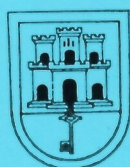


GIBRALTAR

HOUSE OF ASSEMBLY



QUESTIONS AND ANSWERS

28TH JANUARY, 1986

1 TO 45

NO. 1 OF 1986

ORAL

THE HON J C PEREZ

Mr Speaker, can Government explain why the King's Bastion Generating Station is not included in the essential assets covered by external insurance?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as I explained in answer to Question No. 73 of 1985 raised by the Hon Member, the objective was to limit the insurance cover to the minimum number of essential assets. Waterport Power Station was included but not King's Bastion.

SUPPLEMENTARY TO QUESTION NO. 1 OF 1986

HON J C PEREZ:

Mr Speaker, but if the Hon Member has gone through Question No. 73 of 1985, he will have noticed that when I asked why not, he said: 'Obviously, I am the mere Financial guru or girl in this particular exercise and I cannot speak for the value of the contribution which King's Bastion makes to the generation of electricity. I see the Minister for Municipal Services isn't here but I think that that is all I can say'. Since the Hon Minister for Municipal Services who has obviously disappeared conveniently is today in the House, I wonder whether the Government can answer my question?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, whilst the Minister for Municipal Services is recovering his composure, I don't think that there is anything that needs to be added to what I said on the last occasion when this question was raised, Mr Speaker. It is a matter of assessing what the generating capacity of King's Bastion is. As I think the House will be generally aware, there are at present two five megawatt sets at Waterport and a third is on order which will provide a total generating capacity of over fifteen megawatts. One relates that to demand, winter and summer, and the possibility of receiving assistance from the MOD generating capacity if they have spare capacity available which they frequently do. It is a question of taking all this into consideration on the one hand and on the other, attempting to

limit the amount of money which the Government puts into this particular Head of Expenditure. There is no science about the thing, it is a matter of judgement and this seems to be the Government's judgement that it is not essential to insure King's Bastion.

HON J C PEREZ:

Is the Hon Member then indicating that Government does not intend to replace any of the assets in King's Bastion?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I wasn't indicating that.

MR SPEAKER:

Next question.

NO. 2 OF 1986

ORAL

THE HON J C PEREZ

Mr Speaker, is Government now in a position to state whether postal charges for carrying official mail will be shown in the Estimates of Revenue and Expenditure?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Government has decided not to make any change in the present arrangements for the time being.

SUPPLEMENTARY TO QUESTION NO. 2 OF 1986

HON J C PEREZ:

Mr Speaker, can the Hon Member explain why?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker. While the Postal Services are treated in the Estimates simply as a Government Department, the case for making this change is not as strong as it would be if the Postal Services were constituted as a Funded Service and I think it is felt that that change would really be necessary for this particular alteration in the position. As far as charges for carrying official mail to be shown, one would need to put the postal service on the same footing as the telephone service, for example. That, I think, would be the pre-condition and without that change we do not think that any change in the present arrangement is really called for.

HON J C PEREZ:

Is the Hon Member perhaps considering moving towards that situation in the Postal Services?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

My own preference would be for the Postal Service to be a Funded Service like the Electricity Service and the other Funded Services. Indeed, I would go further than that, I would like to see them established as mini nationalised industries, if I may use that phrase, but I think one must consider the question of resources. What I have just suggested would be done at a cost and I cannot impose my personal view as the financial adviser to the Government on

my colleagues when there are obviously other matters of priority to be considered but I have stated my personal view, that is the change that I would like to see perhaps at a time when resources are available for the change to be made and subject to the agreement of my colleagues, I should say.

MR SPEAKER:

Next question.

28 1 86

NO. 3 OF 1986

ORAL

THE HON J C PEREZ

Mr Speaker, can Government explain why driving licences are only valid for 3 years?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, local driving licences are issued for 3 years and may be renewed for two further periods of 3 years. It is, however, intended to introduce shortly an EC driving licence to replace the current licence. The validity of the EC licence will be for one period of 10 years.

NO. 4 OF 1986

ORAL

THE HON J E PILCHER

Has the Gibraltar Government requested an additional sum of £1m from ODA for the refurbishment of the Commercial Dockyard?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, in the light of the latest information from the Company, the Government in the very near future will be putting forward proposals to ODA for additional funds for GSL. I cannot at this stage put a figure on the additional funds that will be sought but it will be more than £1m.

SUPPLEMENTARY TO QUESTION NO. 4 OF 1986

HON J E PILCHER:

Mr Speaker, can Government say whether this submission will be as part of the aid submission already put to the ODA?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, clearly as the Hon Member has, I think, implied, a proposal has already been put to the ODA in respect of the next development aid programme. Clearly this would be a separate submission.

HON J E PILCHER:

In the recent visit from ODA, did the Government get any idea whether or not ODA would be (1) willing to look at this and (2) if this would be treated by them as a separate issue or whether they would want this to be treated globally as part of the aid submission and the grant given to the Gibraltar Government by them?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, their visit was, of course, exploratory and it was to find information. I think it is fair to say they held their cards very close to their chest as one would expect them to do.

HON J BOSSANO:

Mr Speaker, when the visit was announced wasn't it said that they had come back here because, in fact, a request for additional funds to meet the overrun on refurbishment had been made. This was said publicly by The Convent. How is it that they were here and the Government is now telling us that, in fact, the request for the additional funds has not yet been submitted?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The request for additional funds had not yet been submitted, Mr Speaker. I don't recall precisely the situation the Hon Member has described but it may very well be that as a result of earlier statements perhaps by GSL and the expectation that there would be, for example, overruns on capital expenditure which I think is generally known, the probability of a request for additional funds was mentioned at that time. I cannot recall precisely the sequence of events but I can assure the Hon Member that the Government has not yet put forward proposals to ODA for additional funds for GSL which is not to say that we haven't received representations from the company which, of course, we are studying and ODA, I think, are aware that the company are putting forward such proposals to us.

HON J BOSSANO:

Could I ask, Mr Speaker, in relation to the original question, the question talks about the £1m for the cost of refurbishment. Would it not be correct to say that what the question is referring to and what we are talking about is in fact a commitment that would be the responsibility of the Government of Gibraltar and not of GSL since under the Gibraltar Shiprepair Ordinance the cost of refurbishment is a cost attributable to the Government of Gibraltar and not to the company since the assets are leased to GSL and GSL is not responsible for the refurbishment?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I take the Hon Member's point as to the precise accounting for expenditure which might flow as a result of the request to ODA. Clearly, the Government needs to have the advice of the company on the extent to which further funds are required because of overruns on capital expenditure on assets which are to remain in Government ownership but I think we do in fact need the advice from the company as to what additional

funds are required for that purpose although, as he quite rightly says, the assets may be owned by the Government and not by the company.

HON J BOSSANO:

I am not talking about advice, Mr Speaker, I am talking about liability. Is it not a fact, Mr Speaker, that the only way the company has money and the only way the company can spend money is the money that is obtained by the subscription of shares by the Government of Gibraltar and that consequently if there is a higher bill to be met on the refurbishment, it is a bill which comes to the Government of Gibraltar and not to GSL, is that not a fact?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There are other ways, of course, in which the company can raise funds, that is, by generating revenue from repairs of ships so I don't agree quite exclusively but I take the Hon Member's point. It seems a fairly fine point, if I may say so. - What is the crucial point is how much money the company feels that it needs to tidy it over either because of overruns on capital expenditure and therefore a shortage of cash flow from that source or because of pressure on working capital for other purposes. The total amount the company needs is the critical question, I think.

HON J BOSSANO:

No, Mr Speaker, it is not the critical question at all, I disagree with the Hon Member. We are asking the Government about a liability which is the Government's, not the company's. We are not talking about whether the company has had to pay more money for cranes or made bigger losses, which is a matter that the company can meet either by borrowing money or by generating more income. We are talking about what the law provides which is that the physical assets of the ex-Naval Dockyard are the property of the Government of Gibraltar leased to Gibraltar Shiprepair Limited and consequently the bill from the contractors is a bill to the Government of Gibraltar. If that is the case and that is what the law says then, surely, the unpaid bills are a matter which the Government of Gibraltar must know about and which the Government of Gibraltar must find the money to pay irrespective of the viability or otherwise of Gibraltar, surely?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon Member is clearly making a point of interpretation of the law and as I said, I think it is an aspect of the situation which I hadn't considered, I don't think that that is the most important point but perhaps my Learned Friend would like to comment on it.

HON J BOSSANO:

The situation then, Mr Speaker, is that although we understand that there is an unpaid bill of £1m due to the contractors who did the construction work on the Dockyard, the Government doesn't know whether in fact it has to pay that bill or not. Have they had a bill for £1m?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, Mr Speaker, sometimes it does happen, I think we are at cross purposes. I don't think the question of legal liability arises, that is my own view. The assets are leased by the Government to the company, the fact that it has cost more than was originally expected for the renovation of No. 1 Dock, for example, is a separate question and that means that the project's expected cash flow has suffered accordingly and something will have to be done. Whatever money is provided to the company would have to be from either ODA or Government sources, I accept that, because that is the only way in which funds can be provided.

HON J BOSSANO:

Mr Speaker, what we are trying to ascertain is whether in fact what has been presented to the House ever since the Gibraltar Shiprepair Ordinance was brought to this House of Assembly is, in fact, what is taking place and that clearly laid down that there were two different.....

MR SPEAKER:

I don't think that your statement has been either denied or accepted. What has been said is that there is a liability there which has to be met and it will be met by whoever is responsible, is that correct? What you are seeking is confirmation of what the situation is but it appears that you are not going to get it.

HON J BOSSANO:

If the Government is simply trying to avoid giving a straight

answer, fair enough, then I won't waste any more of the House's time but if it is not going to avoid giving a straight answer, if they genuinely don't seem to get hold of the arguments that we are putting forward, Mr Speaker, then what I want a clear answer from the Government on is related to the question because the question specifically limits itself to the cost of refurbishment because under the Ordinance the cost of refurbishment of assets is not met by GSL, the Ordinance specifically provides that money from the Special Fund will be used by the Government of Gibraltar.

MR SPEAKER:

That has neither been denied nor accepted.

HON J BOSSANO:

But how can the Government be running the yard now for a year and a half and not know where their liability begins and ends? Is it the position that they don't know then, Mr Speaker?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I just do not understand the point that the Hon Member is making Mr Speaker.

MR SPEAKER:

The point that the Hon Member is making is clear and that is that according to him, the cost of refurbishing the Dockyard and the cost of converting the same Dockyard to a civil dockyard is the responsibility of the Government and not Gibraltar Shiprepair and he is asking for confirmation of that.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is a question of legal liability, one on which I would have to take advice.

MR SPEAKER:

I completely and utterly accept your answer.

HON J BOSSANO:

But, Mr Speaker, how can we be told in 1986 that the

Government has got to take advice on what is a legal position when we legislated in this House of Assembly and we had a debate in this House of Assembly in 1984? In 1984 the position was amended in this House of Assembly where originally the law provided that all the money was channelled through the accounts of GSL by the Government buying £28m worth of shares and the law was amended here to say that the cost of refurbishing the yard would be met directly by the Government and the report that the Government accepted by Appledore specifically states that the cost of setting up the yard and refurbishing the yard is not a liability on the company and does not appear on the accounts of the company and we have had the accounts of the company presented in this House of Assembly by the Financial and Development Secretary and the House has noted the accounts and all that reflects the position I am saying and the Government now needs to take legal advice to find out if what they have been doing for the last year and a half is right or wrong?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, Mr Speaker, perhaps I can help the Hon Gentleman to some extent. First of all, whatever the Government does will be within the law and it will be consistent with the provisions of the GSL Ordinance, in particular Section 6(4) which I think now that he has mentioned it I think I understand more his meaning. Section 6(4) of the GSL Ordinance says: 'There shall be charged upon the fund such monies not exceeding in the aggregate £28m for the subscription or purchase by the Government of Gibraltar of shares, or for expenditure on assets belonging to the Government that are or are to be leased by the company', then clearly if the Government were to receive further funds from ODA I think it is quite clear that that figure of £28m would have to be changed and we would need to amend the Ordinance to provide for it and to make other appropriate provisions in the Ordinance. Certainly I would accept that much. I think his question, as I understood it originally, was that if there is an overrun of expenditure or there is a need for more money, this would have to come by law necessarily from the Government.

HON J BOSSANO:

Absolutely, that is the point and I am asking the Hon Member to confirm in the light of what he has just read, that if in fact the law says that the Government may use the funds for the purchase of shares in the company or for the refurbishment of the yard then an overrun on the cost of the refurbishment of the yard axiomatically must come from the Government and

not from the company's money obtained through the sale of shares, it follows, Mr Speaker, logically and inevitably. If that is the case then, surely, is it not natural to ask the Government have they had from the contractors engaged by them to refurbish their yard leased to GSL, have they had a bill for an overrun on that cost which they have to meet and which, presumably, they are seeking help from the UK to meet but it is a bill to the Government of Gibraltar not to GSL, surely?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, the bill is not presented to the Government of Gibraltar as such although there will be a bill for extra money, yes, I accept that.

HON J BOSSANO:

Mr Speaker, is then the refurbishment of the yard being or has it been conducted by the Government of Gibraltar or has it been conducted by GSL because that is not what we provided for and this is not what we have been led to believe. We have been led to believe that the situation was as originally planned and as reflected in the accounts of the company and as reflected in the Ordinance that the refurbishment of the yard was a matter undertaken by the Government of Gibraltar, using part of the £28m but undertaken by the Government of Gibraltar and the Government of Gibraltar then rented a refurbished asset to GSL. The refurbishment was not undertaken by GSL from its own funds.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the refurbishment was undertaken by GSL. The expenditure of money was, of course, covered by the provisions of Section 6(4), that is to say, the Government could provide the money in the way it is defined by law on this refurbishment but that is not quite the same thing to saying that the Government has refurbished the assets. GSL has engaged the contractors, as I think the Hon Member will be aware, who were engaged on that refurbishment but that has been financed in the way described by the Ordinance.

HON J BOSSANO:

But then, Mr Speaker, it follows, does it not, that if the Government of Gibraltar is responsible for meeting the bill from the contractor and not GSL, even if GSL chose the contractor, if the Government of Gibraltar is responsible for meeting the bill, if the bill has gone up, the person who gets the increased bill surely is the Government of Gibraltar

and not GSL, am I not correct in that, Mr Speaker?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is why we are considering asking ODA for more monies, Mr Speaker.

HON J BOSSANO:

Well, then precisely, Mr Speaker, you don't need advice if you have a bigger bill because you must know what the bigger bill is so independent of any money that the Government may wish to ask ODA for to meet the running cost of the yard, our original question is 'Is there an extra £1m required for the refurbishment of the Dockyard which has to be met by the Government rather than by the company because the Government is responsible for paying for the refurbishment?' That is the original question and we are still trying to get an answer to it.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have taken the point, yes.

MR SPEAKER:

Next question.

NO. 5 OF 1986

THE HON J E PILCHER

Can Government state the total cost to the GSL of the expatriate managers in its employment, including allowances, etc?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, in the Accounts for the year ended 31 December, 1984, wages and salaries were shown as £688,397. I understand that wages represented £325,000, salaries £353,000 and of the latter figure expatriate salaries £146,000.

SUPPLEMENTARY TO QUESTION NO. 5 OF 1986

HON J BOSSANO:

But is it not the case that in 1984, which I understand is what the Hon Member is referring to, a great deal of the cost was being met as a consultancy financed by ODA independent of the cost to GSL?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There was a bill for consultancy, I don't know whether it was a great deal, Mr Speaker, but there were a number of consultancy engagements during that time, yes. The figures I have given, I should of course mention that it refers to 1984 which was the start up year and was therefore, I hope, unrepresentative and I would expect the ratio between salaries and wages to conform to a more reasonable pattern, if I may use that phrase, in 1985.

HON J BOSSANO:

Is the Hon Member in a position to give us an indication for 1985 of the equivalent figures?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I don't have that information.

MR SPEAKER:

Next question.

NO. 6 OF 1986

ORAL

THE HON J E PILCHER

Has the Gibraltar Government had the disbursement of funds for the GSL Special Fund stopped by ODA?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir.

SUPPLEMENTARY TO QUESTION NO. 6 OF 1986

HON J E PILCHER:

Mr Speaker, is the Government therefore happy for the managers of its Gibraltar Shiprepair Limited to lie to its workers in a way and to issue statements like this which seem to indicate that the stoppage of the money was, in fact, going to happen if not had happened already and I will read the statement which is the Gibrepair Company newsletter which says: 'It has also caused the Overseas Development Administration to hesitate about making further payments under the £28m grant arrangement'?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think the Hon Member might want to consider whether that reference is consistent with his suggestion for the lie. What the newsletter refers to is hesitation on the part of ODA and I think that reflects the line taken by ODA Board Members on a number of occasions during the past few months. They have expressed concern as the House will recall when HMG agreed to commence payment of the £28m in May, 1984, the continued release of funds was made conditional on the maintenance of acceptable working practices and that fact was made public at the time.

HON J E PILCHER:

Perhaps I should re-phrase the question. Has the Government of Gibraltar ever known of any hesitation on the part of ODA to stop the Gibraltar Shiprepair Limited Special Fund disbursements?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have just referred that we understand that the ODA Board

Members have expressed their concern. I think that is consistent with the reference to 'hesitation' by the Managing Director and the Chairman in the company newsletter.

HON J E PILCHER:

Hesitation seems to mean delay. Has there been any delay in receiving monies to the Gibraltar Shiprepair Limited Special Fund from ODA?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The company have not made any representations about this to the Government, no.

HON J BOSSANO:

Mr Speaker, the Hon Member talks about concern about working practices. Is it in fact the case that the company has reported back to the Board or to ODA that working practices which were originally agreed are not being complied with and that is why ODA is hesitating?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have no information on that, Mr Speaker.

HON J E PILCHER:

Is the Government, and I am asking the Government, aware or happy with this kind of tactics by Gibraltar Shiprepair Limited?

HON J C PEREZ:

Mr Speaker, can the Government explain what they mean by hesitation, whether hesitation means that the disbursement was delayed for one week, for one month, for four months? Can we know what kind of hesitation is being expressed by ODA on this subject?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not prepared to make any further comments, Mr Speaker, on what is really a responsibility of the company newsletter which is signed by the Chairman and the Managing Director. I don't think it is consistent with my position.

HON J C PEREZ:

Mr Speaker, the Hon Member has just confirmed in this House

what the newsletter says about the hesitation in answer to a question. If he has confirmed it and he has confirmed it in the affirmative then he should be able to answer why that hesitation has taken place.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

What I did was attempt gently to correct the Hon Member's colleague who used the word 'lie'.

HON J BOSSANO:

Mr Speaker, has there been a change of policy now where we are going back to the Government answering questions on Gibrepar through the Financial Secretary and not the Chief Minister?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, this particular question, I think, Mr Speaker, if I may speak on behalf of the Government, refers to financial matters and I think it was always understood that the Financial and Development Secretary would reply on behalf of the Government when financial matters were raised but I have attempted to confine my answer to the question to be what I might call 'the financial parameters' implicit in the question.

HON J BOSSANO:

Mr Speaker, since we are talking about financial matters is it not the case that the Hon Financial and Development Secretary is responsible under the law for Special Funds and consequently if there is a situation where £28m is due to be received by Gibrepar Special Fund, can he tell us whether there has been any difficulty in obtaining the remaining part of that money for that Special Fund for which he is responsible under the law?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have said no, Mr Speaker.

HON J BOSSANO:

Then, Mr Speaker, would the Hon Financial and Development Secretary not consider that he ought to pass that information on to the management of the Government-owned company so that they don't put out misleading statements to the workforce?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I am not going to fall into that one, Mr Speaker. I gave the Hon Member what I thought was an honest answer, that concern had been expressed by the ODA from time to time and that this seemed consistent with what has been said in the newsletter about hesitation, that is really all I have to say.

HON J BOSSANO:

But then is it the case, Mr Speaker, that the Government of Gibraltar is not aware of the fact that the management of its company have told the workforce and its representatives quite categorically and quite clearly that the money that was still pending had in fact been blocked by ODA, the words used by the management of the company were to the workforce and to its representatives, that ODA was not prepared to throw good money after bad. The Government is not aware that that goes on in a Government-owned company which is considered to be so important for the economy of Gibraltar, is that the case?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Many things are said during the course of managing a company, Mr Speaker, and clearly the Government cannot be held responsible or, indeed, would wish to involve itself closely in what is said by the managers on a day-to-day basis.

HON J. BOSSANO:

But the Government can confirm that there is, in fact, no truth in that statement, that the situation is that the ODA has not said to the Hon Financial and Development Secretary who is the man responsible for the Special Fund in question: 'We are not prepared to give you the remaining portion of the £28m because we are not prepared to throw good money after bad'? The Financial and Development Secretary can confirm that no such statement has been made to him?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Absolutely and categorically I can confirm that.

MR SPEAKER:

Next question.

NO. 7 OF 1986

ORAL

THE HON J E PILCHER

Can Government reconsider making public the Management Agreement between GSL and A & P Appledore?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as I explained in answer to Question No. 79 of 1985, the Government considers that publication of the Agreement would be commercially damaging to both Gibraltar Shiprepair Limited and A & P Appledore. Hon Members opposite can, of course, see the document on a confidential basis. I understand that the Hon Member has already done so.

SUPPLEMENTARY TO QUESTION NO. 7 OF 1986

HON J E PILCHER:

Mr Speaker, this is why I brought this question to the House because having done so I, as a layman, can see nothing whatsoever in that report that can be commercially damaging but nevertheless even if there are areas which are commercially damaging, will the Government not consider removing those clauses that might be damaging and publish the rest of the report which is something that I think has been done before with other reports?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

We will consider it, Mr Speaker.

MR SPEAKER:

Next question.

28 1 86

NO. 8 OF 1986

ORAL

THE HON J E PILCHER

Can Government state whether a Controller has now been appointed for GSL?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, in answer to questions on this issue last year I explained the reasons why a Controller has not been appointed and the temporary arrangements which had been made. These arrangements are, I understand, to be reviewed by the Board at its meeting next month, when the question of recruiting a Controller will again be discussed.

28 1 86

NO. 9 OF 1986

ORAL

THE HON J BOSSANO

Can Government state whether the question of the payment of Social Security benefits to former Spanish workers is a defined domestic matter?

ANSWER

THE HON THE CHIEF MINISTER

Sir, Social Insurance as such is a defined domestic matter but there are a number of aspects of the payment of benefits to former Spanish workers which overlap both fields and which, as has been the case in the past, will continue to require close consultation between Her Majesty's Government and the Gibraltar Government on how they should be dealt with.

THE HON MISS M I MONTEGRIFFO

HON J C PEREZ:

Mr Speaker, since my colleague has lost her voice I beg to ask permission for me to read her questions and perhaps carry on the supplementaries.

MR SPEAKER:

Most certainly, yes.

HON J C PEREZ:

Is Government providing any financial assistance towards the construction of the GASA swimming pool at Waterport in this financial year?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, as a result of a meeting held on the 6th December 1985, between GASA officials and myself, GASA undertook to submit detailed proposals for the construction of a swimming pool at their premises. Once the submission is made Government will then consider the matter.

SUPPLEMENTARY TO QUESTION NO. 10 OF 1986

HON J C PEREZ:

Mr Speaker, is the Hon Member aware that following his commitment to this House GASA has been requesting materials, assistance which was promised by him in this year's budget, and that they have not been able to get it because they have been told on various occasions by officials in the department that it requires clearance by the Hon Member?

HON G MASCARENHAS:

Mr Speaker, if my memory is correct I think the money made available was in the 1984/85 Estimates, not in the 1985/86, is that correct? Is that what the Hon Member is referring to?

HON J C PEREZ:

Mr Speaker, the Hon Member said in this year's Budget that

assistance for materials would be considered sympathetically and that is the point that is being raised at the moment.

HON G MASCARENHAS:

As far as I am aware, Mr Speaker, there has been no request for materials this year, in the 1985/86 Estimates.

HON J C PEREZ:

Mr Speaker, had there been any request for materials would the Hon Member have complied with that request?

HON G MASCARENHAS:

I would have done my utmost to do so.

HON J C PEREZ:

If the situation is, Mr Speaker, that GASA believe that the officials in the department have told them that they need clearance by you and that they have attempted, in fact, to get materials, will he not intervene to try and avoid this happening again?

HON G MASCARENHAS:

Mr Speaker, I honestly don't know what the Hon Member is talking about. Since the end of 1984 the situation with GASA and my Department has been that GASA, and it is not for me to say so, are in the process of finalising some proposals which they will bring to me and since they have had no requirement for materials and I am waiting for them. If there is any request for materials I would look at it in consultation with my Hon Friend the Minister for Public Works but they haven't done so.

MR SPEAKER:

Next question.

NO. 11 OF 1986

ORAL

THE HON R MOR

Mr Speaker, what has been the overall percentage increase of the capitation grants to schools between 1980 and 1985?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT
AND POSTAL SERVICES

Taking the financial year 1980/81 as the base year, the overall percentage increase of the capitation allowances to Government Schools between 1980 and 1985 has been 48.33%.

SUPPLEMENTARY TO QUESTION NO. 11 OF 1986

HON R MOR:

Mr Speaker, does the Government consider that the percentage increases have been keeping up with the level of prices for articles supplied to schools?

HON G MASCARENHAS:

Yes, Mr Speaker, I consider it to be generous and the overall inflation rate given to us by the Statistics Department for the corresponding period was 38.07% and as I answered in the original question the capitation allowances have increased by 48.33% and we are quite satisfied with that.

MR SPEAKER:

Next question.

28 1 86

NO. 12 OF 1986

ORAL

THE HON J C PEREZ

Will Government state when is it that the Communications franchise currently held by Cable & Wireless is due to come out to tender?

ANSWER

THE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, the franchise presently held by Cable and Wireless PLC will expire on the 31st December, 1987.

It is not intended, at this stage, to invite tenders for the new franchise since discussions are presently being held with Cable and Wireless PLC and with British Telecom over the granting of a new franchise to run Gibraltar's international telecommunications.

SUPPLEMENTARY TO QUESTION NO. 12 OF 1986

HON J C PEREZ:

Mr Speaker, why is it that the Government have seen it fit not to bring the franchise out to tender?

HON J B PEREZ:

I did not say in the answer that we had decided not to put the matter out to tender, what I am saying is that at this particular moment in time we are talking to both British Telecom and to Cable and Wireless on what will happen in the future so at this stage no decision either to put it out to tender or not to put it out to tender has been taken.

MR SPEAKER:

Next question.

NO. 13 OF 1986

ORAL

THE HON J C PEREZ

Mr Speaker, can Government state what is the charge made for direct calls to Spain and as from which date?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, the charge for direct dialled calls to Spain, via satellite, is 70p per minute. The implementation date for the new service was the 24th December, 1985.

SUPPLEMENTARY TO QUESTION NO. 13 OF 1986

HON J C PEREZ:

Mr Speaker, is the Hon Member aware that a Legal Notice to this effect was published in the Gibraltar Gazette on the 16th January, 1986?

HON J B PEREZ:

Yes, I am, Mr Speaker.

HON J C PEREZ:

Can the Hon Member explain how it is that the Department has been charging since the 24th December when the Legal Notice did not come out until the 16th January?

HON J B PEREZ:

Yes, I can, Mr Speaker. The question of charges is governed by the Public Utility Undertakings Ordinance and also under the International Trunk Calls Charges Regulations of 1981. The position was that since this is by way of an interim measure until the land line with Spain is ready which is now expected to be by the end of March, the calls are charged on charge band 3 since calls that are made, when we say direct dial calls to Spain, actually go to London which is quite ridiculous, this is why the cost is relatively high at 70p per minute which is the same charge band 3 as per UK call but, however, it was thought that it would be better for future purposes to amend the Legal Notice of 1986 and to fit in Spain via satellite because although it is of a temporary nature nevertheless Cable and Wireless, if they so wish, can continue to provide the service via satellite after the land line is restored.

HON J C PEREZ:

If the franchise is renewed.

HON J B PEREZ:

No, because this will happen by the end of March. Hopefully, the Spanish Telefonica will have installed the land line and once that is done we collect all the money from calls to Spain, Cable and Wireless do not share anything, they don't get a single penny out of calls made to Spain, for example, through the operator. What they do collect is since they provide the satellite facilities, they do chip in in the calls that are made now on a direct basis. Come March when that land line is ready, then all the revenue comes direct into the Gibraltar Government coffers not to Cable and Wireless so therefore it was felt that by bringing in the Legal Notice and putting Spain via satellite persons wishing to call via satellite, I don't know if there are going to be many because, obviously, it would be cheaper through the land line, will have a choice. If they want to go via the satellite, of course, the cost will be higher and there Cable and Wireless do get a percentage of the 70p because in the 70p you have Gibraltar Government, Cable and Wireless, British Telecom and you also have Telefonica all sharing on the 70p but that will stop as soon as the land line is ready.

HON J C PEREZ:

So what the Hon Member, in fact, is saying is that the implementation of the payment was already covered by the Ordinance under band 3 and that this was only included so as to allow Cable and Wireless to carry on charging that amount via satellite even once direct communications with Spain are effected?

HON J B PEREZ:

Yes.

HON J C PEREZ:

Can the Hon Member explain the wisdom of that action? Who would the Hon Member think is going to call via satellite at 70p a minute, I think it was, when they can call directly and much cheaper?

HON J B PEREZ:

It really depends, I could also say that although people are

saying 70p per minute is high, there are a number of people who prefer to pay the 70p per minute now than go through the operator. It is really a tidying up exercise that we did in putting the Legal Notice, there was possibly no need to do it but it was felt that it would tidy up matters for the future.

HON J C PEREZ:

Mr Speaker, I am not talking about the operator assisted calls, I am talking about what the Hon Member has said in this House and that is that when direct dialling with Spain is effected people will also have a choice to go through the Cable and Wireless via satellite. I am asking the Hon Member who he thinks is going to go at 70p a minute via satellite when they can call directly?

HON J B PEREZ:

It is a question of choice because it could well be that the lines via satellite, there could be less interference, I don't know. It may well be that this is superfluous.

HON J C PEREZ:

Mr Speaker, I specifically raised this issue because the Legal Notice was not implemented until the 16th January. The Hon Member has said to me that charging the 70p per minute via satellite to Spain was already covered by the Ordinance and I am asking the Minister why it is that they have seen necessary to publish this because I cannot understand.....

MR SPEAKER:

I think the answer has been given. You are now speculating as to who is going to use the satellite as against the land communications.

HON J C PEREZ:

Mr Speaker, I personally believe it is a complete waste of time to bring this Regulation on the 15th January if it is for that purpose.

MR SPEAKER:

That is accepted.

HON J BOSSANO:

What we are being told then, Mr Speaker, is that the Government

can in fact charge whatever it likes or whatever it thinks is necessary independent of whether it is provided for in the Regulations or not because if the Regulations were not amended until the 16th January.....

HON J B PEREZ:

No.

HON J BOSSANO:

I fail to understand the explanation that the Hon Member has given. We are being told that the Regulations were amended to include Spain in January but that, in fact, they were charging before the Regulations were amended.

MR SPEAKER:

Perhaps I could ask a question and that is when you dial Spain how do you know whether you are going through satellite or through the land line?

HON J B-PEREZ:

You would dial a different prefix.

MR SPEAKER:

Next question.

NO. 14 OF 1986

ORAL

THE HON M A FEETHAM

Can Government state how many industrial injuries and/or accidents there have been in 1985 in its Commercial Dockyard and how many there were in 1984 under MOD ownership?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, during 1984 there were 54 industrial accidents in Her Majesty's Dockyard. During 1985 there were 63 industrial accidents in the Commercial Shiprepair Yard.

SUPPLEMENTARY TO QUESTION NO. 14 OF 1986

HON M A FEETHAM:

Will Government ensure that as far as GSL is concerned every injury and/or accident that occurs in the yard is recorded regardless of its insignificance? Will the Minister give an undertaking?

HON DR R G VALARINO:

Yes, Sir, as the Hon Member may well know, the figures that I have presented are from returns which employers are required to submit under the Factories Ordinance so they will continue to submit these figures under the Factories Ordinance and we will keep a very close check on this.

MR SPEAKER:

Next question.

28 1 86

NO. 15 OF 1986

ORAL

THE HON M A FEETHAM

Can Government say when it will introduce legislation on Health and Safety at Work on the same lines as existing in the UK?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, a draft Bill for a Health and Safety Ordinance, patterned on current UK legislation, has already been prepared and is under consideration by the Government. The introduction of the Bill will entail consequential amendments to some of the existing Ordinances and it will also be necessary to introduce a number of regulations to be made under the new Ordinance. Although this is a large task, the aim of the Government is to bring the draft legislation to the House before the summer recess.

NO. 16 OF 1986

ORAL

THE HON M A FEETHAM

Is it still Government's policy that only full-time permanent workers should be employed on dock work as envisaged on the introduction of the Dock Work (Regulation) Ordinance?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, the policy of the Government is to provide a reasonable maximum level of full-time employment on dock work. The Government, however, has no objection to the employment of additional short-term labour when circumstances at the Port so warrant it and the permanent labour force is inadequate to deal with exceptional demands made from time to time.

SUPPLEMENTARY TO QUESTION NO. 16 OF 1986

HON M A FEETHAM:

Will the Hon Minister say why the Attorney-General in relation to a recent case regarding the employment of workers on a casual basis, why the Attorney-General declined to advise members of the Dock Labour Board when approached on the matter?

HON ATTORNEY-GENERAL:

I didn't decline to advise anybody. I advised the Chairman of the Board but I wasn't consulted by anybody else but the Chairman of the Board.

HON J BOSSANO:

Is the Hon and Learned Member then saying he is not aware of the request made for advice on the question of the issue of additional registration of additional workers?

HON ATTORNEY-GENERAL:

The Chairman certainly came to see me to discuss the matter with me. The next thing I knew is that the lawyers for the applicants were going to the Supreme Court. I did not appear nor was I invited or served with any summons to appear in the Supreme Court. The next thing I heard that an order had been made by the Supreme Court and that licences or permits had to be issued.

HON M A FEETHAM:

So...what the Hon Minister has said in his reply is that there has now been a change of policy by Government as regards employment of dock workers?

HON DR R G VALARINO:

I do not think there is any change of policy. We have said we are happy with the reasonable maximum level of full-time employment on dock work. The only thing is that we have additionally said that if the circumstances so warrant it and the permanent labour force is inadequate to deal with exceptional demands made from time to time, then we have no objection to the employment of additional short-term labour. The Government considers it very much in the economic interest of Gibraltar to attract as much business to the Port as possible and it is essential to the Port's reputation that every effort should be made to avoid turning prospective business and customers away.

HON M A FEETHAM:

Will the Minister say when this has happened before? The Minister is saying that it is not a change of policy but the Minister is also saying that they are now introducing casual workers in the docks. When has it happened before?

HON DR R G VALARINO:

Mr Speaker, I think this is a one off, circumstances like these have never appeared before, this is certainly a one off.

HON M A FEETHAM:

Will the Minister say that in coming to that conclusion that in fact he was assured that none of the dock workers who were registered were perhaps being employed elsewhere and therefore creating a vacuum within the docks which necessitated casual workers being brought into the docks?

HON DR R G VALARINO:

Mr Speaker, Sir, I cannot commit myself to an answer on that one.

HON J BOSSANO:

Mr Speaker, is the Minister aware that, in fact, the Government set up a Committee to advise on the question of dock

work regulations and that the Ordinance that was introduced which covers the registration of dock workers was introduced on the basis that people employed in dock work could not be employed on any other work and that nobody employed on other work could be employed on dock work and that by definition means permanent full-time employment?

HON DR R G VALARINO:

Yes, Sir.

HON J BOSSANO:

And does the Minister not consider that if the Government is now going to allow as and when somebody decided that the conditions warrant it that people should be employed as casual dock workers then, in fact, it contradicts the entire purpose of the Ordinance?

HON DR R G VALARINO:

I do not think so but I would need legal interpretation of that particular section.

HON ATTORNEY-GENERAL:

These applications were made to the Dock Labour Board and it is up to the Dock Labour Board to grant them or not to grant them.

HON J BOSSANO:

But is it not the case, in fact, Mr Speaker, that the Dock Labour Board refused to grant additional work permits and were obliged to do it as a result of an injunction obtained in Court?

HON ATTORNEY-GENERAL:

Yes.

HON J BOSSANO:

And is it not the case, Mr Speaker, that the Dock Labour Board when they refused to grant it were told in no uncertain terms that it was Government's wish that they should be granted?

HON ATTORNEY-GENERAL:

I believe there was a representative of one of the Government

Departments who went to the meeting of the Dock Labour Board. I believe that this particular representative expressed his views at the invitation of the Board but whether those views were the views of the Government, of his Department or his own views, I do not know.

HON J BOSSANO:

Mr Speaker, haven't we been told by the Minister that the Government favours a policy of the granting of registration of dock workers when somebody decides that there is more work than can be coped by the permanent workers? Haven't we been told that that is Government policy now by the Minister or have I understood the Minister incorrectly?

