage of the other Bills. Thank you, Mr Speaker.

MR SPEAKER:

I haven't quite understood you. You have a motion on the Order Paper and you don't intend to move it at this meeting, in other words, that after the Committee Stage of all Bills that is the end of the business of the House.

At this stage of the proceedings the Members of the Opposition left the Chamber.

Clauses 1 to 7 were agreed to and stood part of the Bill.

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

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

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

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

The Hon the Attorney-General and the Hon the Financial and Development Secretary abstained from voting on this Bill.

THE SUPPLEMENTARY APPROPRIATION (1984/85) BILL, 1985

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

The Schedule

HON CHIEF MINISTER:

Mr Speaker, I wanted for the record to have made a statement, I am sorry that there is nobody to listen to it on the other side but I have to make it nevertheless perhaps when we get to that Head.

MR SPEAKER:

I am not going to call the different Heads because there is no need. I am calling the Schedule as a whole.

HON CHIEF MINISTER:

May I draw your attention to the Schedule, for the record, to Item 26 - Treasury, Contributions to the Gibraltar Broadcasting Corporation - £50,474 to meet costs of the 1984 Pay Settlement, £19,474, an estimate shortfall in revenue in respect of TV licences. And the next one, Item 34 - Grant to Gibraltar Museum - £852, cost of 1984 Pay Settlement. Normally, the pay settlement for the Museum and the Gibraltar Broadcasting Corporation was drawn from the general provision made in the estimates for pay settlements but at the request of the then Leader of the Opposition who was very anti-GBC expenditure - I won't say anything more - Mr Isola said that no expenditure of any kind for GBC should come without it being itemised and I then gave an undertaking that I would do that and that is why I am still honouring that undertaking. But now, even in the absence of the Opposition, for the record, I propose that, in future, pay settlements of GBC and the Museum should come out of the general provision because when I said: "Why doesn't it come out of the general provision?", the Treasury drew my attention to a statement I had made that I would bring the matter here and therefore I propose in future to withdraw whatever commitment I had at the time and be free to call on the amount and not come for supplementaries here. We provide £1m or whatever it is in the estimates for pay reviews and these two came out of that but at the request of Mr Isola I said, alright, whenever there is a pay review in respect of GBC I will bring it here but normally if it is standard with the others and there is nothing special I don't see any reason why I should bring it separately.

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

Clauses 2 and 3 were agreed to and stood part of the Bill.

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

THIRD READING

HON ATTORNEY-GENERAL:

Sir, I have the honour to report that the Development Aid (Amendment) Bill, 1984, with amendments; the European Communities (Amendment) Bill, 1985, and the Supplementary Appropriation (1984/85) Bill, 1985, have been considered in Committee and agreed to and I move that they be read a third time and passed.

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

ADJOURNMENT

HON CHIEF MINISTER:

Mr Speaker, I beg to move that the House do adjourn sine die.

Mr Speaker then put the question which was resolved in the affirmative and the House adjourned sine die.

The adjournment of the House sine die was taken at 5.15 pm on Wednesday the 16th January, 1985.