HON DR R G VALARINO:

No, Mr Speaker, I said that the Government is happy to provide a reasonable maximum level of full-time employment on dock work so that covers that one but in exceptional circumstances, and this is a one off, Government does not have any hesitation if the circumstances so warrant it, when exceptional demands are made from time to time, to employ extra labour on a part-time basis. This is entirely a one-off so it has nothing to do with the original law, Sir.

HON J BOSSANO:

But then, of course, Mr Speaker, the point made by the Hon and Learned Attorney-General that it has nothing to do with the Government it has to do with the Dock Labour Board is irrelevant because the Government has just made a policy statement. Whether they have the power to do it or they don't have the power to do it they have just done it, Mr Speaker. Given that they have made such a policy statement, would the Hon. Minister not agree that, in fact, the regulations say that people who are registered as dock workers cannot be employed on any other work, that is what the law says so, in fact, if the Government approves of what has happened which is that people have been registered as dock workers, what is their position now if any one of those workers is found doing something else which means he is breaking the law?

HON DR R G VALARINO:

If the position is contravening the law itself then the matter would have to be taken up.

HON J BOSSANO:

But surely, Mr Speaker, it has got to be taken up by his Department. His Department is responsible for enforcing the Dock Work (Regulation) Ordinance and the Dock Work (Regulation) Ordinance says that it is an offence for people to be either employed on dock work without being registered dock workers or for people who are registered dock workers to be employed on another job. Does the Minister know that there have been people who are employed in the Public Works Department as dock workers in this particular incident, is he aware of that?

HON ATTORNEY-GENERAL:

As I understand it those people have a permit to work as dock workers now because the Supreme Court granted an injunction and insisted that they did have a right and of course, Mr Speaker, in the future it is going to be very difficult for the Dock Labour Board because if they get a similar incident as they had in the past and somebody threatens to go to the Supreme Court and the judgement of the Supreme Court is the same as it was in this last case, the Dock Labour Board are going to have a terrible problem and so they perhaps will have to judge what their position should be with regard to applications having regard to the decision of the Supreme Court in the last case because if it is going to go in the teeth of the advice the chances are that the Supreme Court will grant an injunction in this case as it did in the other case because we cannot see any difference between the circumstances of this case. I think a sensible Dock Labour Board may well have to say: 'We had better grant these permits because if we don't we are going to be told to do so by the Supreme Court' and this is going to be the problem.

HON J BOSSANO:

Independent of the fact that we are talking about dock work, Mr Speaker, doesn't this raise some important political and constitutional issues that we have a statutory board which under the law is given, I would have said, in my reading of the law and I would remind the Government that, in fact, I served on the original Committee that the Government set up to advise on the legislation which was chaired by Sir Howard Davis and the law that was set up which we recommended to the Government gave sole discretion, it said 'the Board may register people'. We set up a statutory Board with discretionary powers for them to assess in their wisdom and in their judgement whether more dock workers were required or

were not required. Doesn't the decision taken by the Chief Justice to grant an injunction point to some loopholes which the Government might want to do something about? What is the use of having a law on the statute book which is meaningless because at the end of the day if the Board says something that somebody doesn't like all they have got to do is rush off to the Chief Justice and overturn the decision, how can that happen?

MR SPEAKER:

Yes, but it is a matter of Government policy that we are discussing now.

HON J BOSSANO:

Right, Mr Speaker, but if the Government brought to this House a piece of legislation one assumes that that legislation reflected Government policy. If Government policy has not changed then Government must be as concerned as we are that we have got a piece of legislation which seems to be meaningless.

HON ATTORNEY-GENERAL:

I don't think that the decision of the Chief Justice means that the legislation is meaningless. The Chief Justice obviously ruled in that case, having regard to the circumstances and the facts of that particular case that those people should be licenced. The thing that I cannot understand is why the Dock Labour Board was not represented at the proceedings, that I just don't understand. As I understood it it was an ex-parte application for an injunction and it was granted ex-parte. Whether there are proceedings pending in the Supreme Court with regard to this matter, either a judicial review or declaration, I just do not know but I think it must have been an ex-parte application because I was surprised that there was no request for representation from the Dock Labour Board and the Chief Justice granted ad interim for a period of time until a full application is made on judicial review of the decision of the Dock Labour Board.

MR SPEAKER:

I will not allow any further questions on the question of the particular judicial decision. If there is any other question on Government policy, most certainly I will allow it.

HON M A FEETHAM:

In view of the exchanges which have taken place, will the Hon Minister consider strengthening the legislation because clearly, let me assure the Minister, that there have been dock workers during that particular period when those casual workers were employed in the docks, where registered dock workers have been employed on building sites outside the perimeter of the docks and the Government have been approving casual workers inside the docks.

HON A J CANEPA:

Perhaps I should remind Members of the House that the requirement with respect to registered dock workers not doing work outside the Port is only in respect of that employer. The employer who employs them as dock workers must not have them working outside the dock on something else but we are dealing with two employers here. We are dealing with one employer, we are dealing with the Ramajim Shipping Company which employs the registered dock workers and we are dealing with a building contractor which is James Ramagge and Company Limited which is a different employer.

HON J BOSSANO:

Given the facility for registering companies in Gibraltar the scope for that is enormous. Is in fact the Government not aware that the whole purpose of the legislation was that a registered dock worker should be employed full-time on dock work, not part-time on dock work or on a casual basis and that, in fact, is it not the case, Mr Speaker, that once somebody is a registered dock worker he continues to be a registered dock worker until May of the following year, is that not what the law provides?

HON A J CANEPA:

That is what the law provides and the dealings of the Labour Board have also been such that there is provision for a pool of labour from which one employer, when he has got insufficient labour, should be able to draw on that labour and that in fact happened on this occasion. One of the other Port employers gave a certain number of employees to Ramajim Shipping Company, one of the transport companies did the same and the labour was still insufficient and that is why some extra people have been registered for this particular job on a casual basis.

HON J BOSSANO:

Can the Government confirm that they have got, in fact,

fourteen names of fourteen people who are now new registered dock workers as provided for by law?

HON ATTORNEY-GENERAL:

Were they appointed for one job or were they appointed for a period of time?

HON J BOSSANO:

No, the law does not provide for appointment for one job. The law says 'you are a registered dock worker or you are not a registered dock worker', that is what the law says. There is an injunction requiring the Dock Labour Board to register fourteen people, can the Government confirm because it is the Government that keeps the Register and the Government have got a legal responsibility for maintaining that Register. Can the Government confirm that there are now fourteen new registered dock workers as a result of the Board's needs to comply with an injunction from the Chief Justice?

HON ATTORNEY-GENERAL:

It would depend what were the terms of their appointment, were they appointed for this particular work or were they appointed from period (a) to (b). We would need to see the injunction, the exact order of the Court.

HON J BOSSANO:

No, Mr Speaker, the law says that once you are registered as a dock worker you continue to be a registered dock worker until you have to renew your registration in May of the next year so it is not possible to register a dock worker for a day, for a week or a month, you register as a dock worker annually renewable on the 1st May every year, that is the law. Can the Government confirm that they have got fourteen new registered dock workers, surely they must know whether they have or they haven't?

HON DR R G VALARINO:

Mr Speaker, Sir, I will look up the points that the Hon the Leader of the Opposition has brought and I will let him know later on.

MR SPEAKER:

Next question.

NO. 17 OF 1986

ORAL

THE HON R MOR

Mr Speaker, will Government make public the Actuarial Review of the Social Security Fund?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, a number of Actuarial Reviews of the Social Insurance Fund have been carried out since the Scheme was introduced in 1955. In accordance with the provisions of the Social Insurance Ordinance, such reviews are carried out every five years. The Hon Member may wish to indicate which of these reviews he is asking should be made public.

SUPPLEMENTARY TO QUESTION NO. 17 OF 1986

HON R MOR:

Mr Speaker, the last one.

HON DR R G VALARINO:

Mr Speaker, Sir, the Government does not consider the Reviews or any Review to be of sufficient public interest to warrant publication.

HON R MOR:

Mr Speaker, can the Government explain why not?

HON DR R G VALARINO:

I have said so. We do not consider the Reviews to be of sufficient public interest to warrant publication.

HON R MOR:

It is up to the public, surely, Mr Speaker, to decide.

HON CHIEF MINISTER:

You may not agree with the matter of public policy as decided by the Government but the public policy is decided by the Government.

HON J BOSSANO:

But, Mr Speaker, isn't it a fact that the cost of the Review

is not met by the Government, it is met by the contributors to the Fund and therefore, as an individual who contributes to the Fund the Hon and Learned Chief Minister says he is entitled to see the Review about his contribution to the Insurance Fund and I am not?

HON A J CANEPA:

Because the Government does not charge contributors in respect of its administration of the Fund, does it?

HON J BOSSANO:

Well, that is a matter for Government policy. Mr Speaker, surely, that is not the answer to my question.

HON A J CANEPA:

That is another aspect.

HON J BOSSANO:

Mr Speaker, is the Hon Member answering my question or asking me a question?

HON A J CANEPA:

I wonder how you would perform if you were to answer questions.

MR SPEAKER:

Have you got a question to ask?

HON J BOSSANO:

Yes. What I am saying is how can the Hon and Learned the Chief Minister defend a policy of the Government that the Actuarial Review should be available to the Government of Gibraltar and to nobody else notwithstanding the fact that the Actuarial Review is on behalf of the Social Insurance Fund to which we are all contributors and we are all entitled to have an interest in knowing what the actuaries say about how well the Fund is doing or not doing. Why should it be a secret, Mr Speaker?

HON CHIEF MINISTER:

I think the Hon Member has misunderstood my intervention. I wasn't dealing with the Actuarial Report, I was dealing with the question of public policy and the decisions that lies on

the Government to decide whether it is public policy or not. I wasn't particularly dealing with this case, I was dealing with the remark 'why not' and if the Minister has said that it is not in the public interest to do so, it is a Government responsibility for which we are answerable only to the extent that we think we ought to do.

HON J BOSSANO:

As we understood it, Mr Speaker, the Minister did not say that it was not in the public interest to publish, the Minister said that the public was not interested.

MR SPEAKER:

The Minister said that he did not consider there was enough public interest to publish it, in other words, that the public was not interested.

HON J BOSSANO:

That the public was not interested in the information not that it was contrary to public interest. We happen to be members of the public and we represent a proportion of the public opinion in Gibraltar and we have asked to see the Report and we have been denied it, Mr Speaker. How does the Hon and Learned the Chief Minister explain that? Why shouldn't we see the Report?

HON DR R G VALARINO:

Therefore I take it that the Opposition Members would like the Report to be made available to them?

HON R MOR:

That is right, that is what we said at the beginning.

HON DR R G VALARINO:

No, that is not what you said at the beginning.

HON R MOR:

Well, on my first supplementary we asked that the last one should be made available publicly.

HON DR R G VALARINO:

Whether the Report is made available to Members of the

4.
Opposition or not will be considered by Government.

HON J BOSSANO:

Mr Speaker, what is there for Government to consider? Can the Government say why they should have a Report from the Actuaries about the Social Insurance Fund and nobody else should have it? If the Hon Member has said that he doesn't want to give it to the general public because the public is not interested, that is the answer he has given this House, he is saying he is not going to publish the Report because the public is not interested. Alright, there are seven members of the public who are interested, will he give it to the seven members who are interested if he doesn't want to give it to anybody else and then he says now that that will have to be considered. What is there to consider? The only justification the Government has given is apathy but if he believes that to be accurate then at least there are seven non-apathetic members of the public. Will he let us have it?

MR SPEAKER:

With respect, you have been asked a simple question. Will you release the Report to the Members of the Opposition? That is all you are being asked.

HON DR R G VALARINO:

My answer is that the request will be considered by Government and I shall let the Hon Member know as soon as Government has made a decision on the matter.

HON R MOR:

Mr Speaker, before this meeting of the House the Hon Member was aware already that I wanted to see the Report and it was denied and I want to know why.

HON DR R G VALARINO:

Mr Speaker, Sir, he asked for the Report, there are a number of Reports and by this time I knew he was introducing a motion subsequently. I am certainly not going to let Mr Mor have the Review and allow him to play with figures to his own convenience.

HON J BOSSANO:

Mr Speaker, is it not the case that we have got an established practice in this House of Assembly that when Reports are quoted

from they ought to be available to the House and is it not the case that the Government previously, in answer to questions in this House, has quoted from the recommendations of the Actuary and is it not reasonable

MR SPEAKER:

With respect, there is a difference between referring to a Report and actually quoting. If someone is quoting from a document it is the practice to make the document available but there is a difference between making reference and quoting.

HON J BOSSANO:

Mr Speaker, is it the case then that the Minister is saying that he does not think that it is preferable to have informed debate in a motion in the House of Assembly where the information is available to all the Members of the House rather than badly informed debates because one side has got privileged access to information? How can the Minister say that that is better?

MR SPEAKER:

Anyway, we have debated the point, you have been given an answer that they will consider whether they are going to release it to you or not and they will let you know. Next question.

NO. 18 OF 1986

ORAL

THE HON R MOR

Mr Speaker, can Government state whether the agreement with the United Kingdom Government provides for a fixed amount to be contributed to the Social Insurance Fund to meet part of the cost of paying pensions to former Spanish workers or whether such payment will be established as a percentage of the actual cost?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, I would refer the Hon Member to the Government's Press Release of 23 December, 1985, which clearly states that the UK Government will contribute the sum of £16.5 million during the years 1986/1988. Payment will be spread over the three years as stated in the release, ie £6m in 1986, £5.5m in 1987 and £5m in 1988.

These are fixed amounts which bear no relationship to percentages of actual costs.

As also stated in the Press Release, the agreement is without prejudice to the position of either side after 1986-1988 and further discussions will be held between the British and Gibraltar Governments as to how the matter should be dealt with in subsequent years.

SUPPLEMENTARY TO QUESTION NO. 18 OF 1986

HON R MOR:

Mr Speaker, I am well aware of what the statement says. The point is, if the amount of £16.5m were to turn out to be £18m, what would then be the ratio?

HON DR R G VALARINO:

This is mere conjecture on the Hon Member's part, Mr Speaker.

MR SPEAKER:

No, what you are being asked is whether the contribution bears a relation to the actual cost of the amount to be paid.

HON J BOSSANO:

If the actual cost happens to be more or less, Mr Speaker,

hasn't the Government got provision to deal with that situation?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Perhaps, I can help the Minister, Mr Speaker, by asking a question of the Hon Leader of the Opposition, what does he mean by the cost, if the cost is more?

HON J BOSSANO:

Mr Speaker, an estimate has been made that it is going to cost £7m in 1986 of which the Social Insurance Fund will contribute £1m and Her Majesty's Government £6m. That is an estimate.

HON A J CANEPA:

Mr Speaker, perhaps we should answer Question No.19 regarding the cost and then it will throw light on the point that is now at issue.

HON J BOSSANO:

But, I think, Mr Speaker, if you will allow me, what we are saying is, independent of how the cost has been calculated....

MR SPEAKER:

With respect to the Hon Leader of the Opposition, let us call Question No.19 and we will have supplementaries on both. Next question.

NO. 19 OF 1986

ORAL

THE HON R MOR

Can Government state how they have calculated the estimated cost of the payment of Social Security Pensions to workers in January, 1986?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, the cost of the payment of Social Security Pensions to Spanish pensioners in January 1986 was originally estimated by the UK Government actuaries.

However, it has now been possible to calculate each pension individually on the basis of claims submitted, and the actual cost in 1986 is £6,888,400. To this must be added a further estimated sum of £174,174 in respect of those who according to the records held in the Department will reach pensionable age during the course of the year.

SUPPLEMENTARY TO QUESTION NO. 19 OF 1986

HON J BOSSANO:

Mr Speaker, so the Government now has got, presumably, a fairly accurate cost for 1986 but they have got an estimated cost for 1987 because independent of anything else, they don't know what the pension is going to be in January, 1987.

HON A J CANEPA:

We don't know how many pensioners there will be.

HON J BOSSANO:

So, in fact, is there in the agreement a proviso if the cost turns out to be more or less than the amount provided? That is the question we are asking. How will that situation be dealt with in 1987? If the cost is higher does it mean that the proportions contributed by the Government of Gibraltar and the UK Government are applied to the additional cost or does it mean that the UK contribution is fixed and any extra cost has to be met by us? That is the point.

HON CHIEF MINISTER:

Mr Speaker, there is no formal agreement between the British

Government and the Gibraltar Government, this is not run on the basis of trading partners or anything like that. There was this estimate and there was a reaction to it and the settlement. Obviously, if the figure for 1987 were to be more or less there would be adjustment we don't want any money other than the money we require. If there is an excess it will probably be paid, if there is an underspend it will probably be accounted for the following year. It is not a tight agreement at all, it is an arrangement based on the estimates and we have not gone into the details other than as explained by the Minister that we now know what it is, but the incidence of death and so on is something you cannot calculate.

HON J BOSSANO:

I accept, Mr Speaker, that the Government is not in a position to be able to predict 100% the exact cost but what we are trying to find out, given the limited information that has been made public, is whether the nature of the agreement is one which is in fact designed to cater for the possibility of the cost being higher or lower than the estimate? And the answer is that the agreement does not provide for that.

MR SPEAKER:

I think the answer has been given by the Hon and Learned Chief Minister. The answer is that to the extent that 1986 has been quantified, it is a fixed amount, to the extent that 1987 has to be quantified, it is not a tied agreement and the matter will be discussed. Is that correct?

HON CHIEF MINISTER:

That is right.

HON J BOSSANO:

So that in fact there is no £5.5m ceiling for 1987? If in fact the situation was that the cost in 1987 was higher than the.....

HON A J CANEPA:

Mr Speaker, it could be £100,000 or it could be £1m, it depends.

HON J BOSSANO:

Then the Government would have to go back and make a case, is that the position?

HON A J CANEPA:

Of course.

HON R MOR:

Mr Speaker, on Question No. 19, the question is how they calculated the estimated cost. We were told that it was done by the Actuaries, Mr Speaker, is it based on what a letter to the Gibraltar Chronicle on the 9th January said that it was £30 times 52 times 4,200

MR SPEAKER:

With respect, we are not going to get involved in that.

HON A J CANEPA:

He has had the answer already.

HON R MOR:

But the answer has been that this was decided by the UK actuaries.

HON A J CANEPA:

The pension has got to be worked out in respect of each individual claim.

HON R MOR:

And who worked it, the UK actuaries?

HON A J CANEPA:

The Department. The Minister said that originally it was an estimate based on the work of the actuaries, the United Kingdom actuaries had carried out an estimate, but that in the light of the claims received by the Department since the opening of the frontier it is now possible to have a much more accurate figure because when claims are received the rate of the pension in respect of each claim can be worked out and is worked out and than all you do is you total it.

HON R MOR:

Perhaps I can be told, Mr Speaker, how many claims have been received by the Department?

HON DR R G VALARINO:

The total number of pensioners entitled to Old Age Pension is 4,663. The total number of widows entitled to Widows' Benefit is 235.

MR SPEAKER:

Next question.

NO. 20 OF 1986

ORAL

THE HON R MOR

Mr Speaker, how many Spanish pensioners are entitled to the full rate of Old Age Pension as from 1st January, 1986?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, there are 712 Spanish pensioners entitled to Old Age Pension and 37 Spanish women entitled to Widow's Pension at the maximum rates. These qualified before the closure of the frontier.

SUPPLEMENTARY TO QUESTION NO. 20 OF 1986

HON J BOSSANO:

Mr Speaker, the figure that the Minister gave of the total number of people entitled, the 4,663, is he saying that they have had 4,663 claims?

HON DR R G VALARINO:

Yes.

HON J BOSSANO:

And that means that everybody who is entitled has claimed?

HON A J CANEPA:

Well, there may be some who haven't.

HON J BOSSANO:

We don't know whether there are more claims on the way?

MR SPEAKER:

Next question.

NO. 21 OF 1986

ORAL

THE HON R MOR

Mr Speaker, can Government confirm that the Social Insurance Fund has yielded a yearly average of 13% since 1969?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, using the formula adopted by the UK Government Actuary, the average rate of interest earned by the Fund since 1969 has been about 12½%.

SUPPLEMENTARY TO QUESTION NO. 21 OF 1986

HON R MOR:

Mr Speaker, this means in effect that if you have the money contributed by the Spanish Workers since 1969, if you added 12.5% every year then this is how you arrive at the £4.5m figure which has been the deal carried out with the British Government?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There are a number of ways in which the calculation can be made. The rate of interest as used by the Actuary is a term of art. There are a number of calculations to be made in measuring the value and the growth of the Social Insurance Fund and by deduction the Spanish sub-Fund. I think it would take rather a long time for me to go through them now, Mr Speaker. With the House's permission, I would be quite happy to make a contribution on this during the debate on the motion which has been put down subsequently.

HON R MOR:

Mr Speaker, of course, the Hon Gentleman is very welcome to make any contribution but at the moment what we want is really information. We would like to know what is the percentage that can be applied to the part of the Fund which belongs to the ex-Spanish workers to see whether the figure of £4.5m today arises.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, I understand, Mr Speaker, and I was in fact trying to be helpful rather than the reverse because it is not a

simple matter of saying 'the following percentage has applied'. One can, in fact, apply a percentage to the figure of £774,000 and work out the compound interest rate by the straightforward formula but the calculation by which the amount in the Spanish sub-Fund has been derived is rather more complicated than that, I think it would take some time.

HON J BOSSANO:

Mr Speaker, wasn't the Government, in fact, responsible for issuing a piece of information to the public under the signature of the Press Officer which said that, in fact, it was £4.5m because the Fund had been wisely invested and had produced 13% per annum?

MR SPEAKER:

Well, then you can work on that figure.

HON J BOSSANO:

What we are asking is for information of what is put out in a Government sponsored letter to be confirmed in the House where it is on Hansard and on record and we are being told, in fact, that it isn't as simple, as that.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have just mentioned a figure that using the formula adopted by the UK Government Actuary the average rate of interest earned by the Fund since 1969 has been 12.5%. I accept that in that first statement a figure of 13% was used. I don't know whether the author had in mind the average of the whole period of years since the Fund started, 13% is certainly a rate which has been achieved in recent years.

MR SPEAKER:

Let us leave it at that. Next question.

NO. 22 OF 1986

ORAL

THE HON J C PEREZ

Mr Speaker, can Government state whether they have been successful in their application of liquidated damages in respect of delays in completion in the construction of the new desalination plant at Waterport?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Mr Speaker, in February, 1985, Clause 27 of the General Conditions of Contract, governing the construction of the new desalination plant at Waterport, was invoked as a result of the late completion of the first distiller unit. The full amount of liquidated damages, equivalent to 10% of the Contract Value was deducted from the Contract Price. As provided under Clause 3A of the above General Conditions of Contract the sum due to Government in respect of Liquidated Damages was deducted from monies due to the Contractor.

The Contractor has submitted a report on their difficulties in executing the works and delays arising therefrom. In this report they claim extension of time and additional costs. This report is currently being considered by Government and its Consultants. Under the Conditions of Contract the Contractors can still take up the matter of Liquidated Damages to arbitration but as yet they have not given Government an indication on whether they will be doing this.

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NO. 23 OF 1986

ORAL

THE HON J E PILCHER

Is Government now in a position to give the Opposition a copy of all the recommendations of the Tourism Consultative Committees?

ANSWER

THE HON THE MINISTER FOR TOURISM

Answered together with Question No. 24 of 1986.

NO. 24 OF 1986

ORAL

THE HON J E PILCHER

Is Government now in a position to give the Opposition a copy of the recommendations of the Tourism Consultative Board and state which of the recommendations are being proceeded with through ODA; which are being done locally and which are being left in abeyance?

ANSWERTHE HON THE MINISTER FOR TOURISM

Mr Speaker, the recommendations of the Tourism Consultative Board, which take full account of the recommendations of the Tourism Committees, have now been finalized and are being formulated as a paper for Council of Ministers seeking to establish priorities as a matter of policy.

Once these recommendations have been cleared by Council of Ministers, the reports will be made available to the Opposition.

NO. 25 OF 1986

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state whether the machinery for the setting up of reserve funds as required by the Landlord and Tenant Ordinance is now in operation?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir. Steps are currently being taken to prepare the necessary regulations.

SUPPLEMENTARY TO QUESTION NO. 25 OF 1986

HON J L BALDACHINO:

Mr Speaker, is the Hon Member in a position to state when the Government will be in a position to set up the machinery to monitor the reserve funds?

HON M K FEATHERSTONE:

I would hope within three months, Sir.

MR SPEAKER:

Next question.

NO. 26 OF 1986

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state if there have been any appeals against rent increases under the provisions of the Landlord and Tenant Ordinance?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir, no appeal against rent measures have been lodged.

NO. 27 OF 1986

THE HON J L BALDACHINO

Can Government state who is eligible in a household to a Government tenement on the death of the tenant?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the widower or widow of a tenant; if he or she was living with the tenant at the date of the tenant's death.

Where the tenant leaves no widower or widow, a son or a daughter of the tenant who has lived with the tenant for not less than twelve months immediately before the tenant's death, provided he has been authorised by the Landlord to reside permanently in the premises.

SUPPLEMENTARY TO QUESTION NO. 27 OF 1986

HON J L BALDACHINO:

This is, Mr Speaker, immaterial whether the widower or the son are eligible for Government housing?

HON M K FEATHERSTONE:

Yes, Sir.

MR SPEAKER:

Next question.

NO. 28 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government state if the Housing Allocation Scheme needs modification to meet EEC requirements?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

No, Mr Speaker. There is no need to modify the Housing Allocation Scheme.

SUPPLEMENTARY TO QUESTION NO. 28 OF 1986

HON J L BALDACHINO:

Is this because the Housing Scheme meets EEC requirements?

HON M K FEATHERSTONE:

It would appear that that is the case, Sir.

HON J L BALDACHINO:

So an EEC National who has a renewable permit every five years which is classed as a residents' permit is entitled to register in the Housing Scheme, is that correct?

HON M K FEATHERSTONE:

The same as any person who has been resident up to the moment who is entitled to do so, yes, Sir, I think he would have to have two years residence.

MR SPEAKER:

Provided he has resided in Gibraltar for two years then he is entitled, is that correct? An EEC National who has been resident in Gibraltar for two years is entitled to register himself in the Housing Allocation Scheme.

HON J L BALDACHINO:

May I ask the Hon Member if he has had legal advice on this one?

HON M K FEATHERSTONE:

Not that I know of, Sir, I will investigate and find out.

HON J BOSSANO:

Does the Hon Member know of any EEC National who has been permitted to register having applied and not been refused because our information is that they have all been refused by his Department

HON M K FEATHERSTONE:

I don't know but I will find out, Sir.

HON CHIEF MINISTER:

I know of a man from an EEC State who is in the register, we saw him recently.

HON J BOSSANO:

Mr Speaker, we have been trying to establish for many, many months now what precisely is the legal entitlement of Community Nationals in this respect and the new light, if that is the correct way to put it, thrown by the Hon Member opposite confuses us even more than the information previously provided by the Hon and Learned Attorney-General. Is the position that there has been any change or is what the Hon Member saying his understanding of what has been happening all the time?

HON M K FEATHERSTONE:

Yes, Sir, it is my understanding of what has been happening all the time.

HON J L BALDACHINO:

May I then ask the Hon Member, because he says that the Housing Allocation Scheme needs no modification and

MR SPEAKER:

Exclusively for the purposes of meeting EEC requirements.

HON J L BALDACHINO:

I understand that, Mr Speaker. If we look at Rule 3 of the Housing Allocation Scheme which tells you who is eligible and the qualifications which entitle you to Government housing, the answer that the Hon Member has just given does not meet the criteria laid down there.

MR SPEAKER:

Would you read Rule 3 and we will find out.

HON J L BALDACHINO:

'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'.

MR SPEAKER:

I imagine, I must follow that one up, 'permanent residence' means at least resident for two years. Is that correct?

HON M K FEATHERSTONE:

They have to be classified as permanent residents of Gibraltar, yes.

MR SPEAKER:

And insofar as the Allocation Scheme is concerned 'permanent residence' means at least two years.

HON M K FEATHERSTONE:

Well, if they are classified they must have had at least two years, yes.

HON J L BALDACHINO:

Mr Speaker, if I may ask the Hon Member. Under the Gibraltar Immigration law, there is a permanent residence which a person can get and it doesn't necessarily have to be after two years. My question to the Hon Member was that if a person comes to Gibraltar he is now entitled to a residence permit which is renewable every five years which is different to having a permanent residence permit and he says that that person qualifies for Government housing. If that is the case then there is a need to modify the Housing Allocation Scheme.

HON M K FEATHERSTONE:

I will look at that, Sir.

MR SPEAKER:

Perhaps, in order to cut the questions down, residence under different Ordinances means different things, as in the Income Tax Ordinance it means something else, and you have been told by the Minister that residence for the purposes of qualifying for the Allocation Scheme is two years.

HON J BOSSANO:

It is the definition of who is eligible to apply. The matter has been under lengthy correspondence with the Hon and Learned Attorney-General who is supposedly getting advice from the Foreign Office on this matter and has been doing so for the best part of a year now. Is it the case then that the advice from the Foreign Office on this issue has not yet materialised or that the advice from the Foreign Office has been that yes, the Housing Allocation Scheme complies with Community requirements?

HON ATTORNEY-GENERAL:

Mr Speaker, I think the Hon Leader of the Opposition knows what the answer to that is. The position is I think there is an argument, I think there are arguments to defend this matter and to say 'EEC Nationals are not eligible to join the Housing Allocation Scheme'. There are arguments but whether those arguments will be successful or not I don't know, I think they are reasonable arguments and I think we must try those arguments because whether it would be in the public interest or a matter of public policy for EEC Nationals to go on to the Housing Waiting List in preference to local people or to people who have been resident here for a considerable number of years and haven't got a house and have been on the Housing Waiting List, we think there is an argument which could be set up on the grounds of public policy. I think we must try those arguments. If we are wrong we are wrong and we will have to allow EEC Nationals to go into the Scheme but I think we must fight for our rights and I think it is worth trying and that would be my advice to the Government.

HON J BOSSANO:

Mr Speaker, we are not asking the Government to give us their opinion on the desirability, we are asking for information which is what question time is about.

MR SPEAKER:

And you have been told that there is no need.

HON J BOSSANO:

No, we haven't been told that. What we have been told is that the Hon and Learned Attorney-General thinks that we should fight against having to change the law and we have been told by the Minister that there is no need to change the law.

MR SPEAKER:

With respect to the Hon Leader of the Opposition, the answer to the question is: 'No, Mr Speaker, there is no need to modify the Housing Allocation Scheme'. That is a definitive answer.

HON J BOSSANO:

That is a definitive answer by the Minister for Housing which has just been contradicted by the Hon and Learned Attorney-General who has said that in his view we ought to try and fight a requirement to change the law to allow Community Nationals. We have been told by the Minister there is no need to change the law to comply with Community requirements because we are already meeting Community requirements because Community Nationals

MR SPEAKER:

In Government's view.

HON J BOSSANO:

Yes, but we have been told in supplementaries, Mr Speaker, because Community Nationals are already eligible. We have been told by the Hon and Learned the Attorney-General not only are Community Nationals not eligible but we should fight any move to make them eligible. Obviously, if they are eligible we don't have to fight to make them eligible because they are eligible so we have been told two different versions. We are not interested, Mr Speaker, in questioning the Government on its policy on this matter, we are trying to establish whether the Regulations as they stand at the moment under the Housing Allocation Scheme, comply with Community requirements or not. If the Hon and Learned Attorney-General says that they do comply with requirements then I would remind him that he committed himself to refer the matter for an opinion to the Foreign Office a year ago when we were debating the Bill on the Brussels Agreement in this House. Can the Hon and Learned Member say whether he has now had a reply from the Foreign Office on this matter?

HON ATTORNEY-GENERAL:

I have had a reply from the Foreign Office on this matter and this reply outlined possible arguments one of which was the argument I originally mentioned and the argument on public policy. If we wish to fight the eligibility of EEC Nationals to join the Housing Allocation Scheme, those are the two arguments and there are one or two others which we could use.

MR SPEAKER:

We cannot go further than that.

HON J BOSSANO:

No, Mr Speaker, I am sorry, we are being flannelled. The answer to the question is then that the Scheme does not comply and that if we wish to defend its non-compliance then we should do it on the grounds of public policy, that is the answer then that we are getting because if it complies there is no need to parade any arguments to defend anything, it complies, period. Is the answer that it complies or that it doesn't comply?

MR SPEAKER:

I think the answer from Government is that in their opinion it complies but if it is going to be argued against they have got arguments to put forward, that is what they have said.

HON J L BALDACHINO:

Mr Speaker, I am not very clear because I have had two answers, one from the Hon Minister and one from the Hon and Learned Attorney General. May I then ask the Hon Attorney-General as the Housing Scheme stands now if a self-employed person is eligible to go in the Housing Allocation Scheme as distinct from a worker?

HON ATTORNEY-GENERAL:

I think you have already had an answer to that in correspondence because a self-employed person is entitled under the EEC legislation to permanent residence and therefore he would probably be covered.

MR SPEAKER:

After two years residence.

HON J L BALDACHINO:

No, Mr Speaker, it has got nothing to do with two years, this is what I am trying to establish. What I don't understand, Mr Speaker, if the Hon Member can clarify the point, is what is the difference between the permit that a self-employed person gets according to the EEC and the one that a worker gets according to the EEC because permanent residence, as far as I understand it, is only in our Immigration Law, it is not within the EEC Regulations.

HON ATTORNEY-GENERAL:

It is the EEC legislation which says that they are entitled to permanent residence, self-employed people, people providing services if they establish themselves. The EEC law does not say that in respect of workers.

MR SPEAKER:

With respect, at question time we are not going to debate what the EEC Regulations say and do not say and to interpret the actual legislation because that is not the purpose of question time.

HON J BOSSANO:

Mr Speaker, we are seeking information.

MR SPEAKER:

And what is the information you are seeking?

HON J BOSSANO:

I am very grateful for your constant interventions, Mr Speaker, but it seems to me

MR SPEAKER:

With respect to the Hon Leader of the Opposition, my constant interventions are necessary because the Opposition, perhaps due to my liberality, keep on belabouring a point when it is beyond the point of belabouring and I have been too liberal. Of course, I am quite prepared to be as drastic as I have to and the circumstances warrant and I will not interrupt in any manner of form other than to cut questions. You may now proceed.

HON J BOSSANO:

Mr Speaker, I am grateful for your assistance in this matter but the point that I am making is that in my experience we seem to spend more time getting answers from you telling us what the Government is saying than from the Government and grateful as we are for your interpretation of what the Government is saying, we want to hear it from the Government, Mr Speaker, and therefore I am asking the Government once again, in the light of the latest statement, is the Government then saying now that self-employed Community Nationals are eligible under the Housing Allocation Scheme as it stands and therefore the Housing Allocation Scheme complies with Community requirements in respect of self-employed Community Nationals?

MR SPEAKER:

Will you answer that question.

HON ATTORNEY-GENERAL:

Yes.

HON J BOSSANO:

And is the Government also saying that notwithstanding the fact that the treatment accorded, according to the Government, to employed Community Nationals is different from the treatment accorded to self-employed Community Nationals, that distinction in treatment under the Housing Allocation Scheme between the self-employed and the employed Community Nationals is also compatible with Community legislation?

HON ATTORNEY-GENERAL:

There seems to be a difference in which the EEC treats self-employed people and people providing services and people who establish themselves from workers insofar as permanent residence is concerned.

HON J BOSSANO:

Mr Speaker, that is not my question. My question is is the Government saying that the treatment accorded under the Gibraltar Government Housing Allocation Scheme to self-employed Community Nationals, ie that they are eligible to apply to join the Scheme, and to employed Community Nationals, ie that they are not eligible to apply to join the Scheme until they get a certificate of permanent residence which we are told is different from the five-year residence permit,

that that distinction in treatment between the employed Community National and the self-employed Community National is compatible with Community law and therefore consequentially the Scheme does not require alteration in that respect to comply with Community law, is the answer to that yes or no?

HON ATTORNEY-GENERAL:

Yes.

MR SPEAKER:

The answer is yes.

HON J BOSSANO:

Could I ask the Government also in respect of self-employed Community Nationals who do obtain a place in the Housing List, is the grant of additional pointage for Gibraltar status compatible with Community law?

MR SPEAKER:

You don't have to answer that question if you don't want to. You are not here to explain in any manner or form what the Community laws are, that is a matter of interpretation which can be looked at by any Member at any given moment.

HON J BOSSANO:

Mr Speaker, the Government may not wish to answer but don't you think, Mr Speaker, you should let the Government decide whether they wish to answer instead of being encouraged by you not to answer?

MR SPEAKER:

With respect, Government is not here to explain to the Opposition what Community laws are.

HON J BOSSANO:

No, we are asking the Government, Mr Speaker, whether the Housing Allocation Scheme complies with Community law or not? That seems to be a perfectly legitimate question to put to the Government. I am sure it is put in every Parliament in Western Europe, Mr Speaker, except in the House of Assembly of Gibraltar.

MR SPEAKER:

That is not quite what you asked.

HON J BOSSANO:

Yes, Mr Speaker, I am asking the Government whether the question put by the Opposition which is a perfectly legitimate question, Mr Speaker, otherwise you would not have allowed it, is, does the Housing Allocation Scheme need change to comply with Community law? The answer is no. Since the answer is no it is a perfectly legitimate supplementary to pick one element in the Scheme which prima facie appears to us to conflict with the answers that we have been given and to ask for confirmation that that element, in the Government's opinion, in the Government's view, is in fact compatible with Community law, does not require change. What is wrong with answering that question?

HON CHIEF MINISTER:

I think, perhaps, if I may intervene, the point is an opinion on any interpretation of Community law by any Member of the Government is of no value whatsoever and it could be dangerous.

HON J BOSSANO:

Mr Speaker, it is not a question of an opinion by any Member of the Government. We have in the House of Assembly the Hon and Learned Attorney-General, we have raised these issues a year ago when the legislation was brought to the House of Assembly, we have been promised answers in correspondence which take months to reach us and we bring the matter to the House of Assembly because we feel that having raised an issue and having been fobbed off with excuses, we are entitled to be given clearcut answers. I know the Government is avoiding the question, there is no need for the Hon and Learned Chief Minister to tell me that, I know that, but we want to be given an answer, we want to be given clearcut answers of what the Government believes to be the legal position which we may agree with or we may disagree with but we want to know what the Government thinks.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

What steps has Government taken to bring an expert to carry out a staff inspection of the Medical Services?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Mr Speaker, before replying to the Question I would like to clarify that the proposed review will only embrace the Nursing Services and not the Medical Services generally as the question seems to imply.

The Overseas Development Administration has been approached for a team of specialists to be provided on a consultancy basis under Technical Co-operation Sponsorship.

It is hoped that this team of specialists will be made available shortly by the Department of Health and Social Security to whom the matter has also been referred.

SUPPLEMENTARY TO QUESTION NO. 29 OF 1986

HON J C PEREZ:

Mr Speaker, considering that the Minister has been saying repeatedly in the House for over a year that steps were being taken to finalise the question of the acceptance of Gibraltar nursing qualifications, can he not give an indication as to when he expects the matter to be finalised?

HON M K FEATHERSTONE:

Normally these things don't take too long when you ask for technical cooperation but I would comment that great emphasis has been placed on the need to re-organise local standards of training to the level required for recognition by the English National Board.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, can Government state why they introduced a charge in September 1985, in respect of anti-flu vaccinations, which previously was provided free under the Group Practice Medical Scheme?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the vaccine in small quantities, sufficient to protect those senior citizens considered at special risk, has been imported since 1978 and administered free of charge in keeping with Government's policy to supply free medical treatment to District Patients.

The demand for this vaccine has increased over the years as more chronic patients, not entitled to free medicines, requested the service. The vaccine was therefore made available to all chronic pulmonary, heart or renal patients and those suffering from diabetes or less common endocrine disorders on doctors' prescriptions as part of the GPMS and in keeping with the provisions of Section 204 of the Public Health Ordinance. This provides for charges to be made to persons availing themselves of the service who are over the age of sixteen. The vaccine continues to be administered free of charge to all district patients and senior citizens residing in our old folks homes.

SUPPLEMENTARY TO QUESTION NO. 30 OF 1986

HON J C PEREZ:

Mr Speaker, can the Government confirm, I am not quite clear, whether it was being given free of charge to non-district patients prior to the introduction of the charge?

HON M K FEATHERSTONE:

There was very little demand for it, if it had been given to them free it was being given free wrongly.

HON J C PEREZ:

Mr Speaker, doesn't the Hon Member think that he should have raised the matter at budget time since it was a further revenue raising measure?

HON M K FEATHERSTONE:

No, Sir, this is just one of the vaccines for which a charge is normally made such as if you have a yellow fever injection there is a charge made for it.

MR SPEAKER:

Next question.

NO. 31 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, to which Head of Expenditure will the cost of paying for medical services provided in Spain to frontier workers and their dependents, be charged?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, in accordance with normal practice, comparisons of costs between Member Nations take place annually, and costs incurred on behalf of Gibraltar will be incorporated in those incurred on behalf of the United Kingdom who will represent Gibraltar at these meetings. These meetings will establish whether or not there is in fact a requirement for any reimbursements. Should that be the case, it would have to be allocated to an item of expenditure under the Medical and Health Department vote.

SUPPLEMENTARY TO QUESTION NO. 31 OF 1986

HON J C PEREZ:

Mr Speaker, can the Minister give an assurance to the House that any requirement to finance this will not be at the expense of the Medical budget, that it is provided for as an additional amount?

HON M K FEATHERSTONE:

Yes, Sir, I will come for an extra Head of the actual vote.

MR SPEAKER:

Next question.

NO. 32 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, can Government confirm that persons whose income is below the level of the full Social Security Old Age Pension, are exempt from the payment of any fee in order to obtain membership of the Group Practice Medical Scheme?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, may I draw the Hon Member's attention to the reply given to Question No. 37 of 1985, which read as follows:

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

SUPPLEMENTARY TO QUESTION NO. 32 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister confirm whether he means that if the income is equal they are also exempted?

HON M K FEATHERSTONE:

I would say that any person whose income is equivalent or less than the Old Age Pension.

HON J BOSSANO:

Mr Speaker, are we right in interpreting the clarification made now as meaning that the original answer was saying that anybody getting the full Old Age Pension also should be exempt and that it doesn't have to be below to be exempt?

HON M K FEATHERSTONE:

Yes, I would say so.

HON J BOSSANO:

Can the Minister then say how he can explain that the prospective recipients of EEC pensions who were former workers from Spain in Gibraltar were told that they would

have to pay a contribution of 50p or 80p a week the same as local pensioners did when that does not appear to be the case?

HON M K FEATHERSTONE:

Perhaps the case may be that people who receive the Old Age Pension should pay the contribution to the Scheme, those who are on less than that amount should be entitled to be freely accepted. On the other hand the Scheme is a Scheme for Gibraltar and under the EEC Regulations they are entitled to join the Scheme on payment.

HON J BOSSANO:

Mr Speaker, the Hon Member has just confirmed that the answer that he has given us is that people who get the full Social Insurance contribution and no more, that is that if their income is equivalent to that level they are also entitled to be exempt. Is he actually correct in what he said before?

HON M K FEATHERSTONE:

Yes, I think I am.

HON J BOSSANO:

The position then is that you have to be below the level of the full Social Insurance Benefit in order to qualify to be exempt. Well, Mr Speaker, since we have been told that of the 4,663, 730 were getting the full pension, am I correct in thinking that 3,900 are, in fact, entitled to be exempt?

HON M K FEATHERSTONE:

No, Sir, because it is a Gibraltar Scheme, if they wish to join our Scheme voluntarily they are entitled to do so.

HON J BOSSANO:

Mr Speaker, didn't those pensioners receive letters from the Department of Health and Social Security in UK which said: 'You are entitled as a Community National to join the GPMS in Gibraltar on the same terms as Gibraltar pensioners'? And haven't we just been told that the terms for the Gibraltar pensioner is that if an income is below the Old Age Pension full level then the Gibraltar pensioner is entitled to be exempt from payment. I am asking does that mean that the 3,900 Spanish pensioners who would be getting less than a full pension and who would not have to

pay if they were Gibraltarian pensioners, do not have to pay under the terms of the letter that they have received which is that they will get equal treatment with Gibraltarian pensioners?

HON M K FEATHERSTONE:

Perhaps the letter they received has been wrongly worded, Sir.

HON J BOSSANO:

Can we be told what is the position by the Government?

HON M K FEATHERSTONE:

I would think that they would be entitled to join the Scheme voluntarily if they so wished to do so on payment.

HON J BOSSANO:

So the position then is that it is permissible to have a situation where voluntary contributors who are Gibraltarians are exempt from payment on a means test which is the level of Social Security pension but other EEC Nationals have to pay even if they fail the means test?

HON M K FEATHERSTONE:

That will have to be looked at very carefully indeed, Sir.

HON CHIEF MINISTER:

It may be a question of residence.

HON J BOSSANO:

Once the Government has looked at it and knows what the position is, can we be informed, Mr Speaker?

HON M K FEATHERSTONE:

Yes, Sir.

MR SPEAKER:

Next question.

NO. 33 OF 1986

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state if in the opinion of the Environmental Health Department Jumper's Building would be classed as a condemned building?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, Jumper's Building is considered unfit for human habitation in accordance with the criteria used by the Environmental Health Department in assessing such conditions. As a result, Council of Ministers, on the advice of the 'Sub-Committee on Difficult Buildings', agreed on the 28th September, 1983, to offer equivalent alternative accommodation to the tenants. To date eight of the sixteen units have been vacated. Offers have been made to seven of the remaining eight occupiers which have been refused and genuine efforts to offer them suitable alternative accommodation, in keeping with current constraints, continue to be made. In the meantime, works to shore up potentially dangerous structures have been effected and the premises continued to be subject to regular inspection to monitor the situation.

SUPPLEMENTARY TO QUESTION NO. 33 OF 1986

HON J L BALDACHINO:

So what the Hon Member is saying is that offers have been made to seven tenants but they have refused to move? Seven out of the eight. If I understood the Minister correctly offers have been made to seven out of the eight tenants but they have refused to move, is that correct?

HON M K FEATHERSTONE:

There were sixteen tenants, offers were made to eight which were accepted, of the eight tenants who have remained seven of them have been made offers and they have refused them.

HON J L BALDACHINO:

Is the building in a dangerous condition to the occupants?

HON M K FEATHERSTONE:

I wouldn't like to be the expert to say what is the danger of the building, I don't think it is basically in a dangerous condition that it is liable to collapse at any moment but it is suffering from certain faults which makes life there not as comfortable as one would like to have it.

HON J L BALDACHINO:

If I may ask, isn't the Hon Member, as Minister for Housing, responsible for moving people who live in such conditions under the Housing (Special Powers) Ordinance?

HON M K FEATHERSTONE:

Yes, Sir, but it appears that some of the people are trying to squeeze the lemon a little too much. For example, one person who has a four bedroom flat is now saying he will move if he is given two four bedroom flats. Another person who is basically entitled to a bedsitter says that they want an extra room because they have a relative in Spain who comes to visit them at times and they would like to have a room for that person and therefore they refuse the accommodation that we offer them.

HON J L BALDACHINO:

Mr Speaker, may I ask the Hon Member, he has the power, if he wants, to get people to move for safety reasons, doesn't he?

HON M K FEATHERSTONE:

The normal procedure is that you give them three offers after which you go for dispossession.

MR SPEAKER:

Next question.

NO. 34 OF 1986

ORAL

THE HON J L BALDACHINO

Mr Speaker, is the Minister for Housing satisfied that the conditions of the dwelling situated at 33 Castle Ramp represents no danger to its occupants?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir. I am not satisfied that conditions of part of the dwellings at No. 33 Castle Ramp, (occupied by the Gingell family) represents no danger to its occupiers; in fact, the exact opposite is the case.

One of the bedrooms and the kitchen of the said premises are considered unsafe due to the timber roof members under the terrace being infested with woodworm and affected with wet-rot and rotted. As a result of our findings the family occupying the affected bedroom has been temporarily re-accommodated by the Housing Department at No. 3/1 Lime Kiln Steps and efforts to temporarily re-house the remaining occupiers of the flat, who are not in danger except when using the kitchen, are being made in order to allow the complete renewal of the terrace floor. Due to the size and layout of the flat in question, it is not possible to re-site the kitchen.

SUPPLEMENTARY TO QUESTION NO. 34 OF 1986

HON J L BALDACHINO:

If I may refer back to the question prior to this one, Mr Speaker, The Hon Member has the power to decant that building and offer that family alternative accommodation, so it is his responsibility to re-accommodate the person living there especially after what he has said that he is not satisfied with the conditions that that family is living in.

HON M K FEATHERSTONE:

Efforts are being made to try and re-accommodate the family. Unfortunately, it is a very big family, there are twelve persons and to find a place where you can put twelve persons is not so easy to come by these days.

MR SPEAKER:

Next question.

NO. 35 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, can Government state whether Spanish meat and meat products are still banned from entry by the European Economic Community?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the latest EEC Commission's directive of the 13th December, 1985, continues to treat Spanish meat as proceeding from a 'third country' and only one establishment was approved on that date for the supply of goats' and sheep meat to the Community. According to the latest available information this situation is to continue till the 28th February, 1986, when the position will again be reviewed by the Commission.

NO. 36 OF 1986

ORAL

THE HON M A FEETHAM

Can Government state what was the open market value of the agreement to ground lease the Casemates Triangle Development site as assessed by Richard Ellis SA in November, 1985?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

No, Sir. There is no reason why the Government should have this information.

SUPPLEMENTARY TO QUESTION NO. 36 OF 1986

HON M A FEETHAM:

By implication is the Minister saying that Government were not aware that there was a valuation in process of the site?

HON A J CANEPA:

Quite right. Richard Ellis SA, Chartered Surveyors, made no attempt to contact the Government, had no dealings with the Government and did not make their findings available to the Government at the time when the survey took place.

HON M A FEETHAM:

In that case can the Minister give an indication of what was the market value of the site in the opinion of the Government?

HON A J CANEPA:

No, the Government is just aware that there has been a shareholders report of Hunter PLC and that in this report the advice of Richard Ellis SA, Chartered Surveyors, on the value of the property holdings of Abco Holdings Ltd is being conveyed to the shareholders but there is no reason why one should give an opinion on the market value of the site. That is not what I am here for and that is not what any Government valuer is there for. The market value is assessed by putting a site on the open market.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

Can Government state how many car parking spaces are likely to be available to the general public on completion of Phase I of the Multi-Storey Car Park at Casemates in three year's time?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

On present information, about 250 spaces. However, the developer is exploring the possibility of incorporating Phase II into Phase I, in which case a total of 400 car spaces would be provided within the three-year period.

SUPPLEMENTARY TO QUESTION NO. 37 OF 1986

HON M A FEETHAM:

What the Minister is saying is, in fact, that the phasing agreement which was negotiated with the Governor the terms of which were as follows: (a) Phase I - Commercial area and fifty car spaces completion within three years; (b) Phase II - Extra office accommodation and remainder of car spaces completion within three years of Phase I and if any of the 400 car spaces were not built a penalty of £857 for each car space up to a maximum of £300,000 is not relevant and, in fact, what is going to happen is that the Multi-Storey Car Park is going to be built on the lines originally accepted in the original tender?

HON A J CANEPA:

That is the position, Mr Speaker, on present information, yes, that 250 car spaces will be provided in Phase I.

HON M A FEETHAM:

What the Minister is saying, and I want to be quite clear about this, is that the Multi-Storey Car Park is being built under the conditions which were accepted in the original tender?

HON A J CANEPA:

Unless as a result of soil investigations, as a result of engineering investigations, it were to be proved to the satisfaction of the Government that it is not possible during the course of Phase I to build 250 car spaces as is planned by the developers.

HON M A FEETHAM:

But isn't it a fact that it has already been accepted that regardless of geological reasons because no borings or foundations have been built, that there is already an understanding and an agreement that 246 car parking spaces were going to be provided and that has already been agreed so it is not a question of geological or technical reasons?

HON A J CANEPA:

Yes, they will come later. It is only once the developer is able to have possession of the site which they only got in later 1985, and they are able to carry out these investigations that what on plan appears to be feasible will be proved to be feasible or otherwise. At the time when tenders were asked for and tender conditions were drawn up it was all on the basis of what existed there without proper investigations having been carried out subsequently. These could not be carried out in 1982.

HON M A FEETHAM:

But what I am trying to get to, if the Minister will bear with me, is has it already been assumed without any borings or foundations that, in fact, there won't be a need for 154 car spaces and drawings to that effect have been submitted and agreement reached accordingly?

HON A J CANEPA:

Will you repeat that again, Mr Speaker?

HON M A FEETHAM:

Is it correct to say that an assumption has already been agreed to by Government whereby 154 car spaces will not be required and drawings to that effect have been submitted to Government?

HON A J CANEPA:

Not that I am aware of. Who has said that 154 spaces will not be required? That is news to me.

HON J BOSSANO:

Mr Speaker, can the Minister state then that the statement contained in the documents that were made public on the purchase of Abco Holdings which state: "A phasing agreement has been negotiated with the Governor the terms of which are as follows: Phase I - Commercial area and fifty car spaces, completion within three years", that that statement is in fact a false statement?

HON A J CANEPA:

It is misleading. It is misleading in this sense, that the minimum that the Government could countenance during the course of Phase I is fifty car spaces because fifty car spaces is the statutory obligation that the developer would have according to the Building Regulations in respect of car parking. Whenever the Development and Planning Commission receives a planning application, invariably if the project is residential or commercial, there are requirements regarding car parking and these have to be met statutorily. The statutory requirement in respect of the extent of commercial accommodation being provided in Phase I, commercial and/or office accommodation of that nature other than residential, the extent of that being provided in Phase I would necessitate a minimum statutory requirement of fifty car spaces. That is where that figure comes from.

HON J BOSSANO:

Mr Speaker, is the Hon Member then not aware that according to this same document the statutory requirement which is for a minimum of 1 for 2,000 square feet would produce less than forty car spaces, according to that same document, and that consequently according to the document sent to shareholders on the basis of which the valuation was justified and the price paid for the site was justified, categorically states that it is because an agreement has been negotiated with the Governor which requires Phase I to include only fifty car spaces. Does such an agreement exist or does it not exist?

HON A J CANEPA:

My information, Mr Speaker, is that the minimum required under the agreement is fifty, that is the absolute minimum that is required under the agreement. The Hon Questioner asked: "Can Government state how many car parking spaces are likely to be available to the general public on completion of Phase I?" On the basis of the information that we have that is likely to be 250 because what the developers want to put there is a multi-storey car park and they want a multi-storey car park that will have 250 car spaces during Phase I.

HON J BOSSANO:

Mr Speaker, is the Hon Member not aware that the new owners of the development who are going to be responsible for financing the development, have justified to their shareholders the viability of the project on the basis that because they will not have to provide 250 car spaces but only fifty, the massing of the building is now increased and consequently the rentable capacity of the building is now increased? Is he not aware that in fact all the indications on the tender documents for the purchase of the site shows that the intention is to build fifty car spaces?

HON A J CANEPA:

That may be what they have circulated to their shareholders, a report which, let me say, I haven't seen. I am advised by the Director of Crown Lands and it is on the basis of what the Director of Crown Lands advises me and the Land Board that we go on. I can tell the Hon Member one thing and that is that there would have to be very good reasons to justify in the view of the Land Board why the bare minimum of fifty car spaces should only be build during Phase I and not more than that and the reasons which in my view, as Chairman of the Land Board, would be valid are of an engineering or structural nature. I am not very interested about the commercial projections which Hunters may make, that is a matter for them, it is not a matter for us and therefore we would not accept the bare minimum of fifty car spaces unless they were very valid reasons. But my information based on the latest information available, not on that document, on the latest information available to the Director of Crown Lands, is that 250 car spaces are likely to be provided and that, in fact, the developer is anxious to push ahead and incorporate Phase II into Phase I and build 400 car spaces.

HON J BOSSANO:

Mr Speaker, surely, the Hon Member who presumably is anxious to see the project actually completed, must be concerned that shareholders have been provided with apparently false information because he is telling the House that there is no agreement with the Governor which requires only the provision of fifty car spaces. He is saying that what there is is a statutory requirement that no less than fifty car spaces should be provided but that, in fact, the agreement with the Government is that there has to be 250, so this information is false.

HON A J CANEPA:

The agreement with the Government is that in Phase I the developer would like to build 250. The plans have been changed on more than one occasion and when these plans were agreed to, the Government has got to take account of the fact that it invited tenders on the basis of 410 car spaces or thereabouts. Within the three-year period it is not that critical as to how many car spaces are provided when, provided that at the end of the three years we finish with a multi-storey car park of 400 spaces, how they are phased is not that critical. But in any case, because during Phase I there is likely to be a certain type of facilities available that are going to generate car parking, we would wish that there should be a minimum car parking otherwise they are going to aggravate the car parking problem and that is how the figure of fifty because the statutory requirement was of the order of fifty and there has to be an exact calculation obviously on the basis of the Regulations which will establish the exact figure, but the figure of fifty was arrived at on that basis. The Land Board would not be happy just to see for no particularly valid reason at all only fifty car spaces being provided at Phase I and certainly it isn't going to accept, unless it can be proved that you cannot physically erect a car park of 400 car spaces that we should finish up with anything else than that. How it has been presented by Hunters in that document is a matter for them but I am not committed to the information and the Government is not committed to whatever information they have put to their shareholders, that is a matter for them.

HON J BOSSANO:

Mr Speaker, surely it isn't just a matter for them, it must be a matter of serious concern to the Government because the shareholders of a publicly quoted company in the United Kingdom have been asked to approve a resolution involving the purchase of a company registered in Gibraltar with the major asset for sale being a land which is Crown Land, which is made available for the Government on certain conditions. If the shareholders have been given false information then surely, Mr Speaker, this must be tantamount to fraud, to people being told that there is a value on a site on information which makes reference to an agreement with the Governor of Gibraltar, the statement is perfectly clear, I don't see how the Government can say: "Well, we are not interested in what Hunter is saying to its shareholders. If Hunter

is saying to its shareholders 'this site is worth £1½m because an agreement has been reached with the Governor which only requires us to build fifty car spaces', I would have thought the Government would want that put right if it's wrong.

HON A J CANEPA:

Let the Hon Member not get carried away. That site is not worth £1½m. What the shareholders have been told is, and I have the information here, that the value of property holdings of Abco Holdings Ltd is given as £2.754m. The bulk of that is not the car park, the bulk of that is not Casemates sites, the bulk of that is the Arcade and the capitalised value of the Arcade based on the rents which are payable, the capital value of the Arcade is £2.3m so we are only talking about £454,000 in respect of the site at Casemates. How the properties owned by Abco again are presented to the shareholders is a matter for them and I am not answerable for that.

HON J BOSSANO:

The Hon Member is saying then, in fact, he is able to answer the question which he said originally he was not able to answer which is that the value put on the Casemates site is £454,000 according to his understanding.

HON A J CANEPA:

No, my answer was there is no reason why the Government should have this information. In other words, we have had no dealings with Richard Ellis, they haven't made a survey and said: "Here you are, I am now making this information available to the Government". We have had no dealings with them at all. We have become aware of what they are saying in the same way as the Hon Members of the Opposition. They get their hands on documents, I haven't seen the documents, my mind is so clear on this, my conscience is 100% clear I don't even need to look at the documents, I just know that the Director of Crown Lands has them.

HON J BOSSANO:

Mr Speaker, I am not really in a position in the House to ask questions about the state of the Hon Member's conscience, I think it is only information that I can seek to obtain under the Standing Orders and therefore what I am trying to establish is, is in fact the Government then not concerned that a piece of Crown Land that was put out to tender where in 1982 there was some questioning about how the allocation had been made not to the highest bidder, where arguments were put by the Government in defence of their decision, what is the market value of that site today when it is on the point of being developed and to what extent that market value is being determined by statements which may be false. I would have thought that irrespective of the fact that the thing may be happening at arm's length, surely the Hon Member must agree that it isn't good for the Government of Gibraltar to be used as the party which has agreed to something which enhances the value of a piece of Crown property

if that is not true, and the Hon Member is saying that the statement is not true, there is no planning agreement negotiated with the Governor which requires them only to provide fifty car spaces. We want a categorical answer that no such agreement exists.

HON A J CANEPA:

There is in the tender conditions, of course there is an agreement and the agreement is that in Phase I at least fifty car spaces would be built, of course there is an agreement. What I am telling the Hon Member is that there are going to be more than fifty car spaces built in Phase I, I have no doubt, because the developer is desirous of providing much more than that. Indeed, he wants to carry out Phase II in conjunction with Phase I.

HON J BOSSANO:

But then, Mr Speaker, what we are being told is that in the Hon Member's opinion notwithstanding the evidence to the contrary, that is the evidence being that the new owners have justified the purchase on the grounds that they will only have to provide fifty car spaces, that is the justification for the purchase in the documents put to the shareholders, notwithstanding that, he believes they will wish to do the opposite but can he require them to build more than fifty car spaces?-

HON A J CANEPA:

If it came to the crunch perhaps we could only require them to build fifty during Phase I but they would have to build the rest in the remaining Phases otherwise they would not get a lease.

HON J BOSSANO:

Mr Speaker, I think we have got another question on the lease but we will come to that, whether they have the lease or they haven't, but if the position then is that he cannot require them to build more than fifty and if the indication is that the site is worth more with fifty car spaces because the rental capacity of Phase I will be higher, then on the basis that fifty are built is the Government aware that the developers have also said that forty would be allocated to the occupants of offices which would then mean that by the end of three years we would only have ten car spaces for the public, that would be correct would it not be?

HON A J CANEPA:

No, it wouldn't because that is not acceptable, we would not accept that. We will not accept that we finish up there with fifty car spaces, it is as simple as that. They have a contractual obligation to build a car park of 410 spaces and they are going to build that unless there are very good structural and engineering reasons why they shouldn't. If they can prove to the Government that it is not possible to build 410 car spaces, that it is only possible to build

300 car spaces and the Government accepts that, we are convinced that there are very sound, not because capriciously as I said to the Chronicle the other day they wish to use the area that should go for car parking for something more lucrative, that we are not going to allow, we are not going to allow that but if there were to be sound engineering and structural reasons based on geological surveys, then that is another matter whereupon they would have to pay a penalty and the penalty is calculated at £857 for each car space below the figure of 400 or 410, that is the approach, but let me tell the Hon Member that if any developer who has got his hands on that site, Hunter or whoever they might be, think that the Government is going to accept a development there made up of offices and shops and what have you with fifty car spaces, they are barking up the wrong tree for as long as I am in Government and I intend to be here for many years to come.

HON J BOSSANO:

I would not wish, Mr Speaker, to deny the Hon Member that dream that he has of being there for many years. Has the Hon Member not given me an answer already saying that he cannot require them to do more than fifty in Phase I which is in the first three years if they should choose to do fifty? Is the answer to that yes or no because he seems to be saying one thing one moment and the opposite the next.

HON A J CANEPA:

Yes, but that is not what we are going to finish up with.

HON J BOSSANO:

Well, that is a matter of opinion, Mr Speaker.

HON A J CANEPA:

No, not of opinion, that is a matter of fact, there is no question of opinion.

HON J BOSSANO:

Then, Mr Speaker, if we are talking about what is going to happen post-1989 and that is a matter of fact, I would ask you to bear that in mind when we are refused answers to so-called hypothetical questions because if it is fact that it is going to happen in 1990 and the Hon Member can tell me that in 1990 he is going to insist that Phase II consists of 350 car spaces which is what he is saying, he is saying if they only do fifty in the first Phase the Government will not allow them to do less than 350 in the second Phase unless there are sound geological reasons. Is he aware that, in fact, the valuation of the site is based on an assumption which, if you will allow me to read it, says, Mr Speaker: "We have assumed that 154 car spaces not included in the first Phase will not be built and that an extra development payment of £131,978 will be paid to the Government when Phase II time limit expires". Is he aware that they have

already assumed that they are not going to do what he says is going to happen for as long as he is in Government? It may be that they have come to the conclusion he is not going to be in Government.

HON A J CANEPA:

They may be assuming that that is what they are going to do. We are dealing here, Mr Speaker, with people who wish to maximise the return. Whether we are going to allow them to do that is another matter. They have got certain contractual obligations and they can only get out of those certain contractual obligations in keeping with certain matters. They are not going to make up their minds today that it is far more lucrative for them to build 250 car spaces only, we are not going to accept that just like that but the value of the site, the value of the licence agreement is £454,000, there is no other figure on it. If they wrap it up with other things that is a matter for them, again it is a presentational aspect.

HON M A FEETHAM:

Will the Minister say, as regards the penalty of £857, how has he reached the figure of £857 when I understand from previous policy of the Government, there was a penalty of £2,000 in respect of car parking spaces?

HON A J CANEPA:

No, this is where people compound, where in respect of a building application when a certain number of car spaces have to be provided, if they are not provided the Development and Planning Commission may allow compounding and where it does so it requires a payment of £2,000 but in this case that is the statutory obligation. Here, of course, you cannot apply the same formula because it isn't as if there is, according to the Building Regulations, a requirement on anybody to build 410 car spaces at Casemates. There is a contractual obligation which is not a statutory obligation. The way that we arrived at this figure of £857 per car is that a valuation formula is used to calculate the total value of the land with the total number of parking bays. The Valuation Officer of the Government does the calculation based on a multi-storey car park of 400-odd cars, what is the total value of the land, and the total value of the land divided by 400 produces the figure of £857 per car space, that is how it is arrived at.

HON M A FEETHAM:

So what the Minister is saying is that the Government did calculate what in their opinion was the valuation of the land?

HON A J CANEPA:

The Valuation Officer, yes.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

Can Government say whether the Land Board recommended to the Gibraltar Council on the 21st October, 1985, that the lease held for 99 years by Pall Mall Ltd developers for the Casemates Multi-Storey Car Park project be extended to 150 years?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, in the first instance I should like to clarify that Pall Mall Ltd do not hold a lease over Casemates Triangle but rather a licence agreement which entitled them to a 99 year lease on completion of the development.

With regard to the term of the lease the Land Board has recommended that the lease to be granted on completion should be for 150 years.

This recommendation has not yet been considered by Gibraltar Council.

SUPPLEMENTARY TO QUESTION NO. 38 OF 1986

HON M A FEETHAM:

Can the Minister say on what basis this recommendation has been put forward?

HON A J CANEPA:

The 150 year lease?

HON M A FEETHAM:

Yes.

HON A J CANEPA:

Yes, the reasons are twofold, Mr Speaker. In the first place the project was awarded in 1982 and subsequently it was decided in respect of other projects to make them more attractive by granting 150 year leases. I think Hon Members must be aware that it was a rather difficult time for development, a number of projects had gone out to tender and the response had been poor so to make, particularly the major projects which were in the pipeline more attractive, the Land Board recommended to the Government that leases in respect of future substantial projects should be for 150 years and therefore a lease of 150 years in respect of the multi storey car park would bring it into line with the terms of other major projects that I have referred to such as Queensway, Rosia, the Old Command Education Centre and Calpe Hostel and in the same way in respect of Water Gardens. The lease originally there was for 99 years and we have also agreed to extend that one to 150 years in line with current policy. The second reason has to do with the fact that the developer

has gone beyond his contractual obligations. For instance, he has paid for the re-accommodation of GSL employees who would otherwise have still been on site for another two years. He has come to terms with Shell for access through their Petrol Station in Line Wall Road. He has paid compensation to the tenant of the garage within the site. He has agreed to provide and maintain modern public conveniences to replace the existing derelict ones at Cooperage Lane and he has also paid £300,000 to the Ministry of Defence in settlement of their obligation to reprovide the quarters earlier than necessary in order to speed up the development. For all these reasons it was considered that it was justified to recommend to the Government that the lease be extended from 99 to 150 years.

HON J BOSSANO:

The Hon Member is saying that the Government has not yet decided whether to accept this recommendation or not?

HON A J CANEPA:

No, it is that it hasn't yet gone to Gibraltar Council, it will do so in due course. If there is a recommendation of the Land Board it is to be considered by Gibraltar Council.

HON J BOSSANO:

Are we getting an indication that it is all cut and dried or that it is not all cut and dried, that is what I am trying to get at, Mr Speaker?

HON A J CANEPA:

I think it is cut and dried. There shouldn't be any difficulty, I don't know whether the Hon Member is perhaps concerned about the value of the land where we speak in terms of 150 year leases and not 99. It doesn't affect the value of the land and this is the line that the developers of Water Gardens have taken that in fact whether it is a 99-year lease or a 150-year lease it doesn't affect the value of the land and that is why they would not consider any question of an increased premium, this is Water Gardens.

HON J BOSSANO:

I can imagine, Mr Speaker, that the person who has to pay the premium may well put that point of view to the Government in order not to pay anything extra but, surely, the Hon Member must consider that if in fact attention is drawn to the existence of a letter dated the 21st October from the Land Board to the Gibraltar Council, it must be because the valuers in making the valuation were provided with a copy of this letter, so that it would be taken into account as a material factor in assessing the value of the place and

HON A J CANEPA:

A letter from the?

HON J BOSSANO:

Yes, Mr Speaker, the letter

HON A J CANEPA:

The letter from the Land Board to?

HON J BOSSANO:

To the Gibraltar Council.

HON A J CANEPA:

Dated?

HON J BOSSANO

The 21st October.

MR SPEAKER:

The date of that letter is in the original question.

HON A J CANEPA:

Yes, I know, but the Land Board hasn't recommended to the Gibraltar Council on the 21st October, 1985, that that should happen.

HON J BOSSANO:

Well, then obviously this is another misleading piece of information put in front of shareholders. The point that I am making and on which I would like to have the Hon Member's views is that in assessing the value of the land for the benefit of shareholders the valuers mention that there is a lease for 99 years held by Pall Mall Ltd which we have just heard is incorrect, that there is no lease, there is a licence which will enable them eventually to obtain a lease when they complete but not only is that information incorrect, apparently, the second piece of information which is there not by accident, it is clearly there as a material fact affecting the valuation, is that according to a letter dated the 21st October, 1985, a letter presumably a copy of which was provided to the valuers, the Land Board had recommended to the Gibraltar Council that the lease should be extended to 150 years.

HON A J CANEPA:

Mr Speaker, when the Land Board makes a recommendation to the Gibraltar Council it doesn't go in the form of a letter. What happens is that a paper is circulated, in this case it would be in my name, I would sponsor a paper to Gibraltar Council with a recommendation and I can inform Hon Members that it is only in the last week that I have in fact signed a draft paper which has not yet been circulated to members of Gibraltar Council, which has not yet been included on the agenda for the next meeting of Gibraltar Council and, in fact, the Gibraltar Council is not due to meet for some weeks yet.

HON J BOSSANO:

So, in fact, what we are being told, Mr Speaker, is that no such letter exists, the letter that the shareholders have been told exists and on the basis of which a value was put on the site?

HON A J CANEPA:

There may be a letter from the Land Board to the developers perhaps, I don't know, I haven't got the letter, I haven't got a copy, I haven't seen it, there could be a letter saying that some time ago the Land Board might have recommended that there be a lease of 99 years, yes, but not that there has been a lease of 150.

HON J BOSSANO:

But, in fact, the statement put in front of shareholders in a document, and I think that is important, there is a document recommending to shareholders in a publicly quoted company that they vote in favour of a resolution. There are arguments put in front of shareholders in support of that recommendation. If those arguments refer to the Governor of Gibraltar, to the Land Board and to the Gibraltar Council and they are inaccurate statements, I think it throws a bad light on the Government of Gibraltar and the Government of Gibraltar ought to be concerned about it.

HON A J CANEPA:

But the Hon Member, I am sure, will accept that we are not responsible for the statements made in that document. All this talk of Gibraltar Council, I thought that the proceedings of Gibraltar Council were highly confidential and it hasn't yet met. I don't know what the letter is.

HON J BOSSANO:

Given the difficulty we have in getting a copy of the Actuarial Review, clearly we need to engage Richard Ellis SA to see if they are more successful than we are.

HON A J CANEPA:

But perhaps other Members on the Government benches should do likewise because we haven't seen the Actuarial Review either.

HON J BOSSANO:

Then, Mr Speaker, the point that I am making is, we are bringing the matter to the House to ascertain the accuracy of these statements, to obtain information. I would have thought that as far as we are concerned, if the Government tells us that these statements are incorrect, we accept the Government's version not what this document says but I would have thought that the Government having had this brought to their attention would not want to leave it there, they would want to ascertain how misleading statements like these referring to them were made in the first place.

HON A J CANEPA:

I think that Hunters have put the best possible complexion on the matter. It is a very good public relations exercise, very well presented, giving it the best possible commercial presentation for their shareholders. I am giving Hon Members the facts as I know them to be. The Land Board recommended that the lease of 99 years be increased to 150 for the reasons that I have stated, that recommendation has not yet gone to Gibraltar Council, it will go to Gibraltar Council. The likelihood, I would imagine, is that the Gibraltar Council will endorse that recommendation because there is no good reason why we shouldn't and the Land Board in making that recommendation is guided by what it knows Government policy to be but I think they are jumping the gun and only they are responsible for the statements that they make there and we have no part with that.

HON J BOSSANO:

Mr Speaker, I accept that the Government is not responsible for the statements that are made but, surely, the Government must be aware that statements like this made to shareholders in a quoted company justifying the payment of very substantial sums of money, is a matter which when brought to the attention of the Chairman of the London Stock Exchange will no doubt cause some reverberations and in that context the Government is putting a site to a company

MR SPEAKER:

You are asking whether they are prepared to do something about it?

HON A J CANEPA:

Naturally, Mr Speaker, one is concerned that they should be making these statements. I would hope that somebody would make it his business to obtain a verbatim record of what we are stating in this House, particularly what the Government is stating and they might wish to make the views of the Government known to their shareholders. I would very much hope that Hunters, whoever they may be, will take very careful note of what the Government is saying.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

Can Government explain why the lease for Casemates site for 99 years is dated 26th September, 1985, when the tender was awarded in 1982?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Again, Mr Speaker, I must clarify that we are dealing with a licence agreement and not a lease.

The reason why the licence agreement is dated the 26th September, 1985, is simply that the transfer of the site from the MOD to the Gibraltar Government was effected on the 18th September, 1985.

THE HON M A FEETHAM

Can Government list all the variations that have taken place on the original winning tender submission for the Multi-Storey Car Park development since it was first granted in 1982?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, I am assuming that by variations the Hon Member is referring to variations of the tender conditions and not other matters such as architectural and structural modifications. In this respect the principal variations are the following:-

- (1) the payment of £300,000 to the MOD in advance of re-provisioning instead of entering into a contract with the MOD for the re-provisioning of the seven quarters. In view that the quarters were occupied by GSL employees the developer also had to find alternative accommodation at his expense.
- (2) the issue of a 150-year lease if approved by Gibraltar Council.
- (3) provision for phased development and the payment of a penalty for any shortfall of car parking spaces below the 400 spaces required by the tender conditions.

There are other minor variations in the licence agreement which are mainly of a drafting nature.

SUPPLEMENTARY TO QUESTION NO. 40 OF 1986

HON J BOSSANO:

Mr Speaker, was it not stated in the House at one stage that the Government was contributing towards the cost of re-provisioning the amount paid for the tender and was, in fact, anything done in terms of any variation in relation to the £300,000? Is that a net figure or did the Government contribute to the £300,000?

HON A J CANEPA:

The Government had in mind to contribute the tender sum, I am quoting from memory, I hope I am correct, in respect of the developer modernising six quarters at North Pavilion which would have been used for decanting purposes and which would subsequently have reverted to the Government but in the event the developer found accommodation for the employees of GSL at his own expense and therefore the matter didn't arise.

HON J BOSSANO:

In fact, what we are saying then, Mr Speaker, is that the developer provided rented accommodation for GSL employees which means that when the GSL employees are no longer there the Government is not left with existing property that is available for somebody else, is that correct?

HON A J CANEPA:

Yes, and of course, the tender sum is for the Government to dispose of.

HON J BOSSANO:

But it means that instead of getting seven quarters all that has happened is that the company is paying the rent for X managers and has in fact by a payment of £300,000, which presumably would be considerably less than the cost of providing seven quarters, overcome that part of the commitment in the tender?

HON A J CANEPA:

At a fairly early stage the requirement for seven quarters was reduced, first of all to five and then to three or four, it was no longer a case of seven, I think it became three or four, and the cost is deemed to be the £300,000.

HON J BOSSANO:

Mr Speaker, given that there were variations in the tender agreed, was the Government not in a position to consider having a more realistic ground rent than the £10 that they provided which presumably is the original sum in the original tender, £10 per annum for the entire Casemates site?

HON A J CANEPA:

Well, I think what happens, Mr Speaker, my understanding is that where a premium is offered and a ground rent, the ground rent becomes purely nominal. More realistic is a very limited term to use because it could never be a very high figure, it could never be a significant figure it is a ground rent and a premium.

HON J BOSSANO:

Mr Speaker, given that the ground rent is put in the document as being a ground rent that is then increased in line with inflation, isn't it nonsensical to charge £10 of ground rent for the whole of Casemates and then link it to inflation when, at most, it is going to go up by pennies at a time?

HON A J CANEPA:

I don't think that the ground rent is reviewed annually. It is a peppercorn rent and the review will come up, what, after 150 years?

MR SPEAKER:

Next question.

NO. 41 OF 1986

ORAL

THE HON J L BALDACHINO

Mr Speaker, is Government in a position to state if the Housing projects submitted to ODA have been approved?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

No, Sir, the Government is still awaiting a reply from the Overseas Development Administration to the Aid Submission sent in July of last year.

SUPPLEMENTARY TO QUESTION NO. 41 OF 1986

HON J L BALDACHINO:

This covers the different projects that the Government have?

HON A J CANEPA:

The whole of the Development Programme earmarked for the four or five year period, I forget which, beginning April, 1986.

HON J L BALDACHINO:

Mr Speaker, can the Hon Member explain why we have supplementary provision for one of the projects when it was included in the Programme submitted to ODA?

HON A J CANEPA:

I don't know what the Hon Member is referring to, Mr Speaker, would he like to specify?

HON J L BALDACHINO:

I am referring to the six A2 quarters in North Pavilion.

HON A J CANEPA:

I think that that is going to be locally funded, I don't think that that is included in the aid.

HON J L BALDACHINO:

Mr Speaker, I am referring to Question No. 191 of 1985 where

I asked: 'Has Government included in their submission to ODA any projects for the development of houses?' and the answer to one of my supplementaries from the Hon Member was: 'North Pavilion - six units, £0.17m'.

HON A J CANEPA:

The reason is probably quite simple. To say that, as I have said in the answer, 'We are awaiting a reply', are we in a position to state if they have been approved? Perhaps I should borrow the word the Hon the Leader of the Opposition has used, we should be realistic and all the indications are, as I think Hon Members opposite know, that regrettably the ODA is unlikely to provide any funds for housing and when you are faced with that situation and 400 or so housing units are being planned in the next Development Programme, we considered, Mr Speaker, that there was an overriding requirement to go ahead with an element of housing and probably because of the funds that were becoming available, the £100,000-odd of the premium to be paid at Casemates which we thought could be made a Government contribution towards the quarters at North Pavilion, I imagine that is what must have happened, I haven't got the facts at my fingertips I would have to check, but the Government decided on a locally funded basis to go ahead with that project and that is why we are asking for supplementaries. But I am speaking from memory, Mr Speaker, and up to a point, conjecture. I really need separate notice of the question but I am trying to be helpful.

HON J L BALDACHINO:

What I am trying to establish is that normally ODA, because it has happened before, in Rosia Dale Phase II, I think it was, that if the project is started and then a submission is made they will not accept it.

HON A J CANEPA:

Once a project is started but, Mr Speaker, where you are hoping to build 300 or 400 units and they are being so difficult, what are six or seven units if you fund them yourself?

HON J L BALDACHINO:

What I am saying, Mr Speaker, is that as it was part and parcel of the project that they have submitted to ODA, that if they now bring to the House a supplementary estimate or provision for building those houses, the little chance, if they had any chance at all, of getting this project financed by ODA is now completely nil.

HON A J CANEPA:

I can assure the ODA, Mr Speaker, if they are worried at all, I can assure them that if they can make available a small sum of £10m for housing we will find some place where to build houses, no doubt.

MR SPEAKER:

Next question.

NO. 42 OF 1986

ORAL

THE HON J BOSSANO

Is it Government's policy to take over ownership of the Gibraltar Garrison Library?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, Government has not formulated any plans to take over ownership of the Gibraltar Garrison Library.

I am currently chairing an ad hoc Committee of Government which is examining the whole question of the future of the Garrison Library. This Committee held its first meeting yesterday afternoon.

SUPPLEMENTARY TO QUESTION NO. 42 OF 1986

HON J BOSSANO:

But the Government is aware, Mr Speaker, is it not, that the Gibraltar Garrison Library Committee appears to be desirous of passing over the responsibility in the current situation where little use appears to be made of the place to the Government? In those circumstances, in fact, would the Government be in a position to refuse an offer from the Garrison Library to pass the Library over to them?

HON A J CANEPA:

Would the Government be in a position to refuse an offer? Well, yes, it would because, strictly speaking, the Garrison Library is not MOD property and therefore any transfer of the Garrison Library would not come under the 1983 Lands Memorandum. Any land declared surplus by the Ministry of Defence has to be accepted under the terms of the 1983 Lands Memorandum but this is not land which is owned by the Ministry of Defence so from that point of view the Government could say no, unless the terms on which it is going to be transferred were to be satisfactory, if they were to meet Government's conditions. Having said that, I don't want to give the wrong impression and let anybody think that knowing as we do that the Garrison Library Committee do not wish to continue having responsibility for the Garrison Library because serving officers on the Rock are voting with their feet, they make very little use of the Garrison Library, knowing as we know that that is the case and having regard to the importance

of the building, for historic reasons, architectural, cultural and social, we would not wish to see the Garrison Library being disposed of without at least the Government having first option, in other words, we wouldn't like it to be put on sale in the open market so this is what we are considering, what is on offer, is the Government prepared to take it over and on what terms.

/ HON J BOSSANO:

Mr Speaker, isn't it, in fact, a requirement under the Garrison Library Ordinance that should the Committee cease to function the property reverts to Her Majesty the Queen, Her Heirs and Successors and consequently it becomes Crown property for which, presumably, the Government of Gibraltar as the civil representative of the Crown in Gibraltar automatically is responsible?

HON A J CANEPA:

If the Hon Member is right that would be the correct interpretation to put on that but I wouldn't like to give a legal opinion, he may well be right.

HON J BOSSANO:

Would the Government look into the legal position then on the basis that I may well be right?

MR SPEAKER:

Next question.

THE HON M A FEETHAM

When will Government bring revised legislation to the House to process the applications of non-Gibraltarians in obtaining British Nationality?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, in December, 1983 the Immigration Control Ordinance was amended to provide for the grant of exemption from immigration restrictions and so enable persons, who would not otherwise have been able to do so, to meet the statutory requirements for naturalisation under the British Nationality Act. When the exemption process was put into operation, the amending legislation was found lacking in several respects. By July 1984 the exemption provisions had been accordingly revised and re-drafted locally but in view of the nature of the legal technicalities involved particularly with regard to the close inter-relation between the proposed legislation and the British Nationality Act, the advice of Her Majesty's Government was sought before proceeding. However, the technical difficulties involved have been such as to preclude Her Majesty's Government from being able to form a view readily. Indeed, conclusive advice from the UK was not received in Gibraltar until Tuesday 21st January, 1986. Nevertheless, it is now possible to proceed with the proposed amending legislation and the Attorney-General will be instructed to prepare the necessary Bill which, hopefully, will be brought before the House at its next meeting.

This is the answer prepared for me but I would like to tell Hon Members that I am as anxious as Hon Members opposite and I am delighted that we have at last this clear way ahead in order to bring the right kind of legislation because otherwise all the hopes of a lot of people who have all the requirements to acquire British Nationality would be stopped forever.

SUPPLEMENTARY TO QUESTION NO. 43 OF 1986

HON M A FEETHAM:

In view of what can only be termed as very good news for the many, many outstanding applications that are there, will the Government ensure that all these applications, all these genuine cases which are there, all the applications

will have been processed to the extent that when the legislation is passed there would not be any more delay in granting the applicants nationality?

HON CHIEF MINISTER:

I can assure Hon Members that all the applications have been processed and prepared, at least the ones that may have been received up to the last few months, prepared and ready awaiting for the legislation.

MR SPEAKER:

Next question.

NO. 44 OF 1986

ORAL

THE HON J E PILCHER

Can Government confirm that the Gibraltar Air Transport Advisory Board exists in order to advise the Gibraltar Government?

ANSWERTHE HON THE CHIEF MINISTER

The terms of reference of the Gibraltar Air Transport Advisory Board are 'to advise the Governor in the discharge of his responsibilities for the control of all aspects of Civil Aviation in and out of Gibraltar, including aircraft and passengers as well as designation and air cargo'.

SUPPLEMENTARY TO QUESTION NO. 44 OF 1986

HON J E PILCHER:

Can Government therefore confirm that the Gibraltar Government as such does not have any decision making powers as regards civil aviation?

HON CHIEF MINISTER:

No, it is not a defined domestic matter.

HON J E PILCHER:

Why is it therefore that the Civil Aviation Authority asks directly of the Gibraltar Government for opinions on matters concerning civil aviation?

HON CHIEF MINISTER:

Well, I think the word is 'consult', in fact, we are consulted in a number of international treaties whether Gibraltar wants to join or doesn't want to join and therefore even though the final word is with Her Majesty's Government, consultation takes place on many aspects of non-defined domestic matters.

MR SPEAKER:

Next question.

NO. 45 OF 1986

ORAL

THE HON J E PILCHER

Will Government consider appointing a Minister with direct responsibility for the Gibraltar Shiprepair Limited?

ANSWERTHE HON THE CHIEF MINISTER

No, Sir.

SUPPLEMENTARY TO QUESTION NO. 45 OF 1986

HON J E PILCHER:

Could the Hon and Learned Chief Minister advise the Opposition of the reasons behind the negative?

HON CHIEF MINISTER:

I am sure the Hon Questioner knows as well as I do that I could not tell him. Anyhow, we will go through the motions. The Government's position on the question of responsibility for matters affecting Gibraltar Shiprepair Limited remains as described by me in the statement which I made on the 11th December, 1984, ie 'to appoint a Minister with direct responsibility for GSL would obviously entail a radical change in the concept of GSL which the Government does not consider should be made'.

HON J E PILCHER:

But the Government is not saying that they refuse to answer questions on GSL, what they are saying is that they refuse for the questions to be answered by the political wing of the Government because they have no qualms about the Hon Financial and Development Secretary getting up and answering the questions.

HON CHIEF MINISTER:

No, I am afraid that that is not what I have replied. I didn't say that we wouldn't answer questions. I was answering a question as to whether we would appoint a Minister responsible for GSL. In the statement which I made in December which is well known to Hon Members, I laid out the extent to which questions would be answered here. As it happens, the three or four questions of substance in this session and in the previous

session since the statement was made were, as the Financial and Development Secretary mentioned this morning, were strictly of a financial nature and that is why in accordance with the normal rules he has dealt with them but there is no lack of willingness on the part of myself who was made responsible to answer questions when they are of a broad nature and not particularly with regard to elements of finance which are more technical than otherwise would be the case.

HON J E PILCHER:

Mr Speaker, in many of the supplementary questions to do with Gibraltar Shiprepair Limited I have asked questions which are not technically within the parameters of financial matters and many a time it has met with silence but the person who has always answered has been the Financial and Development Secretary. Even some of the questions which I asked this morning 'Can Government consider making public the management agreement between GSL and A & P Appledore?' that is not technically a financial matter, that is a matter of Government policy and not a matter of Government financial policy. I also asked whether the Government was happy with the fact that the managers of GSL were in a confrontation process when I read the newsletter, that was not a financial question, it was a political question. I know the parameters that the Hon and Learned the Chief Minister gave us and we try to keep within those but there are times when the questions asked about Gibraltar Shiprepair Limited are of a political nature and if the Chief Minister himself is going to answer them then that is fine but we would not like to be pushed aside and get answers from the Hon Financial and Development Secretary who is not answerable politically to the people of Gibraltar.

HON CHIEF MINISTER:

Well, I think the Hon Member has got part of a point there but that is purely because the bulk of the questions that have come have been of that nature that they have been landed, if I can put it that way, in the Financial Secretary's lap but I see the replies, they are cleared with me and I will endeavour to spot those that are not of a financial nature and I will be happy to answer those that I think are within the parameters of what I undertook. There has been no attempt to shirk responsibility, in fact, the questions this morning could easily have been answered by me, there has been no attempt, it is a matter purely of mechanics, in a way, that sometimes the first questions that are prepared for me to see are dealt with by the Financial Secretary.

HON J E PILCHER:

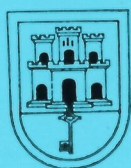
I am gald that the Minister appointed is therefore the Chief Minister.

HON CHIEF MINISTER:

Yes.

GIBRALTAR

HOUSE OF ASSEMBLY



QUESTIONS AND ANSWERS

24TH MARCH, 1986

46 TO 109

NO. 46 OF 1986

ORAL

THE HON J E PILCHER

Have Government inquired after the problems being faced by the Computer Operators in the Commercial Dockyard?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

This is not a Government responsibility, Mr Speaker.

SUPPLEMENTARY TO QUESTION NO. 46 OF 1986

HON J E PILCHER:

Mr Speaker, does the Government not realise that there could be a mass resignation of all the computer operators working in Gibraltar Shiprepair Limited?

MR SPEAKER:

No, perhaps I might guide you. You have asked: "Have Government inquired after the problems being faced by the computer operators?" The answer has been "This is not a Government responsibility". You are not asking other than a simple question 'Have Government inquired?' and you haven't had an answer to that question. Do you follow what I mean?

HON J E PILCHER:

I follow what you mean, Mr Speaker, and I thank you for the clarification but obviously on this side of the House we are certainly not happy with the fact that the Government have not inquired and we just wanted to follow through to see whether
.....

MR SPEAKER:

That is what I am trying to help you to do.

HON J E PILCHER:

The Government therefore don't consider that this resignation of computer operators which could have a drastic effect on the company warrants their asking the company about it?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think when I said, with respect, Mr Speaker, that it is not a Government responsibility, I was speaking in the context, which is one which I think Members of the House will be familiar with by now, in the context of what questions the Government will answer, or feel themselves answerable for, in this House where GSL matters are concerned. I am following the line which was, in fact, laid down by the Hon and Learned the Chief Minister as long ago as December, 1984, I think it was, Mr Speaker, when he indicated the questions which the Government would answer for, and I think it was felt to be a reasonable distinction at the time. This is clearly not a matter which I, as Financial Secretary, should be answerable for in view of my responsibilities on the financial side and

MR SPEAKER:

May I not allow the responsibilities of Government to answer questions in this House be obscured by anything that any Member may say. Most certainly the Government can take whatever view they like as to how they answer the questions. The question which has been asked is a completely and utterly proper question to be asked. Whether the Government wishes to answer it or not is another matter. Let there be no doubts about that.

HON J E PILCHER:

Mr Speaker, first of all, I accept what the Hon Member says, although I disagree with him in that we also have the guidelines laid down by the Hon and Learned Chief Minister, reference what the Government would or would not answer to the House. I again feel that I have to make the point that I do not know why the Financial and Development Secretary is answering this question as it doesn't affect financial matters. It is a question simply aimed at the Government which the Government said in the last House of Assembly the Hon and Learned Chief Minister would answer. Therefore I don't know why the Financial and Development Secretary is answering. But nevertheless I think the question which I have put I will put again, because it is a very clear and simple question: "Is the Government not interested in what is happening in the commercial dockyard with the computer operators and the effects that that could have on the operation?" Does the Government accept that it will have an effect, or do they not know whether it will have an effect?

MR SPEAKER:

You are not going to get an answer so we will call the next question.

HON J BOSSANO:

No, Mr Speaker, I would ask the Hon Financial and Development Secretary, whether he is prepared to answer questions in relation to his constitutional obligations as the Controlling Officer of the Gibrepair Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, I think, Mr Speaker, as a general answer to that question, naturally, I would be responsible to this House in view of my responsibilities for the Special Fund, as Financial Secretary, yes.

HON J BOSSANO:

Is the Hon Financial and Development Secretary aware that according to the Managing Director of Gibrepair the reason why all computer operators have resigned is because ODA Funds which should have been available to meet a payment to computer operators have been stopped and can the Hon Financial and Development Secretary, as the Controlling Officer, state whether in fact he knows that there is a payment due to computer operators which has not been forthcoming because he as the Controlling Officer has not received the necessary funds from ODA?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, as far as I am aware the Hon Gentleman is misinformed.

HON J BOSSANO:

So in fact, the Hon Financial and Development Secretary is saying that the public statement that has been made by the Government-owned Shiprepair Limited regarding the reason for the resignation being the non-arrival of ODA Funds for the specific purpose of meeting a claim from computer operators is incorrect?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As I understand it, Mr Speaker, the Hon Gentleman said in his first intervention that the reason why or rather it has been said by the Managing Director that the reason why the claim

could not be met was that ODA fund had been stopped. I think I heard him correctly and my answer to him was that I think he was misinformed.

HON J BOSSANO:

Mr Speaker, is he saying that I am misinformed?

MR SPEAKER:

Yes, that is what he is saying.

HON J BOSSANO:

He is questioning whether that is factual, whether the statement that I am making, which is a public statement, is factual?

MR SPEAKER:

He is questioning the correctness of the statement.

HON J BOSSANO:

The correctness of the statement, or that the statement has been made at all: which of the two is it?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon Gentleman was, I think, to the best of my knowledge misinformed if he says in this House that the Managing Director of Gibrepair said that the reason why the claims could not be met was that ODA funds have been stopped.

HON J BOSSANO:

I see. So independent of whether I am right or not, Mr Speaker, which is a matter that the Hon Financial and Development Secretary can establish for himself because it was a statement made on GBC news, is he saying then that ODA, to his knowledge, and he is the Controlling Officer, has not stopped the payment of funds which would enable the claim of the computer operators to be met and their resignation not to take place. He is saying that has not happened?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am saying that, Mr Speaker. And if I may be even more helpful to the Hon Gentleman, I think he was misinformed if he has taken the view that ODA funds have been stopped. I believe that what the Managing Director said was that the claim could not be

met until there was some assurance about future ODA funding.

HON J BOSSANO:

So in fact, we are in the field of semantics then, Mr Speaker. Can the Hon Financial and Development Secretary confirm that the reason why computer operators have all resigned from the Government-owned company is because the company is not in a position to assure them that it can meet their claim because it doesn't know whether it will receive the money to enable it to do so?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As far as I am aware that is what the Managing Director of Gibrepair has said, Mr Speaker.

HON J BOSSANO:

But since, in fact, for that to be true the Hon Member would have to know that it was true, since he is the one who has to ask for the money, can he tell the House whether it is true or not to his knowledge?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not sure what I am being asked what is true or not at this stage, Mr Speaker.

HON J BOSSANO:

Can the Hon Member say whether what he believes to be true of what the General Manager has said is also true from his knowledge of the negotiations between himself, as the person charged with receiving the money from ODA?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think that has got absolutely nothing to do with the question which is on the Order Paper, Mr Speaker, and I am not prepared to say anymore.

MR SPEAKER:

Next question.

THE HON J E FILCHER

ORAL

Has the Government now requested an additional sum of money from ODA for the refurbishment of the Commercial Dockyard and, if so, for what amount?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Government submitted proposals to the ODA requesting additional funds for Gibraltar Shiprepair Limited at the end of January. I am not prepared to go into detail about the amount requested.

THE HON J E PILCHER

ORAL

Has Government now considered making public the Management Agreement between Gibraltar Shiprepair Limited and A & P Appledore?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, in answer to a similar question at the last meeting, the Government agreed to consider the suggestion made by the Hon Member that the Agreement should be published in part, excluding those clauses which might be commercially damaging to either or both parties involved. After careful consideration, the Government does not consider that it would be desirable to publish an incomplete document.

THE HON J E PILCHER

ORAL

Has the refurbishment of the Commercial Dockyard now been completed and, if so, what has been the total cost?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, most of the refurbishment work has been completed. There are some minor works underway which were found necessary at a later stage. The total refurbishment cost is higher than estimated. There remains uncertainty about the final cost mainly because negotiations with the main civil works contractor to settle outstanding claims are still in progress. Until these negotiations, together with other smaller claims from other contractors are nearer completion I feel it would be prudent not to quote final figures.

SUPPLEMENTARY TO QUESTION NO. 49 OF 1986

HON J E PILCHER:

Mr Speaker, without the final details and the final figure, could we at least get how much has been spent up to the present moment?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There is a question down on the Order Paper about the release of funds from the £28m, Mr Speaker. If the Hon Member wishes to know how much has been settled at this particular juncture, I think I can probably provide the information for him although I don't have it at hand. But I will write and let him know how much we have spent on refurbishment.

HON J E PILCHER:

On refurbishment.

MR SPEAKER:

Next question.

THE HON J E PILCHER

ORAL

Can Government state what was the Wage Bill for hourly paid workers in the Commercial Dockyard for 1985?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, I propose to answer this question together with Question No. 51 of 1986.

THE HON J E PILCHER

ORAL

Can Government state what was the Salaries Bill for the monthly paid staff in the Commercial Dockyard for 1985?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the 1985 Wages Bill for hourly paid workers employed by Gibraltar Shiprepair was about £4.5m and the 1985 Salaries Bill for monthly paid staff was about £2.5m.

THE HON J E PILCHER

ORAL

Can Government state how much of the £28 million for the commercialisation of the Dockyard remains to be released?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir. About £1.7m. The total released to date is therefore £26.3m inclusive of the Company's working capital requirements for March 1986.

NO. 53 OF 1986

ORAL

THE HON J E PILCHER

Was Government informed in October, 1985, that further payments of funds for the commercialisation of the Dockyard would have to be personally approved by the Secretary of State for Overseas Development?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as I said in answer to Question No. 6 of 1986 Government has been aware for some time of the concern expressed by ODA officials on behalf of the Minister for Overseas Development about industrial disputes in the Dockyard and a contingent risk to the disbursement of funds.

SUPPLEMENTARY TO QUESTION NO. 53 OF 1986

HON J E PILCHER:

That is not the question, Mr Speaker. If the Hon Member could answer the question. I have got another question about the disputes in a moment, which is Question No. 54.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I think I can say that the Government was not notified of any decision by the Secretary of State to delay or hold up the funds. That is to say, at no time did anyone from the ODA write to me or inform me to quote a phrase used by the Hon Leader of the Opposition, "the man responsible for the GSL Special Fund" on what is clearly an important financial matter nor, as far as I am aware, did anyone from the ODA get in touch with any other Member of the Government to that effect. That is the first point I should like to make in elaboration of what was said on the previous occasion when we discussed this in the House.

The second point, I think, I should make is that no request was made to me as Financial and Development Secretary by the Managing Director or the Chairman to the effect that they would need financial assistance as a result of any shortage of funds that might have occurred.

Thirdly, the House will be aware that as some-time Chairman of the Company I am familiar with the arrangements for drawing down of funds and, therefore, I think I can say quite safely that:

yes, as far as I am aware, and I feel fairly confident on this point, that the company have not been financially embarrassed by any temporary shortage which might have occurred as a result of any delay of whatever period in the receipt of funds.

I don't wish to make any further comments on this point, Mr Speaker, because while Hon Members of the Opposition may have their own view about the way in which this question was answered on the previous occasion, and indeed on this occasion, I think it has obviously become a matter of some political debate both here and, indeed, outside the House: there was an article in the Hon Member's 'The People', and there was also a discussion on GBC on which the Hon Leader of the Opposition featured, and I have a copy of what he said. That is one reason, I think, why I don't want to make any further comments. The other is, of course, that we are, as Members of the House will be aware, in the process of applying, indeed, we have applied to the ODA for further funds and I don't wish to aggravate that particular situation.

HON J E PILCHER:

No, Mr Speaker, it is not a question of the Opposition wanting to aggravate the situation, it is a question of the Opposition wanting to clarify the situation. As Controlling Officer of the Fund, would it not be expected that if there were any delays or any hesitations or any new conditions, that the Controlling Officer would be the first to find out since the money has to be channelled through the Controlling Officer to Gibraltar Shiprepair Limited?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I have told the Hon Member, Mr Speaker, that I was not notified of any decision by the Secretary of State or, indeed, by any member of the ODA.

HON J E PILCHER:

The question was not 'Had he been' which he has already answered 'no'. Could he expect to be if it had happened?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That question, Mr Speaker, then takes it out of the realms of fact and into the matter of political controversy which I was anxious to avoid.

HON J E PILCHER:

Alright, Mr Speaker, I take it that the hypothesis is, yes, he would be.

It is not a question of the company being financially embarrassed, it is a question of the company using the hesitations, which has not happened, the stoppage of funds, which have not happened, to lead its workforce in a part, which we brought over last time, by claiming to them in each individual dispute, and I lead on to the next question, on the fact that the ODA funds were being stopped.

I thank the Hon Financial and Development Secretary for making that absolutely clear: that at no stage had the funds been stopped or was there any question of their going to be stopped.

HON J BOSSANO:

Mr Speaker, the Hon Member has said that, in fact, the company was not being financially embarrassed. How does the Hon Member explain then that the company informed its employees that but for the fact that it was able to borrow money from Barclays Bank at the time it would not have been able to meet wages? Would he describe that as being financially embarrassed or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think the Hon Member has answered the question for me by explaining that the company was able to make temporary arrangements to meet any shortfall in cash requirements.

HON J BOSSANO:

So in fact, what the House is being told, Mr Speaker, is that when the Hon Member says that the company is not financially embarrassed he means that the company has got sufficient credit in the bank to be able to deal with the problem. Is that what he means, not that there wasn't a problem?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have told the Hon Member what I meant, Mr Speaker, I don't wish to bore the House by repeating what I have just said.

HON J E PILCHER:

Mr Speaker, obviously from the answer given I take it that the answer to the initial question was, no, the Government hadn't

been informed that further payments for the commercialisation of the Dockyard would have to be personally approved by the Secretary of State for Overseas Development. There was no change or no new conditions having been put on the actual disbursement of money. Can the Hon Member then explain - I have got a press release, of the 29th January, 1986, by Gibraltar Shiprepair saying: "Following the delay in the October payment, the company was told that after the industrial action taken in October each monthly payment now had to be cleared by the Minister of State for Overseas Development personally".

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It gives me great pleasure, Mr Speaker, to be able to get up and say in this House that I am not responsible for what the Managing Director of Gibrepair may have said.

HON J E PILCHER:

I accept that, Mr Speaker. As Controlling Officer for the Gibraltar Shiprepair Limited Fund he is not responsible, but the Government is responsible as the 100% owners of the company. Will somebody in the Government answer this?

HON J BOSSANO:

Mr Speaker, doesn't the Hon Member or anybody else in the Government think that it is important for the House of Assembly and the people of Gibraltar to know whether that statement is true or not true, or is it perfectly legitimate for a Government-owned company to come out with statements which make reference to matters raised in this House of Assembly - and I think come very close to infringing its privileges - and we are not even able to find out whether the truth is what the statement from the company says or what the Financial Secretary says?

MR SPEAKER:

No, with respect, I don't think that Government is here to reconcile any differences of statements made either by the Company or by the Government. It is a matter to be debated, it is a matter to be investigated, most certainly, otherwise we would be bogged down with the day-to-day running of the company itself which is the responsibility of the Board and its Chairman.

HON J E PILCHER:

Mr Speaker, I accept that but we are not trying to bog the House

down to the day-to-day running of the company.

Mr Speaker, we are talking about a situation where the statement refers specifically to monies being paid which have to be approved by the Secretary of State and, in fact, when we raised this in the House we were satisfied that no new problems existed.

MR SPEAKER:

I think you have achieved your object from the questioning by being able to elucidate that there is a divergence between which the Government and what the company is letting out. What you do with it is another matter, but we must not try to reconcile.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I think, if I may intervene, I am anxious not to suggest that there is any dispute over a certain aspect of the Managing Director's letter, that is to say, where he gives information about the dates on which funds were drawn down, that is not in dispute, I wouldn't like the Hon Member to think that I am disagreeing with that.

MR SPEAKER:

Next question.

NO. 54 OF 1986

ORAL

THE HON J E PILCHER

Can Government confirm whether the Secretary of State for Overseas Development will stop the release of funds for the Dockyard commercialisation whenever there is a dispute between Gibrepair and any of its employees?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir. I am not answerable in this House for what the Minister of Overseas Development does.

SUPPLEMENTARY TO QUESTION NO. 54 OF 1986

HON J BOSSANO:

Mr Speaker, since the Hon Member has to receive the money into the Special Fund isn't he interested to find out whether the money is going to be forthcoming or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It is entirely hypothetical, Mr Speaker.

HON J BOSSANO:

So then it is not true at this point in time that this is happening, it is hypothetical now?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The question asked is: 'Can the Government confirm that the Secretary of State for Overseas Development will stop the release of funds, etc?' and I have said that I am not answerable for that. In any event it is hypothetical.

HON J BOSSANO:

Then at this moment, Mr Speaker

MR SPEAKER:

Again I must insist on one particular thing. You are asking to confirm, whether you can or you can't, or whether you wish or you don't wish is another matter, but the question itself is a proper question, let there be no nonsense about it.

HON J BOSSANO:

Is the answer that we have been given, Mr Speaker, that the Hon Financial and Development Secretary has stated in the House of Assembly that to date there is no indication that the money he has to receive into the Special Fund from ODA is subject to being stopped by the Secretary of State whenever there is a dispute between Gibrepar and its employees?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, Mr Speaker, we discussed this very point in my answer to the last question. I have already explained to Members of the Opposition that the Government has not been notified of any such decision and as far as the future is concerned, naturally the only answer I can give to the question is, no, Government will not, or cannot confirm.

HON J E PILCHER:

I accept that, Mr Speaker, if I may, we as the Hon Leader of the Opposition said were very satisfied with the answers given by the Hon Financial and Development Secretary in the last House. It was only that immediately after the House, in fact, the same day at 6 O'clock in the afternoon, Gibrepar issued a press release, and at 8 O'clock in the afternoon the Hon Financial and Development Secretary issued another press release highlighting the fact that he was in agreement with the Company and that he hadn't said what he had said in the House - and I don't want to imitate the Hon Minister for Tourism, I have said what I have said. The question is, having said here in the House that there had been no delay the Company came out with a press release, and I am going to just quote slightly, Mr Speaker, I hope you will bear with me, that the follow-up to the Secretary of State for Overseas Development personally is: 'In November and December these payments were again delayed and the company was told that this delay, as with the delay in October, were directly due to the industrial action which was taken in those months. In each case the payments were finally made after industrial action had ceased. In the light of the fact that there was no industrial action in January and the impending investigatory visit by ODA, the January payment of the Company was made normally'. The Hon Financial and Development Secretary in his press release, issued two hours after this one, did not take any great pains to tell the Company and the people of Gibraltar that this was not the case. Why?

HON FIN ANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I think I must ask the Hon Member to withdraw his suggestion, if I heard it rightly and if I didn't hear it rightly then there is no need for him to withdraw it, his suggestion that I issued a press release saying that what I said in the House was not true. I think he did say that, perhaps if he would like to withdraw it I am quite

HON J E PILCHER:

I didn't say it, although I will withdraw it. What I did say, Mr Speaker, and I am going to quote it, it said: 'Report in the Gibraltar Chronicle referring to a statement made by the Financial and Development Secretary having incorrectly stated there would be no delay in ODA payments made to the Gibraltar Shiprepair Ltd. The Company wishes to state categorically that there have been delays over a period of some months'. The Hon Financial and Development Secretary did that same evening tell the Gibraltar Chronicle and GBC that this was not the case. That he, in fact, had not said that and that he shared the ideas of the Company and that he had not said that. In fact, he had not said that at that stage, he had said it at another stage but he didn't bother to tell the public that that is what he had said. And certainly the rest of the press release he did not bother to comment on whereas he has just told

MR SPEAKER:

We are beginning to debate. What are you asking?

HON J E PILCHER:

It is just that I didn't say that.

MR SPEAKER.

I think it has been cleared. Next question.

THE HON M A FEETHAM

ORAL

Has Government accepted that any additional funds provided for the Commercial Dockyard by ODA will have to be deducted from the aid requested for the Development Programme?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir.

THE HON M A FEETHAM

ORAL

Has Government received an indication from HMG that any part of the £16m to be provided for 3 years for the payment of pensions to former Spanish workers should be taken into account in determining the level of Development Aid granted to Gibraltar?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir.

THE HON J C PEREZ

ORAL

Can Government state whether the Waterport Power Station is included in this year's valuation list?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir. It was also included in last year's valuation list ie for the rating year commencing 1 April, 1984.

Can Government state whether the Vehicle Test Centre at Eastern Beach is included in this year's Valuation List?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir. The Vehicle Test Centre was included with effect from the 1st January, 1986.

Can Government state how much it estimates will be collected in Income Tax through PAYE in 1985/86 and how this figure compares with the amount collected in 1984/85?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Sir, the latest estimate of Income Tax to be collected through PAYE in 1985/86 is £19.75 million compared with £17.8 million in 1984/85.

THE HON M A FEETHAM

ORAL

Can Government state on what basis was the licence agreement granted to the Developer of the old Petrol Station Site at Corral Road?

ANSWER

THE HON THE ATTORNEY GENERAL

Mr Speaker, the answer is a fairly lengthy one and it would be correct to take Question 61 and 62 with this question.

MR SPEAKER:

Yes.

24 3 86

NO. 61 OF 1986

ORAL

THE HON M A FEETHAM

Can Government state the reasons for the lengthy dispute between Government and the company, IES (Med) Ltd, over the development of the old Petrol Station Site at Corral Road and when was this dispute resolved.

ANSWER

THE HON THE ATTORNEY GENERAL

Answered together with Question Nos. 60 and 62 of 1986.

NO. 62 OF 1986

ORAL

THE HON M A FEETHAM

Will Government assure the House that the development of the Old Petrol Station Site at Corral Road will continue on the basis awarded, namely, in accordance with the conditions of Tender?

ANSWERTHE HON THE ATTORNEY-GENERAL

Mr Speaker, in late February 1978 tenders were invited for the site in question for 'the construction of a commercial or light industrial building'.

There were ten tenderers one of whom was GA Byard Group Ltd.

The Byard Group tendered to pay an annual rent of £1,500 and to construct a two storied building with a showroom and offices on the ground floor and a workshop on the first floor. Two additional floors were to be built as Phase II. No use was specified for the two additional floors.

The Development and Planning Commission considered that the economic interests of Gibraltar would best be served by the Byard project and on its recommendation the Company's tender was accepted by the Treasury Tender Board. Notice of this appeared as Government Notice No. 225 of 1978 published on 25th May 1978.

On the 20th November, 1978, an agreement was entered into between Government and International Engineering Services (Med) Limited. IES formed part of the Byard Group of Companies.

The principal terms of this Agreement were:

- (1) The Company were given a licence to enter and remain on the site.
- (2) The Company were to submit an outline development scheme within 3 months.
- (3) Within 3 months of the approval of the scheme by the Government the Company were to submit an application for a building permit to carry out the works approved by Government.
- (4) The Company were to proceed with the development of the site which was to be completed not later than 2

years after the Company were given possession of the Site. Possession of the site had been given on 1st August, 1978.

- (5) On satisfactory completion of the development the Company were to be given a lease on terms which would be determined having regard to the capital expenditure incurred in the development.

The Company failed to submit an outline development scheme within the 3 months period specified in the Agreement and on the 2nd February, 1979, the Solicitors for the Company were informed 'in view of the delay and failure by your clients to comply with this basic requirement the position will be reviewed if the plans are not received by the 28th February, 1979'.

The Company complied with this deadline and the Company's outline development scheme was submitted to the Development Planning Commission on 2nd March, 1979. The scheme submitted differed from the tender proposals in that the Company now proposed a 6 storey development and the scheme included living accommodation and 2 offices. The Company's scheme was approved in principle by the Development and Planning Commission subject to compliance with the statutory parking requirements.

The Company were informed by the Development and Planning Commission that the outline development scheme had been approved on planning grounds but nevertheless they failed to submit an application for a building permit within the three months period specified in the Agreement.

On 3rd July, 1979, by notice the Company were informed that if they failed to submit an application for a building permit by 15th September, 1979, the Government would re-enter the site and the Agreement of 20th November, 1978, would become null and void.

On the 6th September, 1979, by letter the Company informed the Government that the outline scheme considered by the Development and Planning Commission on 2nd March, 1979, was formally withdrawn. The Company stated that a new Architect had been appointed to 're-submit a scheme based on our original proposals submitted to you with our tender' and requested a three month extension to submit revised proposals.

The DPC approved a three months extension for the submission of a building application expiring on 15th December, 1979.

On the 17th December, 1979, the Company requested a further extension of two to three months and on the 18th January, 1980, the DPC agreed to one final extension to the 15th March, 1980.

On the 10th March, 1980, the Company submitted an application for a building permit for the erection of a two storey building with half the ground floor as a bank. However, neither structural nor design details were submitted with the application. The DPC raised no planning objection to the scheme as submitted.

On the 2nd January, 1981, the DPC considered yet another scheme submitted by the Company. The scheme now proposed was a complete departure from the original scheme for a two storey building submitted with the tender and the Government would have none of it.

By a letter dated 23rd March, 1981, addressed to the Company's Solicitors the Company was informed that the Government intended to determine the Agreement of 20th November, 1978, but notwithstanding such determination and provided that the rent of £4,000 due under the Agreement was paid forthwith the Company would be offered a new agreement containing the following conditions:-

- (1) that plans and drawings of the proposed building complying with the relevant Rules and Regulations be submitted within three months
- (2) that the Company construct a building the prime purpose of which was to be a factory/workshop and in accordance with the Original 1978 tender
- (3) that a lease would be granted on satisfactory completion.

The Company were given until the 6th April, 1981, to accept the new terms. In the event of non-acceptance the Agreement of 20th November, 1978, would be determined and the site put out to tender. The Company's Solicitors replied on the 30th March asking for an extension of time. The Government's response was to determine the agreement of 20th November, 1978, and to require the site to be vacated.

The Company challenged the Government's right to determine the Agreement and re-possess the site and invoked the Arbitration clause contained in clause 18 of the Agreement of 20th November, 1978, and Mr Samuel Benady OBE, QC, was appointed sole arbitrator. The parties attended before the arbitrator on the 15th December, 1982.

The Company then put forward an offer to settle the matter and after receiving legal advice the Government agreed in principle to accept the offer.

The offer consisted of proposals to build a banking hall and offices on the ground floor and offices and workshops on the first floor. In addition the Company offered to settle all arrears of rent and rates and to meet the costs of the arbitration.

The parties then began considering Heads of Settlement to be signed in the presence of the arbitrator. However, there was considerable disagreement between the parties as to the Heads of Settlement.

On 24th April, 1985, the Government put forward the following terms of settlement:

- (1) The Company were to construct a two storey block comprising the IES factory, showroom office area and banking area on the ground floor and an IES store, office area and banking area on the first floor.
- (2) The Company were to pay the whole amount owing to Government in exchange for a new licence and authority to enter the land.
- (3) The Company were to pay £1,000 towards the cost of the Arbitration.
- (4) The Company were to submit an application for planning permission within three months of the execution of the licence to enter the site.
- (5) The Company would submit an application for a building permit within one month after the granting of planning permission.
- (6) The Company would submit working drawings within three months after the issue of the building permit.
- (7) The Company were to complete construction within 18 months of the submission of the working drawings.
- (8) On satisfactory completion of the development the Company would be granted a 99 year lease.

The Company responded by agreeing in principle but reverted to the idea of a six storey structure on the grounds that

such a development had already been favourably considered by the DPC. This was rejected by the Government. On the 25th June, 1985, the Company were informed that they had seven days within which to accept or reject the terms put forward on the 24th April, 1985.

On the 11th July, 1985, the Company were informed that there was no basis for further negotiations and that the Government would proceed to enforce its legal rights.

On the 13th September, 1985, after consideration by the DPC, the Government informed the Company that it would consider settling the matter on the terms set out in the letter of the 24th April, 1985, duly amended to allow a four storey building. The Company were informed that in the event that the Company accepted this the agreement for a lease would be in the name of International Engineering Services (Med) Limited and not in that of any other company. This was accepted by the Company on the 3rd October, 1985.

The present position is that the Government and the Company are still in dispute as to the total amount of moneys due and owing by the Company to the Government.

By a letter dated 11th February, 1986, my Chambers were informed that on the 9th January, 1986, Mr K A Robinson had been appointed Receiver and Manager of the Company on behalf of holders of two debentures dated 29th March and 9th May, 1978, both debentures being secured by the fixed and floating charges. The Receiver and Manager requested my Chambers to supply details of all sums outstanding and due to the Government by the Company. To date the Company have paid £59,258.85.

The final figure of the amount due to Government has not yet been ascertained. The Company has to submit the Income Tax deduction cards and statement for the year 1982/83. There are also one or two other accounts that have to be finalised.

Accordingly, the dispute with the Company has not yet been resolved. The Government will continue to deal with the Company and on my present instructions the dispute will only be resolved on the basis of the offer put forward on the 24th April, 1985, as amended to allow a four storey building and the payment of all moneys due to the Government.

SUPPLEMENTARY TO QUESTION NOS. 60, 61 AND 62 OF 1986

HON M A FEETHAM:

Mr Speaker, in view of the detailed reply I have had to the

questions, for which we are very grateful, because Government will agree that if it is useful for the general public to know what goes on in these sort of deals where sites are awarded and at the end of the day it seems that the developers either wish to finish up speculating with the site and not build at all.

If the Hon Member opposite will bear with me while I ask some very simple questions which the lay people are asking. A lot of legal detail has been put over. Can I just ask one straight question? Why hasn't Government taken over the site in view of this seven year wrangle?

HON ATTORNEY-GENERAL:

That is a matter of policy for the Government. As I say, we terminated negotiations with the Company and then a fresh offer was made to settle on the basis of the letter of the 25th April, as amended, to allow a four storey structure, which, of course, was the original tender proposal because the original tender proposal was a first and second floor and two additional floors.

HON J C PEREZ:

Mr Speaker, but if the Hon Member - if I've got him correctly - said that the Company were told in July that Government was at the point of withdrawing the licence from them and putting the site out to tender, why didn't they do it? Why did they have to wait until September so that the Company should reply, and why did they take a different policy decision and accepted to continue negotiations in September with the Company when in July they had already decided to take that action?.

HON ATTORNEY-GENERAL:

I believe certain proposals were made to Government and Government obviously found these proposals attractive. One of their proposals was to go back to the original tender and have ground floor, first floor, and on phase II, two additional floors. It was a matter entirely for Government, it was within their purview and they decided to go ahead on this basis.

HON J C PEREZ:

Since after that there is no agreement, Mr Speaker, that the Company should accept the proposals put by the Government on that basis, why is it that the Government is reluctant to go and withdraw the licence now, even after all that has happened? Why is it that the Government was prepared in July, 1985, to take that action and today, even after there is no agreement with the

Company and the Company has not fully paid the amount of the arbitration, why is it that the Government is still talking with the Company and have not taken strong action in withdrawing that licence and putting that site out to tender again?

HON ATTORNEY-GENERAL:

I don't think, Mr Speaker, that is a matter within my remit I think that is a matter of Government policy and I don't think it is a matter for the Attorney-General.

HON J C PEREZ:

I am asking the Government.

HON M A FEETHAM:

The Hon Member has said it is Government policy. When we talk about Government policy are we talking about the political will not to take away that land from the people who have been awarded it, is it political or is it administration? Is it your or is it the decision of the Members opposite to take over that land?

HON ATTORNEY-GENERAL:

Who makes the decision as to whether there should be a re-entry, no, I take instructions on that.

HON M A FEETHAM:

So you have been instructed by the Government not to do anything about it over the last seven years? It is clear, doesn't the Hon Member opposite agree, that Government have been very, very lenient in dealing with this particular nonsense?

HON ATTORNEY-GENERAL:

Government has, I think, been very, very lenient with the Company, very lenient, indeed.

HON M A FEETHAM:

It is also a fact, is it not, that the Company has developed considerable amounts of money owed to Government. If my calculations are correct, the Hon Member says that it was paying £1,500 per annum on rent, which I presume was paid, I am not quite sure whether it actually paid rent at all, over seven years that would be something like £12,000 rent during all that period. Isn't that correct? And yet he has been accruing arrears up to £50,000/£60,000 owing to Government in all this time while Government was being very lenient with the developer?

HON ATTORNEY-GENERAL:

Yes, rent certainly was accruing, rent hadn't been paid and the figure for rent and rates is specified as £10,693.04.

HON M A FEETHAM:

Do I understand that they have actually not paid rent?

HON ATTORNEY-GENERAL:

They haven't been paying rent, no. It is now paid, it is part of the £59,000.

HON M A FEETHAM:

But during that period they have not been paying rent. As far as I understand it, if the tenant of Government housing doesn't pay rent he finds himself in Court and presumably is dispossessed as well of the Government house. Where is this change of policy on the part of the Government dealing with tenants in one way and dealing with developers in a different manner altogether?

HON A J CANEPA:

Mr Speaker, what happened here originally, as I recall it, was that the very first agreement that was entered into by the Government with the Company had many unsatisfactory aspects. This was the time when the agreements that the Government was entering into with a number of prospective developers were not sufficiently watertight, they were not being drawn up by legal chambers, they were not being vetted by legal chambers, and they were just not sufficiently watertight and solicitors on behalf of companies could exploit them on more than one occasion. That was the reason why a Crown Counsel was appointed in the Legal Chambers with special responsibility for conveyancing to ensure that there would be an overall legal supervision of these agreements which had been up until that time drawn up by, in legal terms, laymen, by Government officials. There were many unsatisfactory aspects to it, but on the 24th April, 1985, after the present incumbent, the Hon Mr Eric Thistlethwaite had taken over responsibility as Attorney-General, he advised the Gibraltar Council on the matter and the terms of settlement which he has referred to were put forward. The Company accepted those terms of settlement of the 24th April but they then came back to the six storey structure and then the matter went to the Development and Planning Commission and it was favourably considered by the Commission. The Commission was prepared to have a six storey

structure but the Government, as landlord, would have none of that. And the Government, as landlord, is free to do that. The Development and Planning Commission has a role to consider a planning application. It may approve it on planning grounds but the Government, as landlord, or anybody else, such as the Ministry of Defence, may not go ahead with that because they don't want the land to be released for that purpose.

When the Company were informed on the 11th July, 1985, that there was no basis for further negotiations and that the Government would proceed to enforce its legal rights, they informally made an approach in the interim period which led on the 13th September, 1985, to consideration being given by Development and Planning Commission of a compromise proposal, if you like, that the Company would consider settling the matter on the terms indicated by the Government on the 24th April, but with an amendment, namely, neither a six storey structure nor a two storey structure but a four storey structure. But what was made clear by the Government was that it would not accept an agreement for a lease in the name of any other Company other than IES. I have a feeling, and I seem to remember that events later on, I think, bear this out, that there were some indications, some talk that the shares of the Company, the Company was going to be taken over by some other Company, and this the Government was not prepared to have because in that situation we would go out to tender.

I think the indications are that now if a receiver has been appointed it is because the Company is going into liquidation. The concern of the Government has been all along, first of all, to have development there. During the period when the opening of the frontier was in doubt we could see that the real chances of getting development there were not very bright. The attempts to try and get a banking area were favourable at the time when the frontier was due to open, but when the thing cooled down both in 1980 and in 1982 interest was lost in the matter because no bank was particularly interested in having a bank there if the frontier was not going to open. What the Government was trying to do was to ensure that there was a development there, to safeguard its rights and to abide by the original conditions of tender and ensure that the Company would not benefit by departing from those conditions of tender. But whenever the Government has been taking a firm initiative in attempting to terminate the agreement, they have come back with compromise proposals, they have come back with a desire, apparent desire, to settle and to meet the sums outstanding which, I think, have also been a factor as far as the Government itself was concerned. There was a question of income tax, there was a question of rent and there was a question of other municipal services. We

certainly don't want to have them get away with it and if we can get development going during a time when things are difficult, I think we are prepared to deal with people on reasonable grounds but otherwise, at the moment the position is the dispute will only be solved on the basis of the letter put forward on the 24th April. We are prepared to allow a four storey building, they have got to pay all the sums due to Government, if that is not the case then the policy of the Government is to take possession and put the site out to tender and I am sure that there will be many interested parties in developing that site.

HON M A FEETHAM:

There is no doubt on this side of the House that what Government wants to do is to get a development off the ground there. Do I detect

MR SPEAKER:

With respect, we are now beginning to forget what we are doing. This is question time, let us not debate. I know that the Minister has given a long answer and you are free to ask questions but let us not fall into that temptation.

HON M A FEETHAM:

Do I detect from the answer given by the Hon Minister opposite that, in fact, Government wanted to cancel the agreement but were not able to?

HON A J CANEPA:

Yes, this is the impression I get. Government here is 'Gibraltar Council', the matters have been to Gibraltar Council on a number of occasions, but when it comes to taking a decision, implementation of that then goes out of the hands of the politicians. It is the Director of Crown Lands who then on behalf of the politicians deals with the Chambers of the Attorney-General. What the legal position then is I am not to say. I certainly do not make it my business to follow on a day-to-day basis what happens at that stage. I have said on more than one occasion one of the problems in Government, I think, is the lack of follow-up action, but there we are, it is not in our hands.

HON M A FEETHAM:

Do I understand the answer given by the Hon Minister opposite that Government will not accept a position where this company

has been sold out to somebody else, Government would do everything possible to cancel the lease if that is the case?

HON A J CANEPA:

The lease will not be given to another Company.

HON M A FEETHAM:

But you referred to the shares of IES.

HON A J CANEPA:

If the Company is insolvent they will have to pay. The Company is now insolvent, it has been put into the hands of a receiver.

HON ATTORNEY-GENERAL:

As I understand it, Mr Speaker, the receiver is managing the Company on behalf of the debenture holders and the receiver is trying to receive money for the Company and hopefully, as far as the receiver is concerned, anyway, the Company will not go into liquidation.

MR SPEAKER:

I think the answer has been comprehensive which has to be studied, I am sure, by the Opposition. If there is any further information and you are asking for an undertaking that the shares of the Company will not be sold, I don't think that Government or anyone can give an undertaking in that respect but it is not for me to answer questions.

HON M A FEETHAM:

Mr Speaker, what I want to get to, because I think it is important, and it is in the public interest, that we have to learn by our mistakes. Will Government not accept that we cannot afford to give out developments that in the end are not developed by the people who have been given the development and then when they feel that they can make a killing by speculating, sell off the shares of the Company to somebody else and find that Government, if they had taken over this lease could have made at least £150,000 in putting that land out to tender at today's value. Is the Minister not also aware that the shares of IES have been sold to a Company called Comtego SA?

HON A J CANEPA:

That is the first I hear of that, Mr Speaker.

HON M A FEETHAM:

It is a statement made in public by a director of the Company.

HON A J CANEPA:

Made when?

HON M A FEETHAM:

A Mr Wooton, director of Eurolife Assurance has written to The People, we have got it in writing, saying that the purchase of the shares of IES is Comtego Sociedad Anonima, a company associated with Eurolife. Does Government not agree that after seven years of wrangle the developer has been getting off the hook time and time again and finishes up at the end of the day making a huge profit at Government expense?

HON A J CANEPA:

It wouldn't be at Government expense, it would be at public expense, if anything.

HON M A FEETHAM:

Well, at Government or at public expense, it is all the same.

HON A J CANEPA:

The information that the Hon Member has now revealed certainly is entirely new to me. I am sure that it is entirely new to the Attorney-General.

HON ATTORNEY-GENERAL:

In all fairness, Mr Speaker, I was informed by the solicitors on the 24th February, 1986, saying, an agreement to the sale of shares in IES (Med) Ltd were signed in late November, 1985, and in consequence the company is now represented by Messrs Triay and Triay. I did have that information.

HON A J CANEPA:

I will say one thing. It is because we know that we have these difficulties particularly we have had them at a time when there was a lack of development, we have had them at a time when the

scrutiny of documents was not entirely on a legal footing, it is because of that that the Government has over the years taken certain steps to ensure that the extent to which this happens is ameliorated as far as possible. We would be very disinclined to allow a situation to develop again in which a dispute of this nature is allowed to run the way that it has been but we do lose control over a situation on very many occasions when the matter reaches the stage of a legal dispute, we tend to lose control and there is a limit to what the political input into a dispute of this nature can achieve.

HON J BOSSANO:

Mr Speaker, it is rather difficult to understand because, in fact, if the Government clearly has been very lenient to this Company for seven years, notwithstanding the fact that the Company was not only not meeting its obligations on this site but not even meeting its legal obligations to pay tax and insurance for its employees, is the Government then saying that although if the will to be less lenient was there they were advised that they had to be as lenient as they were because they had no choice in the matter?

MR SPEAKER:

Next question then.

HON J BOSSANO:

Mr Speaker, the point is we don't want to blame the Government for something that they are not responsible for, either they are or they are not and they seem to have difficulty in deciding themselves whether they are, so we will have to judge for them.

Can I also ask, can the Government do anything at all about a situation where the Company is bought out by somebody else or is it, in fact, the case that since the Company is under Company law treated the same as the person in law is as if no change had taken place, if there is a change of ownership and a change of shares, in fact, they are still dealing with the same entity. Am I correct in thinking that?

HON ATTORNEY-GENERAL:

Yes, I think that is right, Mr Speaker. If the Company, IES(Med) Ltd, it doesn't matter who the shareholders are, I deal with the legal entity of the limited company not with the individual shareholders.

HON J BOSSANO:

So in fact, the situation is that the Company can be saying to totally new people now that it is prepared to stand by what it was offering totally different people and that that can be a material asset, that is to say, the willingness of the Government to perpetuate the situation, provided certain things were met, can then become an asset that the owners can sell to somebody else. Am I correct in that?

HON ATTORNEY-GENERAL:

Let me put it this way, I think probably the Government is contractually bound to honour its agreements with IES(Med)Ltd irrespective of who is behind IES(Med) Ltd.

HON J BOSSANO:

So in fact, what the Minister for Economic Development said that he would only do it on the basis that IES continued to be the party is meaningless. It just means the three letters and nothing else. They can be dealing with a totally different entity provided that the new entity is prepared to buy the name, buying the name essentially.

MR SPEAKER:

Next question.

NO. 63 OF 1986

ORAL

THE HON J BOSSANO

Can Government confirm that a new post of deputy to the Administrative Secretary has been created?

ANSWERTHE HON THE CHIEF MINISTER

Yes Sir. I should explain that it had been the intention to issue a Press Release on this matter on 19 March. This was held back when notice of this question was received. The answer which follows is in effect the text of the Press Release.

One object of the new post is to provide the Office of the Chief Minister with a greater degree of direct administrative support, particularly in the new circumstances brought about in the last year by the opening of the frontier and the closure of the Naval Dockyard, and in the light of the Government's policy of encouraging growth in the private sector.

Mr Ernest Montado, formerly Economic Adviser, has been appointed to the new post at the same rate of pay as in his previous post.

The Gibraltar economy is, at this stage more than ever, a central policy issue for the Government and these new arrangements will make it possible to provide a direct economic input in the Chief Minister's office. At the same time, the Deputy will assist the Administrative Secretary in other areas, thus in particular enabling the latter to devote more time, on the Chief Minister's behalf, to regular consultations with Heads of Government Departments.

The new arrangements will, in addition, provide scope for training a successor to the present holder of the post of Administrative Secretary and provide a suitable structure for the future appointment of staff working directly to the Chief Minister. Mr Montado will continue to be a Director of Gibraltar Shiprepair Ltd and will act for the Financial and Development Secretary in his absence.

Following Mr Montado's appointment, the professional staffing structure at the Economic Planning and Statistics Office has been re-organised. The existing three senior economist posts have been replaced by two Economic Adviser posts.

Mr E Felipes has been appointed as Economic Adviser dealing mainly with public sector policy. Mr R Chichon has been appointed as Economic Adviser dealing with major aspects of private sector development. Mr Chichon is also now responsible for the Government's statistical services and has accordingly assumed the duties of Government Statistician.

The net additional cost of the organisation is approximately £12,000 per annum.

SUPPLEMENTARY TO QUESTION NO. 63 OF 1986

HON J BOSSANO:

Anything that makes the Hon and Learned Member more knowledgeable about economic matters is welcome to this side of the House, Mr Speaker.

Can I ask, have I understood him rightly to say that, in fact, the Economic and Planning Unit is being reduced in size by one body? Has he said that the three posts have been reduced to two posts of Economic Adviser?

HON CHIEF MINISTER:

Yes, it has been re-organised and the two have been given the same basis. It was done on the basis of similar re-classification in the United Kingdom and there are two now instead of three.

HON J BOSSANO:

Surely, Mr Speaker, it may well be that the quality of the work that the people were doing already merited an upgrading on their part but if, in fact, he is going to have two people where he previously had three, unless he is able to tell the House that there has been a 50% increase in productivity - by the Financial and Development Secretary perhaps - does the Hon and Learned Member not agree that that must mean that the Unit is able to deal with less work?

HON CHIEF MINISTER:

Pardon?

HON J BOSSANO:

If, in fact, Mr Speaker, and we are not questioning that the grading is correct, we think that if we want to have people who are professionally good then we have got to pay the going rate, but what we are asking the Hon and Learned Member is that from

our point of view we attach a lot of importance to this particular area of Government and, therefore, if we have got two people instead of three, unless somebody's productivity in that area has gone up by 50% it would appear to us that either the workload is being reduced in the area or the thing will be done less well because you are overstretching resources.

HON CHIEF MINISTER:

It remains to be seen what happens in practice. My judgement is that the reassessment of the post and the redistribution of the work will be possible to be carried out by two instead of three, because, in fact, the Economic Adviser has always been very busily engaged in other matters not directly concerned with the Economic Department only. He is still, and that takes a lot of his time, director of GSL, and others, so I don't think the work in his department will suffer.

HON J BOSSANO:

Mr Speaker, I accept that this may well be the case and I accept that that might be a good reason for saying: "Well, if the Economic Adviser is having a lot of his time taken up with other things then we redeploy him to somewhere else" but if you don't replace him at all, which is what is being done, then even if he was only spending 10% of his time on work on the department then the department is short of that 10%. I would have thought it was simple arithmetic that, in fact, the department in question has been depleted. If it has not been depleted by one whole body because Mr Montado was already taking on other things, then it has been depleted by the proportion of Mr Montado's time that was being devoted to that department. I would have thought, Mr Speaker, that it is hardly

HON CHIEF MINISTER:

Will the Hon Member give way? I must apologise in respect of the information I gave earlier in that I have omitted to take regard to the fact that there is a supernumerary Economist supplied to the department in the body of one of those people in the department itself. I should have said that before.

HON J BOSSANO:

So, in fact, we are not short of one person then?

HON CHIEF MINISTER:

No.

HON J BOSSANO:

Then given the importance of that section which is reflected in the Government's reference to the need for economic development and the need to take up the opportunities that arise and which the Government knows has got support from this side of the House, will the Government look at the question of whether that post should be supernumerary or should, in fact, be justified on a permanent basis in the light of their experience of this?

HON CHIEF MINISTER:

It is really to see how the thing works and, of course, if it is necessary it will remain.

I am sorry, I was trying to explain in the press release, which had been done earlier, there had just been mention of the reappraisal of the job in the department.

HON J BOSSANO:

Mr Speaker, I have dealt with the part of the change on the losing end. Now I would like to deal with the gaining end of the equation.

HON A J CANEPA:

In fact, if the Hon Member will give way. A minute ago, we have just been informed we have gained even more, the supernumerary post is now permanent.

HON J BOSSANO:

Mr Speaker, I wish our questions had that dramatic effect in every instance. Are we seeing on the Administrative Secretary's side of the fence the application of what I think is called Parkinson's Law? Did we not have a situation, Mr Speaker, where we used to have the Administrative-and-something-else Secretary at one stage and that was broken into two sections and the Establishment Section was strengthened as a result, and now it appears that even though the workload in that area was reduced an additional body is required? Can the Government explain what is expanding on that side which appears to require more resources, whereas one would have expected the expansion to be required in the economic side?

HON CHIEF MINISTER:

The Opposition cannot expect to keep on asking for changes and

improvements and so on without bringing the consequent necessary administrative support. My experience of that is that at the time, certainly since 1963, I don't know when the Administrative Secretary ceased to be Establishment Officer, but I can assure the Member that for a long time he was purely this in name, somebody else was doing the work because he just couldn't cope with it. I think that it was regularised and, in fact, I understand that the Establishment Department is being staff inspected again because of obvious delays which are noted by Members opposite about how long these things take and one wonders whether you help by getting additional people or not. That is a matter of judgement, but I can say, because I am personally involved, I can rarely speak about the establishment of departments in any other area, that the workload is very high and that already, though the incumbent has only been there for three weeks, there are areas where I get the economic input into a problem much quicker than I would do otherwise. It is sort of in-house and it is of great advantage. I hope that the arrangements which have been made to minimise the extent of expenditure, it isn't Parkinson's Law, it is a natural growth of an area which has a considerable amount of responsibility.

MR SPEAKER:

Next question.

NO. 64 OF 1986

ORAL

THE HON M A FEETHAM

How many Government Industrial Employees with 10 years or more service have been compulsorily retired during 1985 without a pension?

ANSWERTHE HON ATTORNEY-GENERAL

Sir, 41 Industrial Employees over the age of 65 with more than 10 years but less than 20 years service were retired without a pension in 1985.

These individuals did not qualify for a pension under the existing legislation. However, once the proposed new pension scheme has been introduced and the minimum qualifying period of service is reduced from 20 years to 10 years these individuals will be able to exercise an option for the new pension conditions and thus qualify for a pension with retrospective effect to the date of their retirement.

SUPPLEMENTARY TO QUESTION NO. 64 OF 1986

HON M A FEETHAM:

Mr Speaker, in view that there is a commitment on the part of Government to bring this forward and to amend the legislation accordingly back dated to January, 1984, and it is now two years since this commitment is on the table, when does Government expect that the modification will be carried out?

HON ATTORNEY-GENERAL:

When I asked that question, Mr Speaker, I was told that Government hoped to be able to put it to the Staff Side within two to three months. This is the revised pension scheme, the Unified Pension Scheme.

HON M A FEETHAM:

This is, in fact, what I am saying to you, this is what was said to us in December, 1983, about the 'two or three months time'.

HON ATTORNEY-GENERAL:

I believe there had to be some fairly extensive revisions made by the Pension Adviser to the scheme. He drew up a scheme and

then Government asked him to revise the scheme in certain respects. Of course, he went away and did the revision, and, of course, these things take time, but I am told that, hopefully, it will be put to the Staff Side within the next two or three months.

HON M A FEETHAM:

Is the Hon Member opposite aware that some of these 41, quite a lot of them, are in fact on reduced pensions from Social Security and consequently are finding it very difficult to make ends meet, and that perhaps the proposals by the Staff Side to have paid them a pension on the current rate until the legislation was modified would have been a solution to the hardship that these people are now facing?

HON A J CANEPA:

How can one pay a pension to someone when under the present legislation there is no entitlement.

HON J BOSSANO:

Mr Speaker, the Government must be aware that they rejected a proposal that, independent of what would apply to new entrants, for the sake of the limited number of people who are being compulsorily retired, the proposal of applying to them benefits on the same basis as non-industrials should be accepted: only for those people in post who were being retired now and that proposal was rejected by Government a year and a half ago. Surely the Government knows that?

HON M A FEETHAM:

Perhaps the Member can give me a reply. Is Government aware that some of these industrial employees are on reduced pensions on Social Security and are finding it very difficult to make ends meet and the solution to that in 1986 is not them having to queue up at the soup kitchen of Father Caruana to have a plate of soup every day?

HON A J CANEPA:

I must confess that I wasn't aware that any of these people were on reduced social security pensions. In fact, my understanding was that they all had a full social security pension or at least other means of income which put them above the so-called breadline formula, because the Government has been very careful in the last few years not to terminate the employment of people

aged over 65 who are below a breadline formula. And I think all the cases have been very carefully gone into. If they have a reduced social security pension they must have some other means of income that puts them above the full social security pension.

HON J BOSSANO:

Mr Speaker, surely the Minister must know that the breadline formula proposal was withdrawn fifteen months ago. How can these things happen and the Ministers are not aware? So they determine these policies or don't they?

HON A J CANEPA:

But we are dealing with a total of 41 persons some of whom were retired over fifteen months ago and if they were retired over fifteen months ago they were retired in accordance with that breadline formula whether it has been discontinued or not.

HON J BOSSANO:

The bulk of those retired, Mr Speaker, have been retired during the course of 1985. Can the Government confirm that?

HON CHIEF MINISTER:

We confirmed that, 41 in 1985.

HON J BOSSANO:

Very few were retired and, in fact, when the Hon Member is talking about the application of the breadline formula which was being applied in 1984 it was being applied primarily to non-industrials in the range of 60 to 65. If the Government goes back they can check, they can find, that that is factually correct. What we are saying is, is the Government aware, we are talking about 41 people, if we are talking about proposals being made in three months, which then presumably may be subject to the same kind of delay on the Staff Side as it has already experienced on the Management Side, that there has been a proposal that they have rejected fifteen months ago, that those who have been and appear to be less than one would have thought, that those should be treated differently during the interregnum, that proposal has been turned down once. Will the Government be prepared to reconsider it?

HON A J CANEPA:

I, from my own point of view, I would be prepared to see the

Government reconsidering the matter. I think there is a reluctance to tamper with the existing pension scheme. Whenever anything comes up that involves an amendment there seems to be a fear of touching the present pension scheme, of amending it in any way, because of repercussions elsewhere. That is the reaction that I find constantly. And the other thing, of course, is that if one is going to go on the basis of the statement of policy on the matter for which I was responsible, at least I made it in the House in December, 1983, I think the whole thing was viewed as a package. But a package is something that, I would agree with Hon Members opposite, should be progressed in a reasonable period of time. Because if people are suffering hardship and are going to have to collect either supplementary benefits or go to the soup kitchen when they could be, through an amendment, entitled to a pension and then be able to stand on their own two feet, I think that that is the desirable way of proceeding.

MR SPEAKER:

Next question.

24 3 86

NO. 65 OF 1986

ORAL

THE HON M A FEETHAM

Can Government confirm that it is discontinuing the Management Services Unit?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

No, Sir. The Government is not planning to discontinue the Management Services Unit. In fact, steps are being taken to fill a current vacancy in the SEO post in the Unit.

NO. 66 OF 1986

ORAL

THE HON R MOR

Will Government consider providing additional funds in this year's budget so that the pointage system for scholarship awards can be abolished?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

No, Sir.

SUPPLEMENTARY TO QUESTION NO. 66 OF 1986

HON R MOR:

Mr Speaker, does the Government recognise that due to the pointage system a substantial number of students are not getting scholarships?

HON G MASCARENHAS:

Mr Speaker, Government's position on the system for the awards of scholarships remains as stated in this House in June, 1985, as a result of the Hon Member's motion.

HON R MOR:

Mr Speaker, he hasn't answered the question.

MR SPEAKER:

The answer is that they are not prepared to because their policy remains as it was.

Next question.

NO. 67 OF 1986

ORAL

THE HON R MOR

What percentage of students with at least 2 GCE 'A' levels who would be acceptable by some universities or other institutions fail to obtain scholarships in Gibraltar?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, my Department is in no position to assess the number of students who would be acceptable to universities or other educational institutions.

SUPPLEMENTARY TO QUESTION NO. 67 OF 1986

HON R MOR:

Mr Speaker, surely the Education Department is aware of the number of students who hold at least two GCE 'A' levels and who would be acceptable by universities in UK?

HON G MASCARENHAS:

Mr Speaker, that is not the question. However, if the Member wishes to know how many students, of course, the Department knows that. We know the number of students in Westside and Bayside. My reply has been on the basis that we are not in a position to know the full extent. Replies from the universities are for conditional offers of places. Sometimes these are polite refusals. Essentially they are a private matter. The Department does not get involved in applications for places in universities, the student himself does it. There are also the private candidates, and there is quite a substantial number.

However, if he wants to know how many students obtained two 'A' levels in Westside and Bayside I am in possession of those figures.

HON R MOR:

Mr Speaker, yes, I would be grateful if the Hon Member would say so.

HON G MASCARENHAS:

I have here backdated to 1982. Number of students who obtained two or more 'A' level grades, and this back to 1982, and it is

based only on Westside and Bayside: in 1982 it was 56; in 1983 it was 54; in 1984 it was 52; in 1985 it was 60. This does not include the private candidates; it does not include technical scholarships; it does not include the John Mackintosh, it does not include the Gavino's Trust; it does not include Commonwealth Bursaries; it does not include Government Training Schemes provided through the Public Works Department and the Telephone Department; and it does not provide in-service training for our teachers.

HON R MOR:

Would the figures given by the Hon Member refer to acceptable grades, from A to C or A to D?

HON G MASCARENHAS:

I haven't got the grades, no, Mr Speaker, I am sorry, I haven't got the grades.

HON J BOSSANO:

What we want to know, Mr Speaker, is how many of the 56, 54, 52 and 60 got grants from the Government for further education?

HON G MASCARENHAS:

The total number of awards in 1982 was 27; in 1983 20; in 1984 27; in 1985 35; but that is conditional obviously on the exceptions that I have quoted.

HON J BOSSANO:

In fact, then the Minister must recognise the point that we are making and that is the shortfall between the people who get the minimum of two 'A' levels and the numbers that get given grants. - there is a differential between the two figures - is where the situation could be improved if the Hon Member was willing to review his ideas on the pointage system. Those people who are not getting further education are to be found in that group. Is that right?

HON G MASCARENHAS:

Mr Speaker, I think I have to qualify that because the total, if the Hon Leader of the Opposition will refer to the figures, I have just given him on the number of awards granted, the total number of awards including the technical scholarships, which form part of either Westside or Bayside, and including private candidates, is thirtynine, which is an increase of twelve over 27; 44 an increase of 24 over 20; 45 as opposed to 27; and

44 over 35. It does not take into account the deferments of those who have obtained two or more 'A' levels and who would have obtained places. Deferments accounts for four or five a year. Those figures do not include also the rate of failure, they do not include the number of students also who make changes in their courses midstream, and that could be considered as new: if the circumstances are that it is due to non-compatibility in computer studies we have found that a lot of students are failing, that they find that it is not the correct course for them. They have been misinformed as regards the course by the university and they want to change to mathematics. These figures do not include that.

HON J BOSSANO:

In fact, the Hon Member is suggesting that the gap is much smaller than would appear at first sight?

HON G MASCARENHAS:

No, Mr Speaker, I cannot suggest that because the number of school leavers would be greatly reduced if the chances to implement the system that the Opposition favour would be increased.

HON J BOSSANO:

But the maximum, for example, Mr Speaker, if the Hon Member has told us that 60 students obtained two 'A' levels or more in 1985, that is the maximum. If we said that 44 got some form of scholarship or other then the gap can only be 16, it cannot be more than that?

HON G MASCARENHAS:

No, Mr Speaker, if the Hon Member will recall, I said that the number of students was 60 in Bayside and Westside.

MR SPEAKER:

We are talking within those parameters.

HON G MASCARENHAS:

No, Mr Speaker, but we have to take into consideration that there are more students, private students, who account for an average between 10 and 15 a year, who usually do very well, and they are also under the law in Gibraltar, they are ordinarily resident in Gibraltar then they can apply for a

scholarship and under the law we have to provide it. And the technical scholarships which is also a very important point to consider, because they are a service to the community which we have to do as well. Everybody is not going to be an academic.

HON J BOSSANO:

We are not disputing that everybody has to be an academic, Mr Speaker, we have got plenty of evidence in this House that that is not the case. What we are trying to establish in terms of information from the Hon Member is where is the gap, what size of gap are we talking about between the policy that the Government has got on this subject and the one we have got? We have had debate before on the subject, we are now seeking information. Is the gap 16, is the gap 31, does the Minister have some indication of what the gap is on which he bases his policy?

HON G MASCARENHAS:

The gap on last year's figures would be 25, the difference between 60 and 35, that would be the gap based on last year. However, if the situation were that obtaining two or more 'A' levels, or a minimum of two and a conditional offer from the university like I have heard this morning, a conditional offer based on two D's, this would not qualify for our system of a mandatory scholarship. However, two D's is perfectly acceptable to that university, the London Polytechnic. I cannot quantify whether the difference of 25 would be greatly increased if that person with two D's, accepted for university, might apply, it is difficult.

HON J BOSSANO:

I don't think it is that difficult, Mr Speaker. From the point of view of the current information, if the policy had been applied in 1985 the maximum extra would have been 25, is that correct?

HON G MASCARENHAS:

No, I cannot accept that.

HON J BOSSANO:

Has the Minister got an idea what the maximum extra would be? What does he think it would be if he doesn't accept that it is 25, which is the difference between 35 and 60?

HON G MASCARENHAS:

It is impossible to reconcile that figure. There is no way I can tell. I can only tell you the number of students who would have left the 4th year and will remain for the 5th year. Perhaps if they had a chance of success in the scholarships and did not assume that they would get the twelve points, then perhaps they might stay on, the target is twelve points.

HON J BOSSANO:

What the Hon Member seems to be telling the House is that if the system were changed then perhaps people who today don't bother to try again or carry on studying might do that, and that would be a new element but, of course, presumably however attractive it was made we wouldn't find the entire population of Gibraltar getting two 'A' levels. No, so in fact is it realistic, is it a reasonable figure to work with. Are we talking of a potential increase of the order of 20 or 30 or 40 or 50 or 100 or 200 or what?

HON G MASCARENHAS:

I think a potential figure of 70, possibly 85.

HON J BOSSANO:

Instead of 44?

HON G MASCARENHAS:

Instead of 44, yes.

MR SPEAKER:

Next question.

NO. 68 OF 1986

ORAL

THE HON R MOR

Can Government inform the House on the latest position regarding the sum of £40,608 debited to an Advance Account as a result of a water leak at Westside Comprehensive School?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

On 30 March, 1984, approval was given to charge an advance account in the name of the Director of Education the sum of £40,608 pending the resolution of a claim by the Director of Public Works on the contractors for the loss of potable water at Westside Comprehensive School.

The advice of the Senior Crown Counsel on this matter was that such an action would have no prospects and that it would be futile to issue proceedings.

Subsequently authority was sought to write off the said amount. This was approved on the 15 July, 1985. It was decided to offset the amount by re-allocating any surplus in the Education Department Vote 1984/85 instead of asking for supplementary funds. An adjustment of £17,000 was effected on 29 July, 1985. The remaining £23,608 will be reduced from any savings in this year's or subsequent year's vote.

SUPPLEMENTARY TO QUESTION NO. 68 OF 1986

HON R MOR:

Mr Speaker, this is unbelievable. Do I understand the Hon Member correctly that there are no legal proceedings against the firm? Is that what he said?

HON G MASCARENHAS:

Mr Speaker, the advice of the Senior Crown Counsel on this matter was that such action would have no prospects and that it would be futile to issue proceedings.

HON R MOR:

In fact, what the Government is saying is that over £40,000 of taxpayers money is just going down the drain, just like that?

HON G MASCARENHAS:

Mr Speaker, I cannot take the matter any further from what the Law Officers of the Government advise us on.

HON ATTORNEY-GENERAL:

The point, Mr Speaker, apparently is that the prime witness for the Crown had died, he was a PWD Clerk of Works, I think he was a Mr Byrne, and it is all a question of the gaskets, whether they were on the fitting or they were not on the fitting, and it seemed that these gaskets were the all important thing. The Clerk of Works who inspected the pipes immediately after the discovery is the only person who was in the position to give this evidence and he had just died. We have no way of proving whether the fault was the fault of the contractor. It is being considered by several members of my Chambers who looked at it very carefully and said: "What have we got in the way of evidence to start off a case on this".

HON J BOSSANO:

The money will still have to be paid presumably to the Funded Account, to the Water Account. It will have to appear as a charge on the Education, is that it?

HON G MASCARENHAS:

Charge on Education.

MR SPEAKER:

Next question.

NO. 69 OF 1986

ORAL

THE HON J C PEREZ

Has Government taken a policy decision to include non-industrial workers in the productivity scheme due to be introduced for industrial workers in the Electricity Department in July this year?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, Government's policy over a number of years (since JPCs and productivity agreements were first introduced) provides for participation by non-industrial workers in such schemes. The full details of the productivity scheme to be introduced in the Electricity Department later this year have not yet been finalised.

SUPPLEMENTARY TO QUESTION NO. 69 OF 1986

HON J C PEREZ:

Is there a commitment on the part of the Government that non-industrial workers will be included in the scheme?

HON J B PEREZ:

There is, as such, no commitment at this stage, Mr Speaker. As I said in answer to the question, the full details of the productivity scheme have not yet been finalised by Government, so no firm decision one way or the other has been taken on the matter.

HON J C PEREZ:

What is the £133 a quarter being received now being paid for?

HON J B PEREZ:

That, really, Mr Speaker, doesn't arise from the question but I am prepared to answer. The extra sum of money which is being paid to non-industrial workers is what one would call an involvement pay due to the extra work that they are having to carry out in connection with the productivity scheme. It is something that they are carrying on over and above what would be their normal duties.

HON J C PEREZ:

Mr Speaker, if all the non-industrials are involved in these preparations for the productivity scheme, can the Hon Member explain then why we have recruited an expert to do a study when we have got the whole of the non-industrial staff involved in the productivity scheme anyway?

HON J B PEREZ:

Very simple, Mr Speaker. If one was of the view that our present complement of non-industrial staff could actually work out the productivity scheme then one would not need to bring people from the outside, but if I am of the opinion, and it is Government's policy on the matter, that the matter is so complicated that it is better to have expertise out from the United Kingdom, although I personally am not in favour of bringing so many consultants, but this is a particular area in which it is beneficial to the whole of our complement, both non-industrials and to industrials. Because if you had non-industrials, perhaps not Members opposite, but the industrial staff may not be happy that it is their own immediate superiors who are deciding on the productivity schemes.

HON J C PEREZ:

What I am saying is that if they are all involved in doing work towards the productivity scheme, can the Hon Member explain what type of work the whole of the non-industrial staff is involved in in the Generating Station on the productivity scheme, because if we have got an expert looking at it and we have got the whole of the non-industrial staff of the Generating Station looking at it then they must be contributing something to the study?

HON J B PEREZ:

Mr Speaker, when experts come from the United Kingdom or from wherever they may come they need people here in Gibraltar to tell them about how this particular job is done, how this other job is done, etc, etc. The idea is to be able to come up with a proper scheme which, hopefully, will be acceptable to all and will contribute to the productivity and the efficiency of the Electricity Department, but let me say that that does not arise from the question.

HON J C PEREZ:

Wouldn't the Hon Member agree with me that there is no need for

an expert from UK if we have got this information coming from local sources?

HON J B PEREZ:

What I said was that I personally am not in favour of bringing consultants every time we need somebody to advise us on something. What I am saying is that in this particular point it goes back for quite a number of years, the Government gave a commitment to carry out a productivity scheme for the Electricity Department and I accept that on this particular occasion it is better for all concerned, for industrials, for non-industrials, for the Gibraltar Government and for the TGWU, to have somebody coming out. We approved the money last year, to come and gather all the information, because it is very time consuming, and then to produce their report, to come up with a scheme which, hopefully, will be beneficial and acceptable to all. But as I say, that really doesn't arise from the question.

HON J BOSSANO:

Mr Speaker, getting back to the original question, if the Government has not taken a policy decision on whether they will offer inclusion to non-industrials, what information is the Government waiting for before they are able to take a policy decision? What has prevented the Government from taking a policy decision on this matter?

HON J. B PEREZ:

I don't think the Hon Member was here when I actually gave the answer to the question so for his benefit I will repeat the answer in which I said: "Government's policy over a number of years (since JPC's and productivity agreements were first introduced) provides for participation by non-industrials in such schemes", that has been the Government policy for many years. And then I said: "The full details of the productivity scheme to be introduced in the Electricity Department later this year have not yet been finalised" because we really haven't come to the position where we have to take a decision on whether to include non-industrials or not. And let me add further that I am aware that there is at present a new arrangement being made in the United Kingdom which is being looked at here with the Unions as to perhaps overcoming the problem of the differentiations which existed between the non-industrial and industrial staff which I would say, quite openly, have been and is the problem in the Electricity Department today. The question of the erosion of differentials between a non-industrial and an industrial. That has been the problem for many years and it still is today and I

sincerely hope that with the new productivity scheme we will see an end of that.

HON J BOSSANO:

We are grateful to learn of the Hon Member's hopes and problems but in terms of information, Mr Speaker, is it or is it not a fact that as far as the non-industrials are concerned they have been told that a commitment to include them in the productivity scheme was given in the Steering Committee set up by the Government when the productivity scheme was originally proposed for industrials?

HON J B PEREZ:

That is probably the case, Mr Speaker. I cannot give you chapter and verse of what the Steering Committee said. I know there are reams and reams of paper on the Steering Committee. I know that the question of participation by non-industrials was actually looked at. I am aware that we had given them what is called an involvement payment in connection with the productivity scheme, but what I am saying in the House today, because I wasn't responsible for this Department before, is that, yes, we haven't yet decided whether the non-industrials will participate or not. In that it may well be that the new wage increases that may now become available for non-industrials as a result of the new agreement in the United Kingdom, it may well be that they may not participate, but as yet we haven't taken a firm decision for non-industrials.

HON J BOSSANO:

Mr Speaker, I don't want to get into a debate on the subject because the Hon Member is opening a number of avenues as to whether productivity bonuses are paid to compensate for lower wages or are paid for higher productivity, so what I am asking the Hon Member to say is, is it a fact that the staff in question have been told officially on behalf of the Government that a commitment exists, and if that is the case, how can a commitment exist prior to a policy decision being taken?

HON J B. PEREZ:

What I am saying is, Mr Speaker, that the Steering Committee worked for a very long period of time. I am not aware whether that commitment was as black and white as it has been put by the Hon Member, I am not aware of that commitment. What I am saying is that we are looking at the whole thing and therefore the Government has yet not taken a decision although the policy in the past has been that, yes, that non-industrials should

participate, or the philosophy is that they should continue to benefit from increased productivity, that is the philosophy behind it but no decision has yet been taken.

HON J BOSSANO:

So the Minister is not aware that a month ago this statement was made to the non-industrial staff and that that is recorded in minutes. The Hon Member is not aware of that?

HON J B PEREZ:

What I am not aware is if the commitment as put forward by the Hon Member, perhaps if I see the commitment, that it is in black and white terms as he is making out that it was made, I am not aware that it was made.

HON J BOSSANO:

Would the Hon Member not agree with me that if on investigation he finds that the statement that I am making is factually correct that necessarily implies from the point of the people to whom the statement was made that there was a policy decision to offer them involvement in the new productivity scheme?

HON J B PEREZ:

Yes, but then, Mr Speaker, equally that would have to be looked at in the context of the new wage increases which have been obtained in the United Kingdom and in which one is looking here in Gibraltar to apply on the same basis.

HON J BOSSANO:

I am not disputing whether the Government should pursue a commitment that they have given in the light of changed circumstances or not, that is a matter for the Government to decide. What I am saying to the Hon Member, if he is telling the House that a policy decision has not yet been taken on this subject, would he not agree with me that if a month ago, in answer to a question similar to the one that he is being asked here, the Staff Side has been told that the commitment already existed since the time of the Steering Committee, it would imply for the person getting that answer that the answer he was getting was that the Government was committed to offering inclusion in the productivity.

HON J B PEREZ:

We are saying the same thing, Mr Speaker.

MR SPEAKER:

There we are, and you are trying to get a statement.

HON J BOSSANO:

No, I am trying to get a statement of Government policy, Mr Speaker.

HON J B PEREZ:

And I have already done this.

MR SPEAKER:

Not quite, you are trying to get confirmation of an inference.

HON J BOSSANO:

I am saying to the Hon Member, Mr Speaker, if he said that the Government has not yet taken a policy decision, would he not agree with me that if a month ago in answer to a question the staff has been told: "There is a commitment to include you from the time of the Steering Committee", then that is de facto a reiteration of the commitment that was given three years ago. The commitment was given a month ago, that is what I am saying. If that is the case, how does that affect the Government's policy in this matter?

HON J B PEREZ:

What I am saying, Mr Speaker, is first of all I am not a member of the Steering Committee. Secondly, I have already said it has been the Government's policy that non-industrials should benefit, that is the philosophy the Government applies, that non-industrials should benefit from increased productivity. However, as far as the Electricity Department's new productivity scheme is concerned, since it hasn't yet been determined we don't know what is going to come out of the wash and we haven't yet taken a decision, but the general policy is, yes, we accept that non-industrials should benefit.

MR SPEAKER:

Next question.

NO. 70 OF 1986

ORAL

THE HON J C PEREZ

Can Government state how much has been saved in the cost of fuel due to the decline in oil prices and whether this has all been passed to consumers through the operation of the fuel cost adjustment formula?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, Government had estimated that it would spend £3,130,500 in fuel for the Financial Year 1985/86. As a result of lower fuel prices the actual expenditure will be approximately £2,465,500.

The difference of £665,000 has been passed on to the consumer through the fuel cost adjustment formula which was reduced from 4.06p per unit in April, 1985, to 2.13p per unit in March, 1986.

SUPPLEMENTARY TO QUESTION NO. 70 OF 1986

HON J C PEREZ:

Would the Hon Member not agree with me that the cost of fuel should have decreased more substantially than it has and that the figure of the Hon Member does not reflect the decreases in international prices?

HON J B PEREZ:

No, Mr Speaker.

MR SPEAKER:

Next question.

NO. 71 OF 1986

ORAL

THE HON J C PEREZ

Can Government state whether the City Fire Brigade is responsible for providing fire cover for commercial ships using the port of Gibraltar?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, the City Fire Brigade is responsible for providing fire cover for commercial ships using the Port Of Gibraltar whilst the ship or vessel is in Port. Waters as shown in the copy of Legal Notice No. 39 of 1983 titled The Admiralty Waters (Gibraltar) (Amendment) Order of 1983, which has been circulated to Hon Members.

SUPPLEMENTARY TO QUESTION NO. 71 OF 1986

HON J C PEREZ:

Mr Speaker, since that in some instances could, for example, happen on the Detached Mole, how does the Hon Member envisage that the Department can carry this out?

HON J B PEREZ:

I am sorry, Mr Speaker, I didn't hear the question.

HON J C PEREZ:

If part of the area that needs to be covered in the event of a fire is the part where the Detached Mole is, can the Hon Member state whether the City Fire Brigade has adequate equipment to cope with fire cover in that area in case that they have to put out a fire there?

HON J B PEREZ:

I would say that I think that they have adequate capacity and cover to cover for what we are responsible for, yes, because they have a number of light craft, it may not be an ideal thing because I am aware that the City Fire Brigade would like to have what one would call a rapid intervention vessel, but at the moment we haven't been able to afford that. I think we can cover for these areas.

HON J C PEREZ:

Mr Speaker, can the Hon Member explain why it is that the area covered by the Gibraltar Shiprepair Limited is not included as part of the Port waters and that the City Fire Brigade is actually

HON J B PEREZ:

Of course, because if you look at the Ordinance which I circulated that is, in fact, Admiralty Waters and our coverage is only for Port Waters.

MR SPEAKER:

We are not going to get involved on that one.

HON J C PEREZ:

Mr Speaker, I am asking whether the Government has to provide fire cover?

MR SPEAKER:

They have to provide fire cover to the extent that Port Waters as shown. Whether the Port Waters should be more or less is another matter.

HON J C PEREZ:

Mr Speaker, the Hon Member has said that that is now our responsibility, which is what I was attempting to clarify.

MR SPEAKER:

I thought you were attempting to clarify as to whether the Port Waters should be more extensive than it is shown in the chart, then I misunderstood.

HON J C PEREZ:

Mr Speaker, since the cover area is now more extensive, does the Hon Member not think that perhaps the City Fire Brigade should set up a marine section specialising in this field if we really want to increase the shipping in Gibraltar and we are envisaging increase in Marinas and so on? Does the Hon Member not think that to be able to give a service to this expansion in the shipping area that we should have equipment which can cover fire risks so that we can tackle a fire from the sea?

HON J B PEREZ:

Yes, Mr Speaker, and the same person is also conscious that we need to improve substantially the facilities at St Bernard's and to also improve extra housing and to build 700 extra units. Of course, not one rapid intervention vessel let us have five. It would be ideal but what I am saying is that I think the Hon Member is missing the point, if you look at the law that I have given you you will notice that outside the GSL area that is not Port Waters, we are not responsible to cover for that.

HON J C PEREZ:

It means, Mr Speaker, that if there is a ship on fire we cover the area from the land at Gibrepair but if we have to tackle the area by sea is that the responsibility of the Admiralty Fire Service or not?

HON J B PEREZ:

Yes, absolutely. We are responsible for what I have circulated to Members and which is marked Port Waters, which are three areas in the law. That is all we are responsible to cover, that is the answer to the question.

HON J C PEREZ:

Mr Speaker, the commercial ships coming into the Gibraltar Shiprepair Limited are covered by Admiralty Waters unless they are being repaired in docks in which case they are covered by the City Fire Brigade, is that the case?

HON J B PEREZ:

Absolutely correct.

MR SPEAKER:

Next question.

NO. 72 OF 1986

ORAL

THE HON J BOSSANO

Can Government state whether they have taken a policy decision on resiting the prison?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

Mr Speaker, the resiting of Her Majesty's Prison is still under consideration by Government. A number of sites have been considered but no firm decision has yet been taken.

SUPPLEMENTARY TO QUESTION NO. 72 OF 1986

HON J BOSSANO:

Can the Government confirm that once they have themselves taken a policy decision there will be consultation with the staff involved if it involves, for example, either a site that is occupied by other staff at the moment which may be under consideration, or simply the people who are working in the existing site?

HON J B PEREZ:

I think I have to answer, no, to that question, Mr Speaker, the way it has been phrased.

HON J BOSSANO:

The Government thinks then it is wise to make up their mind to resite the Prison and then find that the Prison Officers do not agree with the site and they have industrial problems in moving prisoners?

HON J B PEREZ:

It may well be in Government's interest to do so, but I cannot give such commitment at this stage and bind my hands to consulting one person, five persons or ten. It may well be in our interest to do that but I cannot give you that commitment now.

HON J BOSSANO:

It is not then Government policy, as a reasonable policy to pursue, that they should consult their employees when they need to move them from their existing places of work. That is not standard Government policy?

HON J B PEREZ:

It is a totally hypothetical question that makes the answer to a question in which one would be moving to a place in which other people are actually working, and as I said, we have considered a number of sites but no firm decision has yet been taken.

HON J BOSSANO:

Mr Speaker, my question is specific. Is it Government policy currently when they are moving an existing area of Government employment to a different location that they should consult the staff employed prior to the move. Yes or no?

HON J B PEREZ:

Mr Speaker, I think I have already answered the question in the Order Paper, I cannot go any further.

HON J BOSSANO:

The Hon Member has said that in this particular instance, although when the time comes it may be a wise thing to do, he cannot give a commitment as if he was enunciating a new Government policy. If that is the case, am I correct in drawing the conclusion that the Minister doesn't want to commit himself because it isn't a current policy of the Government?

HON CHIEF MINISTER:

Mr Speaker, the Leader of the Opposition is asking for an overall commitment of the Government on a matter of the utmost importance and the Minister for Municipal Services is answering with regard to the Prison. If the Hon Member wants an answer on this one he should put a substantive question on the matter which would be considered and given a proper answer.

HON J BOSSANO:

With all due respect to the Hon and Learned Member, Mr Speaker, I didn't think there was a need for a substantive question because there was no doubt in my mind that it was Government policy until the doubt had been implanted by the answer given by the Hon Minister. Had the Hon Minister said yes, there would have been no need for a substantive question. If he said no, then I have to assume that it isn't Government policy as I have always thought it was.

HON CHIEF MINISTER:

What the Hon Member thought or not thought really, is not particularly relevant to the question, even though he thinks it is.

HON A J CANEPA:

I don't think, in fact, it happens at every stage. For instance, if the Government decides to resite a school does it actually get the consent of the staff prior to moving? I don't think it happens. If the Government decides to have new offices at Town Range does it go and ask the people concerned? At some stage there is consultation, at some stage, but what the nature of that consultation is and how formal it is is another matter.

HON J BOSSANO:

Mr Speaker, with all due respect, I have neither qualified how formal it is nor have I used the word concerned. I have said is it Government policy or is it not Government policy to consult their employees when a change of location is envisaged? I thought it was Government policy.

HON CHIEF MINISTER:

It may be Government policy but the Minister is not in a position to give a commitment that it is Government policy. We may both be thinking the same way but there is no commitment, and if you want a commitment of a general nature it must be put in a substantive question.

MR SPEAKER:

In fact, I think the inference that one draws from an answer is another matter. I think the Leader of the Opposition has been asking for a commitment and Government has answered: "No, we will not give any commitment, it doesn't alter perhaps our policy if we feel that it is expedient in one particular instance to consult".
Next question.

NO. 73 OF 1986

ORAL

THE HON R MOR

Mr Speaker, is Government now in a position to state what provision for social insurance will apply to seamen employed in Gibraltar registered ships?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, as I stated in my reply to Question No. 234 of 1985, the Government has been considering amending its social security legislation to bring it in line with UK and European Community Legislation in respect of seamen employed in Gibraltar registered ships, but was awaiting advice from the Department of Health and Social Security in the United Kingdom before proceeding further on the matter.

This advice has now been received and concrete proposals will be submitted to Council of Ministers for their consideration in the near future.

NO. 74 OF 1986

ORAL

THE HON R MOR

Mr Speaker, what is the current position under the Employment Injuries Ordinance of seamen who suffer an accident whilst employed on a Gibraltar registered ship?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, as the legislation stands at present, a seaman employed on a Gibraltar registered ship is deemed to be in insurable employment and is therefore protected by the provisions of the Social Security (Employment Injuries Insurance) Ordinance and eligible to the benefits paid thereunder.

SUPPLEMENTARY TO QUESTION NO. 74 OF 1986

HON J BOSSANO:

Are they contributing, Mr Speaker?

HON DR R G VALARINO:

No, Sir, there is no insurance contribution as yet being paid but because steps have now been taken and it is Government's intention to change the relevant legislation they will all be taken together.

MR SPEAKER:

Next question.

24 3 86

NO. 75 OF 1986

ORAL

THE HON R MOR

Mr Speaker, how much has been paid in social insurance payments to former Spanish workers by the end of February 1986?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, the total of social insurance benefits paid in respect of former Spanish workers during the months of January and February has amounted to £715,408.25.

NO. 76 OF 1986

ORAL

THE HON J E PILCHER

What is Government's policy regarding the employment of casual labour by the Gibraltar Shiprepair Limited?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, the Government's policy is that Gibraltar Shiprepair Ltd should provide the maximum reasonable level of full-time employment. It is accepted however that because of the very nature of shiprepair work, there may be occasions when it may be necessary to employ additional labour on a short-term basis to meet commercial demands.

While there would be no objection to the recruitment of labour on a short-term basis in such circumstances, the Government will keep the matter under close review to ensure that the objective of maximum full-time employment is achieved.

SUPPLEMENTARY TO QUESTION NO. 76 OF 1986

HON J E PILCHER:

Notwithstanding the maximum capable full-time employment, what the Government has just answered is that, yes, they would not stop GSL recruiting casual labour.

HON DR R G VALARINO:

Mr Speaker, there is a limit to which Government is able to interfere with the running of GSL. Government is able to steer the ship, so to speak, but Government must allow the company to run its business in view of its commercial viability as regards the company is concerned.

HON J E PILCHER:

I know, Mr Speaker, that that had to be answered, that written statement by the Minister, he had to get in, but is the answer, yes, or no, from the initial supplementary?

HON DR R G VALARINO:

Mr Speaker, the Hon Member will realise that the number that are employed by Gibraltar Shiprepair is increasing and has now reached round about 800 people employed there. Provided it is

a small number of people the Government have nothing against it. It is totally different if Gibraltar Shiprepair only had about 300 people on their books and they wanted 100 or 200 people at a time. They have got 800 people so a small amount of labour as and when necessary I feel that the Government should not put any impediment in the way of the company.

HON J E PILCHER:

So the answer is, yes, provided there is not too many? Is there any limit because, obviously, the question, as the Hon Member has probably guessed, is the fact that if GSL is allowed to employ casuals once the peak is obtained in the trough the casuals then come on to the payment of dole money, etc, etc. Has the Government got a limit which it will allow GSL to move in or can they absolutely fill up the peak by casual employment?

HON DR R G VALARINO:

Mr Speaker, there is no actual limit but I would like to say two things. First of all, that the Government will keep the matter under close review, by which I mean that my Department and myself will keep the matter under close review to ensure that GSL do not get away with what the Hon Member is trying to say. There is certainly no peak, but this will be kept under very tight scrutiny and we shall make sure that the maximum of full-time employment is achieved by the company.

HON J E PILCHER:

So the company have, in fact, been advised of what the Hon Member has just said because it is a question of planning their work so that the peaks and troughs are sort of balanced out and we don't get a peak which will produce 300 casuals and then the trough which will lay the 300 casuals at the doorstep of the Gibraltar Government.

HON DR R G VALARINO:

Obviously what you have said the Government is not likely to accept. Let me say that the company has been advised.

HON J BOSSANO:

Could I pursue the matter from another angle, Mr Speaker? I take it that what we are being told is the policy of the Labour Department which would presumably be the policy of the Labour Department to a request for casual labour from any employer, it is independent of the fact that it happens to be GSL that wants to employ casual workers, am I correct in that?

HON DR R G VALARINO:

Yes, you are.

HON J BOSSANO:

What I want to know is, as the owner of Gibraltar Shiprepair Limited, is it Government policy that in a Government-owned company there should be a proposal from the company to the workforce that the commercial dockyard should operate on the basis where people are employed when a ship comes in and are sacked when the ship goes, which is the proposal that is on the table. Does that reflect Government thinking on good employer practice?

HON DR R G VALARINO:

Mr Speaker, as you realise this is outside the realms of my Department. I feel that, possibly, the Chief Minister would be better qualified to answer that question, and as he is not here at the moment if due notice could be given of the question I am sure we would prepare an answer for the Hon Leader of the Opposition.

HON J BOSSANO:

If the Hon and Learned Member has made an appropriate theatrical entrance perhaps he can give me the answer.

HON CHIEF MINISTER:

I was reading some papers but I heard my name mentioned, I don't know what is going on, I was reading papers.

HON J BOSSANO:

Can I just recap, Mr Speaker, if you will allow me. I have said, Mr Speaker, that I assumed the statement that we have had from the Minister for Labour reflects the response of the Department as it would be to any employer wishing to employ casual labour independent of who the employer was. Looking at it from a Labour Department point of view and from the consequences of having people laid off and having them on their books. But I am saying from the point of view of the Government as the policy maker in the 100% owned commercial dockyard, does the proposal from the company to the representatives of the union that they should agree to workers being taken on when a ship needs to be repaired and be laid off when there are no ships in order to improve efficiency, is that a reflection of Government policy as to how a good employer should behave?

HON A J CANEPA:

Obviously, it isn't, Mr Speaker. The Government itself doesn't

do that as a good employer but then the Government doesn't run any of its departments on commercial lines, whereas the Gibraltar Shiprepair Limited has got to be run on commercial lines. It is a company, it is not a Government department. To that extent there is a difference in approach, but only to that extent.

MR SPEAKER:

You are extending the orbit of the question, may I say, as to what is the general policy of employment by the Government.

HON J BOSSANO:

The original question was to establish what the Government policy was for employment of casual labour by Gibrepair.

MR SPEAKER:

By Gibrepair, yes, not the general policy of employment of casual labour.

HON J BOSSANO:

No, the Government has chosen to answer it from a Labour Department point of view, the question was not directed at the Minister for Labour in the first place.

MR SPEAKER:

With respect to you, the Government has chosen to answer it to the extent that their general policy is not to employ casual labour unless it is necessary and that the same policy will be applied to Gibraltar Shiprepair, that is the way they have answered it.

HON J BOSSANO:

The Minister for Economic Development has deprived me of having the opportunity of listening to the wisdom of the Hon and Learned the Chief Minister, notwithstanding the fact that he is back in the House. He has told us that this is normal, his justification is that it is not Government policy to employ casual workers but this is normal in a commercial company. Then I think it is perfectly legitimate to ask the Minister for Labour how many other commercial companies has he had requests from to employ casual labour other than Gibrepair?

HON A J CANEPA:

I think the Hon Member, with all due respect, Mr Speaker, must accept that the Government in choosing to answer this question as seen from the point of view of the policy, and the implementation of that policy by the Labour Department, is acting in perfectly good faith. We get a question, we analyse it and the Department of Labour and Social Security has been asked to draft an answer and the Minister is replying. It is not an attempt in any way, we didn't see into this question perhaps as much as the Hon Members have now put into it, and now that they have given the question an added dimension we are being perfectly honest in replying to it here in the House making up our own minds and saying: "What is our attitude to this question, what is our policy?" and that is what I have done, but usually a lot more care and thought goes into drafting an answer than what we have done here in reacting spontaneously to the new slant that has been given to the question.

HON J BOSSANO:

Will the Government accept, Mr Speaker, that for the Government-owned company to seek to run its operation on the basis of hiring people and sacking people in order to keep with fluctuations in work, involves policy decisions on which the Government ought to have a view, and if they haven't thought about it before will they, in the light of the question, consider what their view on the subject should be so that they can give a well thought out answer on the subject?

HON A J CANEPA:

I think if the Hon Member puts that question formally on the Agenda, viewed from that point of view we will give a proper answer, one that will be the result of care and consideration.

MR SPEAKER:

Next question.

NO. 77 OF 1986

ORAL

THE HON R MOR

Mr Speaker, how many Spanish nationals have claimed family allowance since 1 January 1986?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, seventy applications for family allowances have been received from Spanish nationals up to 19 March, 1986.

A further number of Spanish frontier workers have collected application forms for family allowances, but these have not yet been returned.

SUPPLEMENTARY TO QUESTION NO. 77 OF 1986

HON R MOR:

Could the Hon Member give an indication of how many applications have been issued?

HON DR R G VALARINO:

Mr Speaker, as far as I have been notified, and obviously applications may be coming in, I think the applications number slightly less than the seventy that have already had applications for family allowance, but if there is any update on the figure I will let the Hon Member know before the end of the meeting.

MR SPEAKER:

Next question.

NO. 78 OF 1986

ORAL

THE HON R MOR

Mr Speaker, have any further claims for social insurance benefits been received by the Department after the 4663 claims accepted up to January, 1986?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, a further 308 claims for Old Age Pension and 63 claims for Widows' Benefits have been received since I provided the House with figures last January. These claims are currently being processed.

NO. 79 OF 1986

ORAL

THE HON R MOR

Mr Speaker, what provisions have Government made to deal with the problems of single parent families?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, I assume that the Hon Member is referring to the petition submitted by the Single Parents Bureau.

The request made in the petition particularly with regard to the Single Parent Benefit and the payment of Family Allowance for the first child are being considered and I will notify the Bureau of any decision taken as soon as possible.

SUPPLEMENTARY TO QUESTION NO. 79 OF 1986

HON R MOR:

Would the Hon Member tell the House just how they deal presently with single parent problems?

HON DR R G VALARINO:

Yes, Mr Speaker. A one parent family living on their own are presently entitled to the following allowances per week under the Supplementary Benefits Scheme: the parent - £24.25; dependent children - for the first child £5, this is equivalent to the family allowance; for all children according to age as follows: 15 to 19 years - £10.55, plus £5 family allowance per week; 5 to 14 years - £8.60 plus £5 family allowance; under 5 years - £7.10 plus £5 family allowance per week. If the one parent family is living with persons who are on Supplementary Benefits the parent is entitled to £17.55 per week. If the family is living with persons who are wage earners and not on Supplementary Benefits the allowance payable is £12.30. The allowances for the children remain unchanged in all cases. In all cases, however, the maximum weekly allowance payable is £73.70. Apart from this there is also the question of rent relief and a lot of people who are already receiving Supplementary Benefits are getting rent relief. If the parent should be working and is not receiving any help from Government sight should not be lost of the fact that the one-parent family receives higher income tax relief, eg double the personal allowance which at the moment is £850 so it would be £1,700.

HON R MOR:

Mr Speaker, from what the Hon Member has said it would roughly mean that a single parent with one child under 7 would be in receipt of about £32 a week. Does the Government consider that that is sufficient on which to live, £32 a week?

HON DR R G VALARINO:

Mr Speaker, I think one might think it is an equitable sum considering rent relief and the fact that they are actually getting family allowance for the first child, whereas nobody else gets the family allowance for the first child. In fact, I have got a case, I am looking at the different cases and I have got a person whose name obviously I shall not mention: number of children one, living alone, divorced woman with dependent children, and she is getting £36.35 per week. I can show the Hon Member the list. In fact, I have got a list of everybody who is on Supplementary Benefits here with how much.

HON R MOR:

The second part of the question was whether the Government thought that that was an adequate amount on which to live on?

HON DR R G VALARINO:

Mr Speaker, I think they are not going to become extremely rich overnight, but I think this is an adequate amount to live on considering wages at present, and remember this is all tax free as well.

HON R MOR:

I am quite sure the Single Parents Bureau would be pleased that they won't have to pay tax.

MR SPEAKER:

Next question.

NO. 80 OF 1986

ORAL

THE HON R MOR

Is it still Government policy to transfer St Bernadette's OT Centre from the Education Department to the Department of Labour and Social Security?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 80 OF 1986

HON R MOR:

What seems to be the problem, what is holding everything up, Mr Speaker?

HON DR R G VALARINO:

Mr Speaker, a Committee under my Chairmanship has been set up to look into the whole question including possible alternative sites for moving the Centre from its present premises. The Committee is due to report its findings to Council of Ministers not later than the end of June this year and, obviously, after this a decision will be taken.

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister say what they intend to do with the present premises occupied by the St Bernadette's Occupational Therapy Centre?

HON DR R G VALARINO:

Mr Speaker, I am afraid I am unable to answer that. Once we relinquish it that would be far more left up to somebody like Crown Lands to be able to answer that type of question. What we want to do is move the St Bernadette's Occupational Therapy Centre, and not only that, a type of in-patient, a few beds so that we can treat the chronic handicapped type of person, away from the present site but what will happen to the existing site once we give it up it is passed on to Crown Lands and they then have various priorities and they will give it according to the priority that they feel is the most important one.

MR SPEAKER:

Next question.

NO. 81 OF 1986

ORAL

THE HON M A FEETHAM

Can Government give a progress report on the 14 Trainees that took up posts in the Private Sector under the Government Scheme for 1984?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, initially 14 applications were approved but only 10 trainees actually started their training under the Employer Based Training Scheme.

Eight of them are still in employment with the same employer. The other two left in February, 1985, and October, 1985, respectively, at their own request. Let me say that one of them left in October, 1985, to study in a College of Further Education in UK and the other one left and is now employed elsewhere.

NO. 82 OF 1986

ORAL

THE HON M A FEETHAM

Can Government explain why Hostel Receptionists are paid at Watchmen rates of pay?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, the grade of Watchman does not exist in the Industrial Banding Code. However, I assume that the Question refers to Day and Night Caretakers who are generally known as "Watchmen".

Hostel Receptionists are classified as Band 2 in accordance with the grade definitions agreed with the Staff Side. Day and Night Caretakers also fall within this Banding which groups together 36 different industrial grades whose duties do not necessarily have to be related to each other and may be as distinct as those of Caretaker, Telephone Operator, Craftsman Mate General, Laboratory Assistant, Assistant Gardener, etc.

SUPPLEMENTARY TO QUESTION NO. 82 OF 1986

HON M A FEETHAM:

I am grateful for the Hon Member opposite giving me a wider answer to the question on what I wanted, but isn't it a fact that there is an outstanding claim which requires an answer and that in the view of the Staff Side this particular grade has been analogued incorrectly?

HON DR R G VALARINO:

Mr Speaker, if this is correct, and I take the Hon Gentleman's word, I shall contact the IRO and ask him what the state of play is in this one as far as the Hon Member is concerned. Once I get an answer from the IRO I will let the Hon Mr Feetham have the answer.

MR SPEAKER:

Next question.

NO. 83 OF 1986

ORAL

THE HON J C PEREZ

Does Government accept that it has an obligation to provide lifeguards at public beaches and bathing pavilions?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Mr Speaker, the Government has no legal obligation to provide Lifeguards at public beaches.

It has accepted that, for certain periods during the bathing season, it has a moral obligation to provide lifeguards and this it will continue to do.

SUPPLEMENTARY TO QUESTION NO. 83 OF 1986

HON H J ZAMMITT:

Mr Speaker, could I just as a matter of information add to that that it may be interesting to note that Gibraltar is the only Commonwealth country that, in fact, pays, or the Government pays, for a lifeguard system. In other parts of the world it would be done on a voluntary basis.

NO. 84 OF 1986

ORAL

THE HON J C PEREZ

Will Government provide the necessary training facilities so that people with the required standards are available for employment as lifeguards?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Mr Speaker, it is the policy of the Government that persons applying for the posts of lifeguard must possess as a minimum qualification, the Bronze Medallion of the Royal Life Saving Society. Further training is provided after recruitment.

SUPPLEMENTARY TO QUESTION NO. 84 OF 1986

Mr Speaker, I asked the question precisely because of that. That is what the Hon Member said last year, that there was a grave problem of recruitment last year because not enough people were found with the Bronze Medallion of the Royal Life Saving Society. I am asking the Hon Member whether he will consider training people so that they reach that standard, so that he is not left in the position he was last year where he couldn't recruit the sufficient number of people, which he said himself was 17 that he needed?

HON MAJOR F J DELLIPIANI:

Mr Speaker, the problem last year was that we have always relied on the students coming in June/July to cover, and also other people who are available. As I have said, the training is still the same. We are hoping to introduce other methods of training before that, but I cannot give you a specific answer until the Government has considered some of the suggestions that I have made on future training to cover longer periods of the summer season.

HON J C PEREZ:

For example, if there is an applicant who hasn't got the Bronze Medallion that you require, will you at least try and train that person, because if the Hon Member remembers correctly last year he said that even the school leavers that had come were not interested in the job because the frontier was open and they preferred to go up the Coast and that they were having problems recruiting people?

HON MAJOR F J DELLIPIANI:

Yes, Mr Speaker, if anybody wants to be employed as a lifeguard Government will make arrangements with the Royal Life Saving Society to train them to Bronze Medallion standard.

MR SPEAKER:

Next question.

NO. 85 OF 1986

ORAL

THE HON J C PEREZ

Mr Speaker, what steps has Government taken to ensure that there is no repetition of the accident that took place last summer which resulted in the tragic death of a lifeguard?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Mr Speaker, Government will continue to discharge its responsibility on their premises to provide safeguards against accidents, for its workforce and the public in general. An accident is by its very nature an event which is unforeseen and unexpected, and therefore Government can only take all reasonable precautions to minimise the risks of accidents occurring.

NO. 86 OF 1986

ORAL

THE HON J C PEREZ

Mr Speaker, is it Government policy to continue to employ shift workers at the Desalination Plant on a 7-day week?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Mr Speaker, by the very nature of the continuous operation of a Desalination Plant it is necessary to work shifts. Government is currently studying a proposal tabled by the Staff Side for the introduction of a 5 crew 3-shift arrangement similar to that currently operating at the Waterport Power Station.

SUPPLEMENTARY TO QUESTION NO. 86 OF 1986

HON J C PEREZ:

Does the Hon Member know when the Government will be in a position to reply to the request of the workforce?

HON MAJOR F J DELLIPIANI:

No, Mr Speaker.

HON J C PEREZ:

Is the Hon Member aware that this request was put in a considerable long time ago and that the workforce are anxious for a reply?

HON MAJOR F J DELLIPIANI:

No, Mr Speaker. As far as I am aware of the question an offer to operate this type of shift was made to the Staff Side when the manning of the new plant was under discussion in early 1985, that is, shortly after it became operational. This offer was rejected by the Staff Side at the time as they preferred to keep the same shift system as they had at the old distillers.

HON J C PEREZ:

Is the Hon Member aware that since agreement was reached in the Generating Station for the changeover from 7-day to 5-day with those conditions, that the workforce requested then at the time to go on a 5-day shift with the conditions attached to the Generating Station which is a few yards away?

HON MAJOR F J DELLIPIANI:

No, I wasn't aware of that, Mr Speaker.

MR SPEAKER:

Next question.

NO. 87 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Will Government consider making specific budgetary provision in 1986/87 for the preservation, maintenance and repair of ancient monuments, so designated under the Museum and Antiquities Ordinance?

ANSWERTHE HON THE MINISTER FOR TOURISM

Mr Speaker, yes, a provision of £9,000 has been made in the draft Estimates for maintenance and repairs on Government sites listed under the Gibraltar Museum and Antiquities Ordinance. Further substantial funds have also been allocated for restoration work on historical buildings, some of which are scheduled under the Gibraltar Museum and Antiquities Ordinance.

SUPPLEMENTARY TO QUESTION NO. 87 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister say whether this money will be shown under a specific vote?

HON H J ZAMMITT:

I think these £9,000 will be shown under, I am not very sure, Mr Speaker, because it is in the draft Estimates, but I think it comes under the Museum.

HON A J CANEPA:

I think it is under Special Expenditure under the Tourist Office vote.

HON H J ZAMMITT:

On my vote, I am not sure, Mr Speaker, I would not like to mislead the House, I am not very sure.

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister say, for example, how many monuments this amount will cover?

HON H J ZAMMITT:

Mr Speaker, no, I could say that an attempt will be made to restore clean up but I cannot say how many it will cover because it depends entirely on the state of some of them and of course the return of the actual billing, how much we can do with the £9,000.

HON MISS M I MONTEGRIFFO:

Mr Speaker, has the Government got any specific plans drawn up for the preservation and upkeep of the monuments?

HON H J ZAMMITT:

Of course, there is a list of priorities mentioned within the priorities of what we would like to do. As to how they will be tackled I am afraid I cannot say. I suppose Public Works will be one that will have to be consulted as to which priority they would prefer to attack first.

HON MISS M I MONTEGRIFFO:

Mr Speaker, does the Minister accept that it would be better to have a specific vote that not only clearly shows the amount that they are spending but it would also help them if at some future date they want to make a case for the British Government to actually contribute towards the scheme?

HON H J ZAMMITT:

It could well be, Mr Speaker. That is a question of judgement, I suppose. I don't think we will ever get money for cleaning up our monuments quite honestly but nevertheless, again it is hypothetical, I don't know.

MR SPEAKER:

Next question.

NO. 88 OF 1986

ORAL

THE HON J E PILCHER

Does Government accept that the Tourist Consultative Board has failed?

ANSWERTHE HON THE MINISTER FOR TOURISM

Sir, the Government does not accept that the Tourism Consultative Board has failed.

The Government continues to place much emphasis on the contribution that the Consultative Board makes in the field of Tourism in Gibraltar.

SUPPLEMENTARY TO QUESTION NO. 88 OF 1986

HON J. E. PILCHER:

Mr Speaker, does not the Hon Minister for Tourism have in his power a copy of the Annual Report by the Chamber of Commerce wherein they state that the Consultative Board is now defunct and has failed.

HON H J ZAMMITT:

Mr Speaker, I am alarmed to hear that the Hon Member now places total faith in the Chamber of Commerce. Yes, possibly the Chamber of Commerce may want to say that but that is not our view.

HON J E PILCHER:

Mr Speaker, it is not that the Opposition puts their faith behind the Chamber of Commerce, but obviously the Consultative Board is a Board that primarily is composed of people representing the industry. The industry which is represented by the Chamber of Commerce has stated in their Annual Report that the Consultative Board has failed. Who is the Government going to proceed the Consultative Board with?

HON H J ZAMMITT:

Mr Speaker, I think the Consultative Board has sixteen members and I think the Chamber of Commerce has one. It does not necessarily mean that the other fifteen are in total agreement with that. And let me say, Mr Speaker, it could not have

failed because the Consultative Board has come up with a tremendous amount of recommendations which the Hon Member knows have been published in one of the local papers in anticipation of it being considered by Council of Ministers.

HON J E PILCHER:

It is a matter of opinion, Mr Speaker, whether the one member is represented by the Chamber or all the members representing the industry are representational, say, in the Chamber's. Notwithstanding that, the Board has only met four times in the last sixteen months whereas as part of the constitution it is supposed to have met once a month. Does this not contribute to the feeling by the Chamber that the Committee has failed?

HON H J ZAMMITT:

Mr Speaker, I think the Member is absolutely right in saying that under the Pitaluga Report the Committee should have met on a monthly basis, I accept that totally. I can also accept the fact that attempts have been made within the sixteen months to have had more meetings but sometimes it has been impossible to do so. One of the main things why meetings have not been held so regularly was the fact that in the final recommendations of the other Boards feeding the information to the Consultative Board, upon them all being gathered up, some were about July/August last year and submitted to the Consultative Board, they were then packaged up into a paper form for ODA. As the Hon Member knows we have had no reply from ODA which we did think we would have had some reply by about November last year. Because of that it really is futile to continue just to meet and discuss what? After recommendations have been made and we have still not been able to decipher exactly what we would be able to get from ODA or not.

HON J E PILCHER:

The Hon Member is therefore happy with the Consultative Board and does not think that that should be superimposed by any other type of Board like a Board with executive powers which is the one suggested by the Chamber of Commerce?

HON H J ZAMMITT:

No, Mr Speaker, I think that the setting up of the Pitaluga Report very clearly defined the requirements of several Committees in several fields of tourism to recommend to the Consultative Board. I accept the fact that the Consultative Board should have met more regularly. It is not really my prerogative, I am not Chairman of the Consultative Board.

MR SPEAKER:

You have been asked a simple question, are you happy with the Board?

HON H J ZAMMITT:

No, Mr Speaker, I am not happy. I would have liked the Consultative Board to have met at more frequent intervals if only to revise and review what in fact has happened, but I am afraid I am not responsible for that directly.

MR SPEAKER:

Next question.

NO. 89 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government state if the provisions under Part II, Section 7 of the Landlord & Tenant Ordinance for the establishment of a Rent Tribunal, have been met?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, as required under Section 7 of the Landlord and Tenant Ordinance, a panel of five persons has already been nominated and invited to serve as members of the Rent Tribunal. Three nominees have already accepted and a reply is shortly expected from the other two. As soon as these formalities have been completed the Rent Tribunal will have been properly constituted and will be in a position to carry out its functions.

Regulations prescribing the remunerations to which members of the Tribunal shall be entitled have already been enacted.

SUPPLEMENTARY TO QUESTION NO. 89 OF 1986

HON J L BALDACHINO:

Mr Speaker, can the Hon Member say why there has been a delay to set up the Tribunal?

HON M K FEATHERSTONE:

It takes time to find persons of independent opinions who are willing to serve on the Committee.

HON J L BALDACHINO:

Shouldn't it have been done in conjunction or simultaneous to the implementation of the Ordinance? What happens now if a landlord or a tenant wants to refer to the Tribunal anything under Part III or Part IV of the Ordinance?

HON M K FEATHERSTONE:

I think it would have to be held in abeyance until the Tribunal is set up.

MR SPEAKER:

Next question.

NO. 90 OF 1986

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state by how much they intend to reduce the Housing Waiting List in the next financial year.

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, new housing units under construction or being modernised will reduce the Housing Waiting List by at least 42 applications.

NO. 91 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government state how many houses do they expect to be sold in 1986 in Government selected Estates to sitting tenants?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, as previously indicated in the House the Government has now set up a Home Ownership Unit to deal with the sale of flats to sitting tenants within selected Estates.

The questionnaire sent last year has now been analysed and it has been decided to concentrate initially on Rosia Dale, which produced the most promising response.

It is expected that, on a conservative estimate at least 50% of the Estate will be sold in 1986. This would represent about 42 dwellings at a total sale price of £550,000.

Needless to say, if the final commitment from tenants in these selected Estates exceeds our minimum expectations a concerted effort will be made to meet this response. It is anticipated that further units will be sold at Rose Shrine, St Joseph's, Penney House and Seaview House during the course of 1987.

SUPPLEMENTARY TO QUESTION NO. 91 OF 1986

HON J L BALDACHINO:

If there are applications which the Government does not consider that it would be viable to sell, is it Government policy then to either accommodate those who don't want to buy somewhere else, or at least to advise them to move?

HON A J CANEPA:

I think we would try to arrange for transfers which might boost the figure in a particular block of flats or Estate beyond the 50%. The Government would be amenable to that and, in fact, in pursuance of that, we have already given a directive to the Housing Allocation Committee to consider favourably exchanges where they may lead precisely to the situation that would produce more than a 50% positive response for home ownership.

HON J L BALDACHINO:

Will the Hon Member still abide by his commitment that if in case there is a rent increase between now and when they sell the houses, would they abide by saying that the price would be based, or one of the ingredients of the rent, would be based on the current rent?

HON A J CANEPA:

If delays in selling flats are on the Government's part the answer is quite definitely, yes. If there were to be an attempt on the part of legal practitioners representing tenants to draw the matter out too far into the future the Government might have to say: "Well, look up until such and such a date we are prepared to sell on the basis of the 1986 prices, if you like, but I am afraid that if you don't come to terms by such a date we may have to reconsider".

HON J C PEREZ:

Mr Speaker, can the Hon Member state whether it is the Government's intention to use the funds from the sale of houses for housing?

HON A J CANEPA:

It is the Government's intention to generate funds that will put it in a position to consider further building of houses. I say that in anticipation of an ODA response which we don't expect to be very favourable.

HON J C PEREZ:

I am talking specifically of the money coming out of the sale of houses?

HON A J CANEPA:

Yes, the money is intended to go into the Improvement and Development Fund in order to finance, primarily, new housing.

MR SPEAKER:

Next question.

NO. 92 OF 1986

ORAL

THE HON J L BALDACHINO

Mr. Speaker, can Government state how many applicants have been considered by the Advisory Committee as social cases and are awaiting accommodation on the Committee's recommendation?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, during the last 18 months the Housing Advisory Committee has considered 107 social cases of which 43 have been accommodated and 64 are awaiting the availability of suitable accommodation.

NO. 93 OF 1986

ORAL

THE HON J L BALDACHINO

Mr. Speaker, can Government confirm that self-employed EEC Nationals are now being permitted to apply for Government housing and has this required a change to the Government Housing Allocation Scheme?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the eligibility and qualification of persons for Government housing is defined under Clause 3 of the Housing Allocation Scheme (Revised 1980) which provides eligibility to persons who at the time of submitting an application have a right of permanent residence. There has therefore been no requirement to change the Housing Allocation Scheme.

SUPPLEMENTARY TO QUESTION NO. 93 OF 1986

HON J L BALDACHINO:

So the answer is, yes?

HON M K FEATHERSTONE:

Yes, Sir.

MR SPEAKER:

Next question.

NO. 94 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, can Government state whether any decision has been taken on the question of the ban on meat imports from Spain?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, as far as Government is able to ascertain no decision on the ban on meat imports from Spain has yet been taken by the EEC. The Environmental Health Department is in contact with the UK Ministry of Agriculture, Fisheries and Food with a view to obtaining the results of the EEC Commission's review of the situation which was due to commence on the 1st March, 1986. As soon as the Commission's findings are known, Government will, naturally, initiate the necessary procedures to give effect to the Commission's directives.

SUPPLEMENTARY TO QUESTION NO. 94 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister state whether the ban also involves processed meat products?

HON M K FEATHERSTONE:

Yes.

MR SPEAKER:

| Next question.

NO. 95 OF 1986

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state how many Government dwellings would in the opinion of the Chief Environmental Health Officer be declared unfit for human habitation by a Court of Summary Jurisdiction?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, without conducting a full survey of all Government dwellings it would be impossible for Government to give details of the number of dwellings which, in the opinion of the Chief Environmental Health Officer, would be declared unfit for human habitation by a Court of Summary Jurisdiction, although it would be fair to say that the numbers are not expected to be much in excess of the 73 already so certified by the CEHO since the methods of working of the Environmental Health Department are widely known and readily available to everyone.

This system of certification by the CEHO has been implemented in order not to prejudice any Government tenant's standing in the Housing Waiting Lists vis-a-vis occupiers of privately-owned accommodation in respect of which the Environmental Health Department may apply to a Court for a Prohibition Order in the course of enforcing abatement notices.

It is pertinent to note that 19 of the 73 certificates mentioned have been rescinded since the premises have either been repaired and rendered fit for human habitation or demolished.

SUPPLEMENTARY TO QUESTION NO. 95 OF 1986

HON J L BALDACHINO:

Mr Speaker, may I ask the Hon Member why such a big increase since 1984 to 1986, because in 1984 in Question No. 68 he answered that there were ten dwellings. Why such a big increase from 1984 to 1986?

HON M K FEATHERSTONE:

I think because the Department of Health has been looking into the matter with a certain sense of urgency.

HON J L BALDACHINO:

Can the Hon Member confirm that this is not due, for example, to dwellings which were not under the Government stock but under the private sector and have come back from leases expiring?

HON M K FEATHERSTONE:

No, these are all Government dwellings, Sir. The number of privately owned premises which have lately been the subject of prohibition orders under Section 83 of the Public Health Ordinance is nineteen of which seven have been rehabilitated or demolished, twelve are outstanding.

HON J L BALDACHINO:

What I am asking, Mr Speaker, is that the difference of increase is quite big in my opinion and this has no relation that in 1984 because we are talking about the houses in Government stock, we are not talking about the private sector. I am saying has it got any relation of these 73 dwellings that from the 10 in 1984, that those dwellings have come from leases that the Government had to private landlords and now have come back to the Government stock. Has that got a relation in the increase?

HON M K FEATHERSTONE:

It is possible some of them do include those cases, yes.

MR SPEAKER:

Next question.

NO. 96 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, how many frontier workers are registered at the Health Centre?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, there are 229 Frontier Workers registered at the Health Centre.

SUPPLEMENTARY TO QUESTION NO. 96 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, is the Minister satisfied that these are the actual numbers of frontier workers that are in Gibraltar or could there be more who have simply not registered?

HON M K FEATHERSTONE:

These must be people who are in employment and I would say rather a reasonable number, yes.

HON MISS M I MONTEGRIFFO:

Mr Speaker, is the Government informing all frontier workers once they get a job in Gibraltar that they can register at the Health Centre? Are they all being informed?

HON M K FEATHERSTONE:

I would think so, yes.

MR SPEAKER:

Next question.

NO. 97 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, can Government confirm that frontier workers are entitled to make use of Gibraltar's Medical Services for themselves and their dependents if they so choose?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, frontier workers are entitled to treatment both in Gibraltar and in Spain. The families of frontier workers are entitled to treatment in Spain on the basis of the worker's insurance in Gibraltar.

SUPPLEMENTARY TO QUESTION NO. 97 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, the information that we have is that if people are registered at the Health Centre but are resident in Spain in order to obtain free treatment in Spain they should be provided with an EEC Form 121. Is the Health Centre providing these forms?

HON M K FEATHERSTONE:

I think that is a new one on me, I am afraid I shall have to look into it.

MR SPEAKER:

Next question.

NO. 98 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Can Government state what are the arrangements for meeting the cost of medical treatment in Spain for those frontier workers and their dependents who use Spanish Medical Services.

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, each Community Country keeps a record of the cost of treatment given on behalf of another Community Country. Credits and Debits are settled at National level - in the case of Gibraltar through the Department of Health and Social Security since Gibraltar is an integral part of the United Kingdom for the purposes of Regulations 1408/71 and 574/72.

SUPPLEMENTARY TO QUESTION NO. 98 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, presumably Britain and Spain will be talking about the tourists which visit Spain. In our case we have frontier workers and their dependents. If there is a balance due how will it be determined out of that balance who is the frontier worker and who is the tourist, especially when now we know we don't have an EEC 121 Form?

HON M K FEATHERSTONE:

I don't know whether they have got any arrangement to differentiate between the frontier worker or the tourist.

HON MISS M I MONTEGRIFFO:

Mr Speaker, will the Minister endeavour to find out?

HON M K FEATHERSTONE:

Yes, I will try and do so.

MR SPEAKER:

Next question.

NO. 99 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, are persons registered at the Health Centre who do not pay registration fees because of low income, still required to pay prescription charges?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 99 OF 1986

HON MISS M I MONTEGRIFFO:

They are required to pay?

HON M K FEATHERSTONE:

Yes, Sir.

HON MISS M I MONTEGRIFFO:

Mr Speaker, why is it then that the Minister on the 15th January, 1985, in answer to Question No. 37 said that they did not have to pay prescription charges?

HON M K FEATHERSTONE:

The Minister was considering that the persons who do not have to pay are the persons on the district scheme who do not have to pay.

MR SPEAKER:

Next question.

NO. 100 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Given that since the 1st January, 1986, Spanish nurses who qualify in Spain are entitled to take up employment in UK without further training, why are nurses trained in Gibraltar not so eligible?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, at the present moment, and until the Nursing course in Gibraltar is recognised in the UK, nurses trained in Gibraltar need a 3 month (or shorter) assessment course to take up equivalent employment in the UK. We are moving towards recognition of the Gibraltar course in the UK. A team will be coming out shortly to advise on this.

SUPPLEMENTARY TO QUESTION NO. 100 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, is the Minister aware that as from the 27th June, 1977, there is an EEC directive for the mutual recognition of nursing qualifications and does he not consider that from 1977 to now, 1986, there was sufficient time to have done something about our nursing qualifications?

HON M K FEATHERSTONE:

Yes, I appreciate that a considerable time has gone by and I rather regret this. I do hope that the situation will be cleared up satisfactorily in the very short future.

MR SPEAKER:

Next question.

NO. 101 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Can Government confirm that since 1st January, 1986, Spanish nursing qualifications have been recognised in Gibraltar, although Gibraltar ones are not so recognised in Spain?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the following Spanish Nursing qualifications have been recognised by the EEC: "Titulo de Diplomado Universitario en Enfermeria (university diploma in nursing) awarded by the Ministry of Education and Science."

Since Gibraltar is an integral part of the United Kingdom for community purposes, these nursing qualifications would be recognised in Gibraltar.

As the Hon Questioner is aware we have for some time now been working towards the goal of having our local qualification recognised by the English National Board and steps have already been taken to request the appointment of a team of specialists to look into and advise on this question.

SUPPLEMENTARY TO QUESTION NO. 101 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, we have heard on various occasions the Government talk about the spirit of reciprocity emanating from the Brussels Agreement. Can the Minister confirm whether in the bilateral talks with Spain this matter has been brought up with the Spanish authorities?

HON M K FEATHERSTONE:

I would think that the Spanish authorities would justifiably be able to say that if the Gibraltar nursing qualification was not accepted in the EEC they need not accept it.

MR SPEAKER:

Next question.

NO. 102 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

When are the Staff Inspectors for the Medical Department due to arrive?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Mr Speaker, no indication has yet been given by the Overseas Development Administration as regards the appointment of the team of Specialists or the date when they are likely to be available to undertake the re-organisational and manning level review of the Nursing Grades.

The Overseas Development Administration has been made aware of the urgency of the exercise and it is hoped that the team will be made available shortly.

NO. 103 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, what steps is Government taking to fill the post of Dietician?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Mr Speaker, all efforts made in the past to recruit a qualified Dietician or a student who can be suitably trained to obtain the necessary qualifications have failed, despite repeated advertising for suitable candidates.

No further efforts to fill the post have been made pending consultation with the locally appointed Consultant who will be dealing with the Diabetic Clinic when he takes up his appointment on 1 May 1986.

SUPPLEMENTARY TO QUESTION NO. 103 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, in the light of representations made by the Gibraltar Diabetic Association, would the Minister not accept that this post should be filled as soon as possible?

HON M K FEATHERSTONE:

If the consultant who comes can fill the needs of the Diabetic Association satisfactorily then I would not say it is so necessary.

MR SPEAKER:

Next question.

NO. 104 OF 1986

ORAL

THE HON J C PEREZ

Mr Speaker, does Government intend to make the Motor Vehicle Test Centre at Eastern Beach fully operational this year?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Yes Sir. It is expected that the legislation will be brought to the House at the summer meeting and the testing of private vehicles which are 10 years old and over should then get off the ground.

SUPPLEMENTARY TO QUESTION NO. 104 OF 1986

HON. J C PEREZ:

The summer meeting of this year?

HON M K FEATHERSTONE:

Yes, the summer meeting of this year.

HON J C PEREZ:

Can the Hon Member state whether Government have already recruited all the extra staff necessary to make the Centre fully operational?

HON M K FEATHERSTONE:

Yes, Sir.

HON J C PEREZ:

Can the Hon Member explain why it is that the employment of staff has been taking place since a year ago for the extra operation of the Test Centre, when he couldn't give a commitment in this House when it was actually going to be operational? Does he not think that it would have been wiser for the Government to make sure when the legislation would be able to be promulgated before filling the post?

HON M K FEATHERSTONE:

We had hoped the legislation would have come through quicker, but the staff is being made use of quite satisfactorily looking after public service vehicles which are tested at the Centre.

HON J C PEREZ:

When will the Hon Member be in a position to supply us with estimates, as he promised to do, about the costing of the whole operation?

HON M K FEATHERSTONE:

As soon as it is fully in operation, Sir.

HON J C PEREZ:

But the Hon Member did say, in fact, the last time I raised this, he said in answer to a question from my colleague, the Hon Mr Bossano who asked: "Mr Speaker, are we actually going to get an estimate from the Government of income and expenditure of the operation of the Centre which he promised us a long time ago?" And he said: "I would hope so, Sir, in due course, Sir". Is 'in due course' when it is fully operational, because the commitment given by the Hon Member was not that one?

HON M K FEATHERSTONE:

You cannot really work it out until it is in full operation because you cannot estimate all the costs satisfactorily until then.

HON J C PEREZ:

Obviously, you can work out an estimate of the operation of the Centre up to date and then adjust it when it becomes fully operational. I am sure the Government needs to have those estimates for themselves.

HON M K FEATHERSTONE:

If that will satisfy the Hon Member I will dig it out and send it to him.

MR SPEAKER:

Next question.

NO. 105 OF 1986

ORAL

THE HON J C PEREZ

Mr Speaker, what is Government's policy in relation to parking and traffic flow particularly with the congestion being experienced in the city area?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the Government has turned all available open areas into parking spaces and has taken other measures to improve the flow of traffic considerably in the past two years.

The problem of traffic congestion has recently been aggravated by the need to close certain 'arterial' roads in connection with development projects.

SUPPLEMENTARY TO QUESTION NO. 105 OF 1986

HON J C PEREZ:

Mr Speaker, has the Hon Member perhaps thought of approaching the Ministry of Defence for the use of one of their Naval pitches to be made as a car park?

HON M K FEATHERSTONE:

Yes, Sir, that has already been done and is being looked into.

HON J C PEREZ:

Could the Hon Member give us a commitment that he will duly inform this side of the House of the result of those negotiations?

HON M K FEATHERSTONE:

Yes, Sir.

HON J E PILCHER:

Is the Hon Member satisfied with the steps taken up to now to tackle these problems of parking and traffic flow? We have heard that they have been doing something over the past two years but I was just wondering whether they are happy with what has been done, especially taking into account the experiences of late when I think every person on the road, on a car, is coming to a stage where they are short of shooting themselves in the middle of a traffic jam. They don't

know what else to do? Is there any long-term planning for public parking and traffic flow?

HON A J CANEPA:

If they shoot themselves it will aggravate the situation considerably.

HON M K FEATHERSTONE:

As for long-term plans, there is a long-term plan that the Naval Grounds should be eventually reprovided elsewhere and then they might be available for parking. Apart from that there are no specific long-term plans since there is no specific large area where parking can obviously be made available.

HON J C PEREZ:

Mr Speaker, is the Hon Member saying that the conditions of the talks being held with MOD is about reproviding the football pitches?

HON M K FEATHERSTONE:

That is in the long-term. In the short-term they may be made available for, perhaps, the summer period without reproviding them, but the long-term plan is that those two pitches should be reprovided elsewhere by reclamation and then they would become available to the town area.

HON J C PEREZ:

Mr Speaker, doesn't the Hon Member think it absurd that we should be, in fact, talking about even long-term reproviding football pitches for the Navy. Were we talking about defence needs I perhaps might agree with the Hon Member, but that we should be reproviding football pitches when they have three and they don't use them to the full extent, is ridiculous. I think that, if anything, they should be giving us at least one of them without reprovioning.

HON M K FEATHERSTONE:

Yes, I agree with you.

HON J C PEREZ:

Will the Hon Member then put forcefully that position to the MOD?

HON M K FEATHERSTONE:

It has already been put to them.

HON J E PILCHER:

Coming back to the question, because I am less than satisfied, I accept that Gibraltar's land is at a premium and, therefore, if there are no parking spaces, there are no parking spaces, but that does not satisfy the person who is paying a licence in Gibraltar and who is paying a road tax in Gibraltar and who has a car in Gibraltar and who has to park that car in Gibraltar. And to be told that there is no long-term plans I think is something which certainly is not satisfactory. That is on parking alone. Is the Government saying that they have no long-term plan at all except the obtaining of the Naval Ground which will go only a slight way to improving the parking situation in Gibraltar, and only on parking, but that will only go a small way to clearing up the parking situation?

HON M K FEATHERSTONE:

If you had large areas of spaces that were lying dormant then one could easily say: "We will have a long-term plan to turn these into parking areas". We do not have these spaces available. There are parking areas at the moment which are still under utilised; the one at Queensway opposite the College is still not fully utilised. The difficulty is that people wish to park completely outside their office or their home. People must learn that they will often sometimes have to park at some reasonable distance from where they actually want to finish up.

HON J E PILCHER:

Mr Speaker, I cannot accept that. I accept that people want to park outside their house or outside their office, but we are talking about a reasonable distance from their office or their house. Obviously, if the Government builds a housing project and do not cater for the amount of cars that are supposed to be parked at that housing project, then the problem squarely lies with the Government and the planners of the project.

HON J C PEREZ:

Mr Speaker, can the Hon Member confirm that the Traffic Committee is carrying out a study to try and get the traffic flow better organised?

MR SPEAKER:

What we cannot do is hope, with respect, at question time to settle the Gibraltar traffic and parking problems. You can get whatever information you need so that you can later formulate plans to do that.

HON J E PILCHER:

Mr Speaker, I think if we are not going to solve the traffic problem I think what we have a right to try and do at question time is see what the Government is going to do or trying to do to solve the traffic problem. But when we hear that they have no

MR SPEAKER:

With respect, that is a matter for debate, not to seek information.

HON J C PEREZ:

Mr Speaker, can the Hon Member confirm that the newly set up Traffic Committee is studying the question of traffic flow?

HON M K FEATHERSTONE:

There is a Traffic Committee which sits every month and looks into the traffic situation generally and does its best to improve the flow of traffic. One of the recent efforts that they made was to put a blue line outside the Health Centre on Line Wall Road, where there was very considerable congestion of traffic, and I think it has improved the flow considerably. They are looking at all the small areas where improvements can be made but, as I say, the global problem is a very vast problem and it is not easy to find an absolute solution. The only solution really would be to take draconian measures which I don't think Gibraltar is willing to accept.

MR SPEAKER:

Next question.

NO. 106 OF 1986

ORAL

THE HON M A FEETHAM

Will Government be making provision in this year's estimates to set up the necessary machinery to monitor properly ships registered in Gibraltar?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir. A political decision has been taken and provision will be made in the estimates for 1986/87 to cover the initial cost of setting up the marine administration. I should also add that two posts for Marine Surveyor have just been advertised.

SUPPLEMENTARY TO QUESTION NO. 106 OF 1986

HON M A FEETHAM:

Does Government intend to allocate it under a separate subhead under the Port vote?

HON A J CANEPA:

It will be in the Estimates of the Port Department.

HON M A FEETHAM:

But will it be a separate subhead?

HON A J CANEPA:

The post of Marine Surveyor or whatever it is called will be shown separately in the establishment of the Port.

HON J BOSSANO:

Mr Speaker, what we would like to encourage the Government to do is to identify the cost because then we can see what this is costing and see how well it is producing. It is more difficult if it is just lost in the total cost of the Port vote.

HON A J CANEPA:

It may be more difficult and yet it may be easier because otherwise the Department of Trade and Industry will be trying to impose on us their own staffing levels, their own manning

levels, which one has got to be careful about. They have got guidelines about one Marine Surveyor for so many ships and we have to be careful that if the registry rose we might have to end up according to their way of looking at it with an army of surveyors. In due course I think the Hon Member is along the right lines but it is early days yet. Let us wait and see how it goes.

MR SPEAKER:

Next question.

NO. 107 OF 1986

ORAL

THE HON M A FEETHAM

When did Government receive payment for the allocation of the Casemates Triangle Site to Pall Mall Ltd?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, the Government received payment from Pall Mall Ltd in respect of the Tender sum of the Casemates Triangle Site upon transfer of the site from the MOD and upon execution of the Licence Agreement, namely on the 26 September, 1985.

SUPPLEMENTARY TO QUESTION NO. 107 OF 1986

HON M A FEETHAM:

But wasn't it part of the acceptance that the £105,000 which is the amount we are talking about, should have been paid within fifteen days of the acceptance of the tender?

HON A J CANEPA:

Fourteen days. Yes, there was a stipulation that payment should be made within fourteen days, but that is if the tender acceptance had not been qualified. In the event, the tender acceptance was qualified in that the company had to, first, satisfy the Government of certain conditions, one of which was that they had to enter into a contract with the Ministry of Defence for the reprovisioning of the seven quarters on site. This condition was later changed at the request of the Ministry of Defence to one of a cash payment of £300,000, once they had finalised their building programme for new quarters and in full settlement of reprovisioning. The payment, in fact, was a condition of transfer and until the transfer was effected the payment could not be made.

MR SPEAKER:

Next question.

NO. 108 OF 1986

ORAL

THE HON M A FEETHAM

Has the Feasibility Study undertaken by Tricon-Wimpey on the reclamation of the East Side Development now been finalised?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, the Director of Crown Lands has only recently been informed by the Company's Solicitors that they are now ready to submit their outline proposals for Phase I of the development for Government's consideration.

They therefore intend to come to Gibraltar shortly after Easter to present their proposals.

NO. 109 OF 1986

ORAL

THE HON J BOSSANO

Has Government now taken a policy decision to submit proposals to HMG for Gibraltar's decolonisation through Free Association?

ANSWERTHE HON THE CHIEF MINISTER

No, Sir. As I told the 'Gibraltar Chronicle' in reply to questions last month, the AACR's sub-committee on constitutional reform, chaired by the Hon Mr George Mascarenhas, had just completed the preparation of detailed proposals and these are being considered by my party's Executive Committee. I went on to say that, if the latter agreed to proceed, the proposals would then be put to the party membership and, if approved, would become party policy to be put to the people at the right time. I emphasised - and I do so again today - the importance of the right timing in this matter.

SUPPLEMENTARY TO QUESTION NO. 109 OF 1986

HON J BOSSANO:

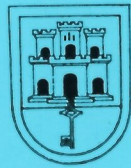
Mr Speaker, I am not questioning when is the right timing to put it to the British Government. What I am questioning is whether, in fact, the Government itself has decided, and apparently the answer is that the Government itself hasn't made up its mind yet.

HON CHIEF MINISTER:

It is still at Party level.

GIBRALTAR

HOUSE OF ASSEMBLY



QUESTIONS AND ANSWERS

8TH JULY, 1986

110 TO 189

NO. 110 OF 1986

ORAL

THE HON J E PILCHER

Can Government give the number of hourly paid workers at Gibrepair and how does this compare against the figures for the 1st February, 1985, after one month of operation?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the total number of hourly paid workers at Gibrepair at the end of May, 1986, was 606 compared with 382 in February, 1985.

SUPPLEMENTARY TO QUESTION NO. 110 OF 1986

HON J E PILCHER:

Mr Speaker, is it still the intention to proceed with the projections of employment by the end of the second year as contained in the work project which was something in the region of 900 workers by the end of the second year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think, Mr Speaker, as Hon Members and, indeed, everyone will be aware from recent events, that some of the original assumptions made by A & P Appledore in their projections have, with the passage of time and in the light of various factors, become less certain and as the Hon Member will know, this is one of the things which we would expect to be considered, inter alia, by the consultants who are to be appointed by the Government.

HON J E PILCHER:

Mr Speaker, in the meantime, however, and I accept what the Hon Financial Secretary is saying, in the meantime, is it the policy to remain static on employment? The consultancy for all we know, and we have a question on the Question Paper about the consultancy, for all we know obviously these things take time. In the meantime, will employment remain static or is it the intention to decrease or increase?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Government has no policy on this matter, of course, Mr Speaker, it is a matter for the company and their commercial judgement and what they see fit in order to maintain commercial viability and an optimum commercial profile within the coming months.

HON J E PILCHER:

I accept that, Mr Speaker, but I am questioning the Government. Has the Government asked what is the policy of the company?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker.

HON J BOSSANO:

Mr Speaker, doesn't the Government accept that in terms of projecting Gibraltar's manpower needs they ought to find out what their wholly-owned company intends to do so that they can judge whether there is going to be greater or less demand for labour in Gibraltar over the next twelve months?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As I have just said, Mr Speaker, the Government has appointed consultants and they will discuss this matter with the company, I have no doubt, and in the not too very distant future one would expect that some clearer indications of the future prospects of the company and, indeed, employment by the company, will appear.

HON J BOSSANO:

So the position is that at the moment the Government has got no idea whether employment in its wholly-owned company is going to be increasing or decreasing and it doesn't think it is important to find out? That is the Government's position.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I don't accept the implications by the Hon Gentleman at all.

MR SPEAKER:

Next question.

8.7.86

NO. 111 OF 1986.

ORAL

THE HON J E PILCHER

Can Government state whether the salaries and/or allowances of the expatriate personnel of GSL have been increased since they took up employment and, if so, by how much?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, expatriate personnel employed by GSL are normally recruited on fixed contracts. Consequently, there have been no increases in the salaries or allowances of such personnel.

NO. 112 OF 1986

ORAL

THE HON J E PILCHER

Can Government state whether in the £2.5m salaries bill for monthly paid staff employed by GSL in 1985, is included the salaries and allowances of expatriates and, if so, how much is accounted for by the latter and of that, how much is free of tax?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the 1985 salaries bill of £2.5m included the cost of salaries and allowances of expatriates employed by GSL. This accounted for around £0.9m. The non-taxable element of this is a confidential matter in the commercial sense and the Government does not propose to make this information available.

8.7.86

NO. 113 OF 1986

ORAL

THE HON J E PILCHER

Is the Management Fee payable to A & P Appledore International liable to tax in Gibraltar?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, under Section 6(1)(a) of the Income Tax Ordinance tax is charged on the income of any person accruing in, derived from, or received in Gibraltar in respect of gains or profits from any trade, business, profession or vocation. The Management Fee payable to A & P Appledore International is therefore liable to tax in Gibraltar.

NO. 114 OF 1986

ORAL

THE HON J E PILCHER

Can Government state whether they have now received the whole of the £28m from ODA for the GSL Special Fund?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir, the total amount received from ODA for the credit of the GSL Fund is £26.4m. The balance still to be released of the £28m is therefore £1.6m.

SUPPLEMENTARY TO QUESTION NO. 114 OF 1986

HON J E PILCHER:

Mr Speaker, was not the release of the £28m initially conditional on the agreement of working practices?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think, Mr Speaker, there was a reference in the original agreement to the maintenance of acceptable working practices.

HON J E PILCHER:

Is ODA therefore saying now that the working practices are not acceptable and is this why they are holding back the £1.6m and, if not, what is the reason for holding back the £1.6m?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think there is another question down on the Order Paper, Mr Speaker, addressed to the Chief Minister, and I think he may wish to say more about this matter.

MR SPEAKER:

We will leave it and then when the next question is asked you will be entitled to ask further supplementaries on this one.

HON J E PILCHER:

I don't know, Mr Speaker, which is the question that the Hon Financial Secretary is referring to.

MR SPEAKER:

You have my assurance that if there isn't one you will be allowed to ask supplementaries. Next question.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I would like to make a statement to try and clear up any misunderstanding which may have arisen as a result of the supplementaries on Question No. 114 by the Hon Mr Pilcher yesterday. The question was: "Can Government state whether they have now received the whole of the £28m from ODA for the GSL Special Fund?" And my answer was: "No, the total amount received from ODA for the credit of the GSL Fund is £26.4m. The balance still to be released of the £28m is therefore £1.6m". That is correct, £1.6m is still to be released but £300,000 is the amount withheld, that is, as I explained, the balance from the original split between offshore and local expenditure which is available for working capital purposes. As far as I am aware, there is no intention on the part of the ODA to withhold the remaining £1.3m making up the total of £1.6m, as this is on approved work in the original memorandum, therefore it is simply a question of the money not having been released because the bills have not yet been paid or the expenditure has not come to account. I think the confusion may have arisen because £1.6m is fairly close to a figure of £1.7m which, of course, is a rather different figure. As I explained, the shortage of working capital arose because the capital overruns on the originally approved items came to £1.7m and ODA approved that particular figure. That was the first reason. The second reason was the fact that GSL, as I explained, with ODA approval, used the amount originally intended for local expenditure, ie working capital, to meet the cost of those capital overruns.

HON J BOSSANO:

Mr Speaker, so the situation therefore is that the capital overrun approved effectively meant that the company on the original provision would have spent £29.7m but in fact the £1.7m was approved by diverting funds from within the £28m to another purpose and therefore to restore those funds would mean an additional £1.7m over the £28m. So where do the £2.4m come in then?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The £2.4m is the addition to the £28m that ODA have actually offered. The Hon the Leader of the Opposition stopped in his calculations of £29.7m; that is to say, £28m and £1.7m. The £1.7m represents the capital overruns, an additional £700,000 is for further works, repairs to roofs, the fact

that the crane rails left by the former Naval Dockyard collapsed and a new fresh water pipeline because the existing one is not up to standard, those are the three items which I know are in that £700,000 and the ODA officials thought that that was a perfectly reasonable request to make.

HON J BOSSANO:

I got the impression, Mr Speaker, the Hon Member was saying that, in fact, the £1.7m has been spent and therefore it is a question of meeting the cost but the expenditure has already taken place. Is that also true of the other £0.7m or is that the other £0.7m the expenditure has been approved but has not taken place?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is correct, Mr Speaker, the expenditure has been approved but has not yet taken place and I also perhaps ought to add that for other reasons the company had to postpone certain expenditure which was considered desirable of a capital nature but not absolutely essential again because of these cash flow shortages.

HON J BOSSANO:

Could I just ask one further thing, Mr Speaker? Is it not true that, in fact, in the original capital projections made by the company when these were examined in the Project Study by Coopers and Lybrand, Coopers and Lybrand queried the figures as being on the high side, as being excessive so does it mean, in fact, that since we are talking about a net figure of £1.7m overrun and a number of things for which there was provision have not materialised, ie a £1m for the tug it means, does it not, that the excess on the remaining has, in fact, used up all that there was there in terms of contingencies and money that has not been spent and still £1.7m on top? So, in fact, the overrun must be more like £3m or £4m.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't know whether I would entirely agree with that but there certainly have been changes. I don't recall the comments in the Report as the Hon Member does, there have been a number of changes, some contract works have not exceeded budget and others have so that there have been a number of changes and, indeed, postponements amongst the items in the original £28m.

HON J BOSSANO:

But the point I am making, Mr Speaker, is if this is a net figure over and above what was provided and what was provided at the time was queried by the experts that the Government brought in as being on the high side and if

we know from having observed what has taken place subsequently that the things that were queried as perhaps being unnecessary have not materialised, for example, a £1m capital investment in a tug has not taken place so therefore it means that there must have been overruns on the rest of the expenditure of £1m in addition to the £1.7m and there was a figure of £ $\frac{3}{4}$ m for contingencies for the next three years which presumably has also been used up. Am I correct in saying that or are those things part of the overrun?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon Member is correct, I think, in saying that the £1m for a tug was not used but then I wouldn't simply isolate that particular item and say that this is the only factor. I think there have been a number of factors at one point which one tries to make as delicately as possible because of the sensitivities of the former owners of the yard, is the fact that it was in a rather worse state than was imagined and I think quite reasonably, given the amount of time they were allowed to go into the yard, when their original calculations were made they found that they incurred a lot more expenditure and ODA are aware of that. I haven't got a figure absolutely in mind but I think certainly £1m might be about the same forecast figure.

NO. 115 OF 1986

ORAL

THE HON J E PILCHER

Can Government confirm whether the RFA and other MOD work undertaken by GSL have been obtained at a price which provides for a profit from these operations?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Government considers that this information is commercial in confidence and should therefore not be made public.

SUPPLEMENTARY TO QUESTION NO. 115 OF 1986

HON J BOSSANO:

Mr Speaker, we are not asking the Government to tell us how much profit they are making. Can the Government say what is confidential about whether we are losing money or making money on naval work? Why should that be confidential? We are not saying how much they are making but surely it is important for this House to know whether work, for which we are supposed to be grateful, is something we are subsidising or something which we are not losing money on.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I can certainly answer the subsidiary point made by the Hon Leader of the Opposition, Mr Speaker. Yes, a profit figure is built into the price.

MR SPEAKER:

Next question.

8.7.86

NO. 116 OF 1986

ORAL

THE HON J E PILCHER

Can Government state whether ODA has now released the agreed additional £2.4m due to be paid into the GSL Special Fund?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the release of the balance of the £28m originally made available by HMG and of the £2.4m offered in April, 1986, has been and is currently the subject of strong representations by the Gibraltar Government. These funds have not yet been released. I do not think, in all the circumstances, that it would be correct to refer to the additional sum of £2.4m as an agreed sum.

SUPPLEMENTARY TO QUESTION NO. 116 OF 1986

HON J E PILCHER:

Mr Speaker, I am not sure where I stand at this stage because my question is what are the reasons being given by ODA for the holding back of the £1.6m and the £2.4m of ODA grant to GSL?

HON CHIEF MINISTER:

I think I can give an answer to the House later on.

MR SPEAKER:

Next question.

THE HON J E PILCHER

Can Government state how much money was paid from the GSL Special Fund for the demolition and disposal of the former MOD cranes?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the demolition and disposal of former MOD cranes formed part of the main civil works contract, and included demolition of structures and buildings. The final figures are not available, but the original contract sum allowed for just over £100,000 for this purpose.

SUPPLEMENTARY TO QUESTION NO. 117 OF 1986

HON J E PILCHER:

Mr Speaker, it has come to our knowledge that the contract was given for the demolition and disposal of the former MOD cranes and this was then subcontracted to a Spanish firm which, in fact, did the demolition and disposal for free in exchange for the scrap metal value of the old MOD cranes. Does the Government know of this?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I have given the Hon Gentleman the information which was provided to me by the company and the figure which I quoted, £100,000, is, I understand, fairly close to the expected outturn.

HON J E PILCHER:

Could the Hon Financial Secretary therefore undertake to look into this situation?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Sir.

HON J. BOSSANO:

The Government is quite happy that we should use £100,000 of UK money to pay somebody who in turn pockets the money and has the work done for nothing by somebody else and he expects to be able to convince ODA to give him another £4m to carry on doing that, does he?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon Gentleman's strictures are, I think, based on a hypothesis, Mr Speaker, about which I have no information but I regard this as a matter for the company. If there is anything untoward about it I would again expect the Hon Member perhaps to make the information available in confidence to us.

MR SPEAKER:

In the House Members make themselves responsible for the statements that they make and that is what the Member is doing.

HON J E PILCHER:

Mr Speaker, there are two points. First, it might be a hypothetical situation which I have asked the Government to either confirm or investigate and he has said no. Secondly, this money is for the disposal and demolition of the cranes which will be an asset which, technically, belong to the Government of Gibraltar and therefore it is no use us asking the company, it is the Government that is responsible for that not the company. We ask the Government because they are responsible for the assets and the refurbishment which this comes under comes under the Gibraltar Government not the company.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, the Government is not responsible for contractual arrangements entered into by the company, I think that is quite clear.

HON J BOSSANO:

But, Mr Speaker, isn't it a fact that under the law brought by the Government to this House the money from the GSL Special Fund is used either for the purchase of shares or for the Government to pay, independent of who signs the contract, for the Government to pay directly for the cost of renovating and refurbishing the commercial yard? Can the Government say whether this £100,000 that the Hon Member is talking about came from the company's share capital or from the portion of the funds which is the responsibility of the Government of Gibraltar?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I can certainly say that the company's affairs are subjected to fairly close audit and scrutiny not simply by the company's auditors, a very reliable firm, but also, of course, by ODA and ODA consultants who, as one can imagine, take a

fairly close interest in this, Mr Speaker, and indeed, we also know that a Controller has been appointed and, this amongst other things, is something which I would expect the Controller to look into.

HON J BOSSANO:

Mr Speaker, I know the Hon Financial and Development Secretary long enough to know when he is waffling. Can I have an answer to my question? Does he know whether the £100,000 comes from GSL share capital or from the part of the Special Fund which is his responsibility as the Controlling Officer for that Special Fund? If he doesn't know let him say he doesn't know and find out the information.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't think the Hon Member has quite got my responsibilities in this matter correct, Mr Speaker. I am responsible for the GSL Special Fund.

HON J BOSSANO:

That is right and I am asking the Hon Member, has the £100,000 been paid by the GSL Special Fund because it comes from the part of the Fund which is a responsibility of the Government of Gibraltar or has that £100,000 been paid by the company as a result of receiving £100,000 in respect of shares sold by GSL to the Government? Which of the two is it?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As far as I am aware the £100,000 has not yet been paid, Mr Speaker.

HON J BOSSANO:

When it does get paid, Mr Speaker, can he tell us whether it is going to be paid by the company from its share capital or by the Government from the available sum for the refurbishment?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have noted the remarks made by the Hon Leader of the Opposition, Mr Speaker, I think I would leave it at that.

HON J BOSSANO:

No, Mr Speaker, I want an answer to my question and if the Hon Member doesn't know the answer then let him say he doesn't know the answer at this stage but, surely, he accepts that the law requires that the money in that Fund can be used either for the purchase of shares or for meeting

directly expenses which are the responsibility of the Government of Gibraltar. Is this an expense that is attributable to the company payable from its share capital or is it an expense that is part of the refurbishment cost for which the Government of Gibraltar is responsible under the law? Which of the two is it?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't accept the Hon Member's precise description of the Government's responsibilities in this matter, Mr Speaker, which obviously would have to be tested in law if there is any need so to do but as I have said, I have noted his remarks on this particular point and I have nothing further to add.

HON J BOSSANO:

Then, Mr Speaker, can the Hon and Learned Attorney-General tell the House whether the money in the GSL Special Fund can be used for anything other than (a) the purchase of shares in the company, or (b) meeting the cost of refurbishment of the yard which is a responsibility of the Government of Gibraltar? Can we know, Mr Speaker, for which purpose is it permissible to use the £100,000 in question?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think we would have to look into that, Mr Speaker, it is an academic question.

MR SPEAKER:

Next question.

NO. 118 OF 1986

ORAL

THE HON J E PILCHER

Can Government state how much money has been paid to date for the refurbishment of the Dockyard and is any further expenditure intended?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the total amount spent or committed on the refurbishment of the Dockyard as at the end of May, 1986, was approximately £1.8m. Some additional expenditure is envisaged but this will depend on the availability of funds over the coming year.

SUPPLEMENTARY TO QUESTION NO. 118 OF 1986

HON J BOSSANO:

Then, Mr Speaker, can we take it that the additional £2.4m is not the overrun on refurbishment which is what has been suggested publicly until now?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, the additional £2.4m is really in two parts. About £1.7m is in respect of what I would like to call capital overrun on projects which for the most part form part of the items, I should say, which for the most part form part of the original £28m on the capital side. Then there is another element, £0.7m, making up the balance of the £2.4m, which is in respect of additional capital works which were found to be necessary by the company in the light of the condition of the yard and other factors which became apparent after they commenced operations.

HON J E PILCHER:

Mr Speaker, has the £1.7m already been spent and paid for by the company?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Broadly speaking, yes, Mr Speaker, I cannot say that exactly £1.7m has been spent but the most part of this has been spent and ODA experts came out very early in the year to have a look at this themselves and they judged this amount to be reasonable and with our assistance and with our knowledge this forms part of the case which was put to Her Majesty's Government for further assistance for Gibrepair.

HON J E PILCHER:

Mr Speaker, if I can follow the line of argument. The £1.7m has already been paid by the company. Does this not mean that the financial problems being undergone at the moment by the company could emanate from the fact that they have paid out £1.7m or the equivalent towards the refurbishment of the dockyard which really the Gibraltar Government have to meet and this has come out of the cash flow of the company and this is what is creating the financial problems for the company?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker, that is exactly so. The original split of the £28m provided for a certain amount on capital works and a certain amount for working capital or at any rate there was a distinction between offshore costs, as we and the ODA call it, and local costs which included, of course, a substantial element for the payment of salaries and other local expenditure. What happened was that during 1985 when the various overruns which I have mentioned became apparent to the company and it was found necessary to meet that additional expenditure, with ODA approval some of the money which had been originally allocated for local expenditure was used for capital purposes hence the amount of working capital which was available to the company in 1986 was substantially less, of the order of £1.7m or thereabouts, and it is this, of course, which has contributed to the company's cash flow aggravated, I am bound to say, by the amount of time which it has taken to obtain the release of the £1.7m and, indeed, the balance of working capital which would have been available which was the figure of £300,000 according to the original split a figure which, I think, has been given a certain amount of publicity.

HON J E PILCHER:

So what the Hon Financial Secretary is saying is that the company have had to pay £1.7m from their money towards the refurbishment of the yard which is a Gibraltar Government commitment. As a result of that the company has run into financial difficulties and therefore the problem created a couple of months ago was not directly but indirectly as a result of cash flow.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think it is quite clear from everything that has been said that the company's problems recently have been problems of cash flow, Mr Speaker.

HON J E PILCHER:

So the answer is yes. We come now to a situation where ODA came out and said the £1.7m was reasonable but then withheld the money and the Gibraltar Government is now loaning the company £ $\frac{1}{4}$ m so that they can keep on running towards the cost of £1.7m which is theirs, is this correct or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I cannot understand why the Hon Gentleman seems quite so upset about this but, broadly speaking, that is correct.

HON J E PILCHER:

And you cannot understand why I am upset?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Perfectly well.

MR SPEAKER:

Next question.

NO. 119 OF 1986

ORAL

THE HON J E PILCHER

Can Government state what was the opening net cash position of GSL on the 1st January, 1986?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir, the Government considers that this information is commercial in confidence and should not therefore be made public.

SUPPLEMENTARY TO QUESTION NO. 119 OF 1986

HON J BOSSANO:

Mr Speaker, will we not get this when the accounts are published?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

In due course, Mr Speaker, the House will of course get the company's accounts.

HON J BOSSANO:

Presumably, in due course, since we are now six months after the event, means the next meeting of the House in October so it won't be commercial in confidence in October but it is commercial in confidence in July, is that the answer?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The company's accounts will, in due course, show current assets and liabilities, Mr Speaker.

HON J BOSSANO:

It will show, presumably, in the current assets the net cash position at the end of December, 1985, that must be so unless they are changing the accounts. It showed it the last time, Mr Speaker, in the last accounts, in 1984, it wasn't commercial in confidence in 1984. Can the Hon Member explain why it is commercial in confidence in 1985?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It is commercial in confidence until it is published, Mr Speaker.

HON J E PILCHER:

Mr Speaker, we have been talking here of

MR `SPEAKER:

It is a matter of judgement. Next question.

NO. 120 OF 1986

ORAL

THE HON J E PILCHER

Can Government state how much of GSL's income in 1985 was due to berthing fees?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir, this is also a commercial matter for the company and the Government does not therefore propose to provide the information.

SUPPLEMENTARY TO QUESTION NO. 120 OF 1986

HON J BOSSANO:

Mr Speaker, does the Hon Member think that it is proper that the House should be asked to accept figures and not be able to question how those figures are arrived at? Would he not agree, Mr Speaker, that if berthing fees were not included in the original estimates it is legitimate, in order to compare like with like, to know what they amount to now? Why is it that we have to be so secretive about it?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the House approved, I think, or a House approved the setting up of Gibrepair as a private company on the understanding that it would operate in a commercial environment and I think we must accept the consequences of that.

HON J E PILCHER:

Mr Speaker, when the House, the last House accepted that, they did not accept that the company would charge for berthing fees. It was a Gibraltar Shiprepair operation not an operation that would charge berthing fees for ships which were tied down at GSL, in fact, on Gibraltar Government land or water and the fees that are being charged are being charged by the company and not by the Gibraltar Government.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon Member wasn't there at the time, Mr Speaker, so I would have to ask Mr Isola and perhaps Bob Peliza and one or two others whether they had that in mind.

HON J E PILCHER:

Has the Hon Member not heard of Hansard, Mr Speaker?

HON J BOSSANO:

Mr Speaker, can the Hon Member confirm whether it is a fact or not that in the projection of the turnover of the company there was no provision initially included for the receipt by the company of berthing fees?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There are many things, Mr Speaker, in the original projections made by the company both as to income and expenditure which in the event, as one would naturally expect for a company, to have turned out rather differently, I never cease taking advantage of the opportunity to remind Hon Members opposite that GSL is not a Government Department, it is not even a Naval Dockyard and it must operate in accordance with commercial conditions.

HON J BOSSANO:

Mr Speaker, does the Hon Member then think that it is right that the House should be told by him that a volume of repair work has been done and that that volume of repair work should include an undisclosed sum for berthing fees which were not originally intended to be there and which he refuses to disclose? Does he not accept that he is misleading the House, that he is giving the House wrong information?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I am not giving the House wrong information at all, Mr Speaker.

HON J BOSSANO:

Then, Mr Speaker, would the Hon Member not agree with me that if the House is required by its responsibility in this matter to assess the performance of GSL, the House ought to be able to know to what extent it is being subsidised by the Government of Gibraltar, by the Government allowing it to retain berthing fees which properly should be Government revenue as they have been until now?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Government is not of the view that the berthing fees which are collected by Gibrepair are Government revenue.

MR SPEAKER:

Next question.

NO. 121 OF 1986

ORAL

THE HON J C PEREZ

Can Government state how much was paid by GSL in respect of municipal rates in the first quarter of 1985 and in the financial year of 1985/86?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, GSL property is covered by a Development Aid Licence under Section 12 of the Development Aid Ordinance 1981 and is, therefore, exempt from the payment of Rates for the first year of the Licence. No Municipal rates have been paid by GSL during the 1st Quarter of 1985 nor during the financial year 1985/86.

SUPPLEMENTARY TO QUESTION NO. 121 OF 1986

HON J C PEREZ:

Since that is the position why is it that they haven't been paying any municipal rates in the second year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I take it that the Hon Member means why haven't they been paying rates for the first quarter of 1986 and the reason for that is that there is a provision in the Ordinance that when a development project is beneficially occupied the first annual relief from liability for rates should take effect at the beginning of the next financial year, consequently as GSL property was occupied on the 1st January, 1985, rates will become payable with effect from the 1st April, 1986.

HON J BOSSANO:

Mr Speaker, could I ask the Hon Member to clarify for me, is it the case then when a Development Aid Licence is granted no rates are paid at all even on the existing property or is it that the increased value in respect of which development expenditure takes place is exempt from rates? That is to say, if one has got a building which has currently got a value on it and that value is enhanced, is it on the enhancement that there is rating relief or on the old value?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It is in respect of the development, that is to say, the amount of money which would represent the additional development and on that no rates are paid.

HON J BOSSANO:

So then on the original value rates are paid?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think, if I can elaborate on that, one has a situation where, shall we say, a hotel is paying rates and there is an extension then it is the amount of the extension which qualifies for rate relief.

HON J BOSSANO:

So, in fact, if the Dockyard had a particular rateable value, a net annual value prior to refurbishment, what is exempt from relief is the increased value produced by the investment in the development not the original value? Surely the original value is still rateable?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Quite different arrangements apply to property which is vested in the Crown, Mr. Speaker, and the Crown is exempt from rates so I don't think that the question of an extension to what had formally been Crown property, in this case, the Naval Dockyard, would be treated in quite the same way as, for example, something like a hotel which had been in private ownership all the time.

HON J BOSSANO:

Mr Speaker, I really don't see what that has got to do with it. Surely, it is the law. Is the Hon Member then saying that the application of Development Aid relief from municipal rates in the case of GSL has been applied differently from what it is applied to any other development in Gibraltar?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, it hasn't been applied differently as far as I am aware.

HON J BOSSANO:

Can I come back to my original question and say, if in fact it was not Crown Property, if you have a private development which has got a net annual value and a certain amount of rates to pay, does the old rates on the building not continue to be paid and the relief is limited to the improved value of the property and to the additional rates? Is that not what the law says?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, not that I am aware of but, of course, the GSL property will be assessed for rates in due course and the Government's Valuation Officer will make an assessment.

HON J BOSSANO:

But isn't this supposed to have happened, Mr Speaker, on the 1st January, 1985, when it ceased to be MOD property?

MR SPEAKER:

A year after.

HON J BOSSANO:

It has to be assessed a year after it ceases to be Crown Property?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I don't say it has to be assessed, Mr Speaker, but the question is not, I think, directly relevant to GSL's eligibility for rate relief on the expenditure.

HON J BOSSANO:

Mr Speaker, when was the former Naval Dockyard included in the Valuation List, did it not happen when it ceased to be MOD Property?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I couldn't answer that question now, Mr Speaker, obviously we will have to look into that. Naturally, if there is any question of interpretation of the law which might arise here we will look into that as well.

MR SPEAKER:

Next question.

8.7.86

NO. 122 OF 1986

ORAL

THE HON J BOSSANO

Is any limit placed by Government on the amount that an employer can contribute to a pension fund for his employees in order to qualify as a deductible business expense?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir, there is no limit placed by Government on the amount that an employer can contribute to a pension fund for his employees in order to qualify for the deduction.

8.7.86

NO. 123 OF 1986

ORAL

THE HON J BOSSANO

Can Government state what is the latest estimate for income tax receipts in 1985/86?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, about £22.4m assuming the Hon Member means 1985/86 financial and not 1985/86 fiscal.

8.7.86

NO. 124 OF 1986

ORAL

THE HON J BOSSANO

Can Government state what is the projected yield from income tax on company profits in the current financial year?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir, the estimate for 1986/87 in respect of company tax is £2m.

8.7.86

NO. 125 OF 1986

ORAL

THE HON J BOSSANO

Can Government state how much income tax was paid on company profits in 1985/86 and how this figure compares with the amount paid in 1984/85?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the revised figure in respect of income tax on company profits in 1985/86 is £1.8m as compared with £2.1m for 1984/85.

8.7.86

NO. 126 OF 1986

ORAL

THE HON J BOSSANO

Can Government state what is the latest estimate for import duty receipts in 1985/86?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir, the yield from import duties for the financial year 1985/86 was about £8.5m.

8.7.86

NO. 127 OF 1986

ORAL

THE HON J BOSSANO

Can Government state what is the latest estimate for the Consolidated Fund Balance at 31st March, 1986?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

There are still a number of unquantifiable items which make it difficult to provide a reliable figure at this stage, Mr Speaker, but the indications are that the balance in the Consolidated Fund at 31st March, 1986, will be closer to £10m than £9m.

NO. 128 OF 1986

ORAL

THE HON J BOSSANO

Can Government state what was the public debt of Gibraltar on 31st March, 1986, and how this figure compares with the public debt five years previously?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the public debt figures for Gibraltar for the five years ending 31st March, 1986, are as follows:-

1982	£20.6m
1983	£22.5m
1984	£22.4m
1985	£28.9m
1986	£28.4m

As these figures indicate, there was a small reduction in public debt over the past two years and a further reduction to a figure of £27.5m is expected by the end of the current financial year. These reductions are not in themselves significant. What is significant is that Government debt as a percentage of total expenditure, which was 49% in the first year I quoted, and 46% in 1985/86, will fall to about 38% during the current financial year. These ratios compare very favourably with the United Kingdom and other developed nations let alone third world countries. The Government's scope for borrowing, while fully meeting the necessary financial and economic criteria, against the background of expansion in the economy, an increase in disposable incomes, and with improvements in debt management by the Treasury, has therefore increased.

8.7.86

NO. 129 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government state what is the total expenditure up to 1985/86 incurred by the Improvement and Development Fund under Head 101 - Housing, which remains to be amortised?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

The total expenditure which remains to be amortised is £7.9m, Mr Speaker. This figure includes the amount that will be amortised in 1985/86.

NO. 130 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government now state over what period of time the external cladding of the Tower Blocks is to be amortised and how much of it has already been charged to the Housing Special Fund?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, expenditure on the external cladding of the Tower Blocks is to be amortized over a 60-year period.

The total which has already been amortized inclusive of the 1985/86 charge is £34,253.

SUPPLEMENTARY TO QUESTION NO. 130 OF 1986

HON J L BALDACHINO:

Mr Speaker, wouldn't the Hon Member consider amortising instead of over a 60-year period bringing it more into line to what he has done with other amortization not of new buildings but, for example, painting, and bringing it more into line with those?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Hon Member and I have had many learned discussions on this very subject as I am sure the House will recall and I have in front of me the answer I gave, Question No. 80 of 1985, I think either then or an earlier occasions, in fact, I think then, I explained that there are different periods chosen for depreciation and painting, for example, of a building although it is regarded as a capital nature is amortised over ten years. Expenditure on lifts is amortised over twenty years which is not unreasonable and expenditure on remedial works would also be amortised over twenty years depending on a number of factors one of which would be the life of the building and how long it has already been in existence. As I said, there is nothing rigid about depreciation policy, Mr Speaker, it is a question of judging what life is appropriate for various assets in changing circumstances. I think the point about the Tower Blocks is that they are relatively new buildings, certainly built within the last fifteen or twenty years, I believe, and therefore it is not unreasonable to assume and it is of course only an assumption, that the remedial works which are quite substantial will extend the life of that building and therefore one has chosen a period of sixty years. In the case of a much older building on which remedial works were contemplated, it could very well be more appropriate to use a depreciation of twenty years depending on the state of the building. That, I think, I can only say is a general working rule, Mr Speaker, one would naturally have to change one's view in the light of circumstances and there is nothing rigid about depreciation policy because one has chosen the life of sixty years originally it is not in any way a confession of failure to change it, if

one found that buildings were rapidly decaying one clearly would have to accelerate depreciation for natural commonsense reasons.

HON J L BALDACHINO:

I have had a long explanation, Mr Speaker. Can the Hon Member answer then that even though he is amortising the cladding over a period of sixty years, that does not mean that the building will have an added life of sixty years to the existing one?

MR SPEAKER:

No, with respect, we are not going to debate, we are not going to go any further on this one. It is a matter of judgement in the light of circumstances and Government has decided that in these circumstances it is reasonable to amortise for a period of sixty years, maybe they are wrong but I don't think we can go any further. Next question.

NO. 131 OF 1986

ORAL

THE HON M A FEETHAM

Can Government state to what use is the £2.3m borrowed last year being put?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, in accordance with the provisions of Section 2(1) of the Loans Empowering (1984-1988) Ordinance, 1984, which provides the statutory authority for the borrowing, the funds were paid into the Consolidated Fund and used in aid of the general expenditure of the Government.

SUPPLEMENTARY TO QUESTION NO. 131 OF 1986

HON M A FEETHAM:

I am asking to what use is it being put? Are you saying that it has been put into the reserves, Mr Speaker?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think it is a pointless exercise to try to identify the particular purpose to which the funds are being put, Mr Speaker, as it would be, for example, if one were to try to identify the particular purpose for which revenue raised in direct or indirect taxation were used.

HON J BOSSANO:

Mr Speaker, has there been a surplus of income over expenditure in that financial year or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think the information about the last financial year, Mr Speaker, was provided in the approved estimates and in due course will be in the annual accounts and I think the Hon Member probably knows the answer.

HON M A FEETHAM:

Mr Speaker, what I am trying to get to is what is the logic of putting money into reserves which is not going to be put to use for anything. Why not put it into the Improvement and Development Fund so that one can look at socially acceptable projects?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Government is making a contribution in this financial year to the Improvement and Development Fund from general revenues.

HON J BOSSANO:

No, Mr Speaker, the Government is not doing that. Is it not the case that the Government has borrowed £2m this year and is using £1½m of the amount that they have borrowed for the Improvement and Development Fund so what is he talking about general revenues, or is he borrowing money now for general revenue?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't accept the implications in the Hon Gentleman's remarks at all. I think he has, if I may say so, a rather narrow view of how Government finances are run.

HON J BOSSANO:

Mr Speaker, is the Hon Member aware that the view that I am reflecting is the view held by every predecessor of his in this House and by him in his first year, that the innovation has been introduced by him in the last twelve months?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

So what, Mr Speaker? It may very well be in the view expressed by Sir Robert Walpole in the 18th century.

HON J BOSSANO:

Mr Speaker, would the Hon Member not agree with me that he would do well to emulate Sir Robert Walpole rather than have to defend as he is going to have to defend later on in this House what he is doing with the money he is borrowing from Indosuez?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am in fact emulating Sir Robert Walpole, Mr Speaker, because those of us with 'O' level English History will probably recall that it was Sir Robert Walpole who first introduced a Sinking Fund.

HON J BOSSANO:

Mr Speaker, did the Hon Member not say before that he had never in his life come across a situation where a Sinking Fund was

provided for a loan, in his contribution in the Budget debate, and did he not intimate, in fact, that he thinks that this is not something that he should follow in Gibraltar?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I did not say that I thought that this was something I ought not to follow in Gibraltar, Mr Speaker. I may have said that the establishment of a Sinking Fund is unusual in those economies and, I think I am referring mainly to the United Kingdom economy and, indeed, the US economy in present conditions.

HON J BOSSANO:

Mr Speaker, could I ask the Hon Member, returning to the original subject matter of the original question, whether it is in fact the case that the income for the year has indeed exceeded the expenditure and that consequently it must follow that the £2.3m borrowed has not been put to any use so far? Is that the case or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The income for the year has exceeded the estimates, I accept that entirely, Mr Speaker, and the reserves of the Government, that is to say, in the Consolidated Fund are, of course, placed to best advantage.

HON M A FEETHAM:

Mr Speaker, the Hon Member is saying, is he not, that the Government has now got a new policy of borrowing money to leave in reserve, can he confirm that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I don't think I have said that at all, Mr Speaker, much as the Hon Member undoubtedly would have liked me to have said it.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

Does Government intend to put into effect the European Community Fourth Directive 78/660 of July, 1978, on company law based on Article 54(3)(g) of the Treaty, on Annual Accounts of certain types of companies?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir, but only to the extent that the requirements of the Directive can be reasonably applied and enforced in Gibraltar having regard to the limited resources available and the need to ensure that Gibraltar continues to develop as an offshore centre.

SUPPLEMENTARY TO QUESTION NO. 132 OF 1986

HON M A FEETHAM:

Can the Hon Minister then give some indication of when this is likely to happen?

HON A J CANEPA:

It is not possible to say, Mr Speaker. Whilst work is already in hand on a general review of our companies legislation, what needs to be realised is that Gibraltar doesn't have the administrative machinery of a large country which many of the directives of the EEC pre-suppose and therefore whilst there is every wish to honour our obligations as a Member of the EEC, there are a number of very real constraints which prevent or militate against the automatic or the blind implementation of Community requirements.

HON M A FEETHAM:

Mr Speaker, is the Minister saying then that he has actually made some formal representations to Her Majesty's Government that implementation of this directive in its concluding form as directed by the EEC would be of some harm to Gibraltar's economy or financial centre aspirations?

HON A J CANEPA:

Yes, we have made it clear to the British Government that the automatic implementation of the directive would immediately stunt Gibraltar's development as a financial centre.

HON M A FEETHAM:

Could the Hon Minister inform the House of the reply of Her Majesty's Government?

HON A J CANEPA:

No, that I cannot do.

HON J BOSSANO:

Is the Minister then saying that having made the representations he can then simply not implement the directive and that is the end of the matter?

HON A J CANEPA:

No, of course, it is not the end of the matter. What is happening is that legislation is in draft and it will be the subject of consultation between the Gibraltar Government and the appropriate department of the British Government.

HON M A FEETHAM:

So I take it then that the actual implementation of the legislation in Gibraltar, the final responsibility, would be on the advice sought from Her Majesty's Government?

HON A J CANEPA:

No, the final position will be that the Gibraltar Government has certain realities, there are certain realities that it wishes to have recognised and we will press very hard to have recognition of those realities.

HON M A FEETHAM:

I am fully in agreement with the sentiments expressed by the Minister. All I am trying to get to, if the Minister would give a reply is, if at the end of the day the streamlining of the directive to suit Gibraltar's aspirations is, in fact, in conflict with the principles of the EEC directive, who would be finally responsible for its implementation in Gibraltar?

HON A J CANEPA:

We haven't reached the end of the day. I think we will be very reluctant to bring legislation to this House which runs against the interests of Gibraltar.

HON J BOSSANO:

Mr Speaker, if the British Government determines that it has no choice but to comply with this particular directive, what avenue is open to us here in Gibraltar to do anything about it?

HON A J CANEPA:

We haven't yet reached the stage where we are faced with a black or white situation.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Has Government accepted the resignation of the Director of Medical and Health Services?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, whilst the Government has accepted Dr Bacarese-Hamilton's resignation as Director of Medical and Health Services, he has agreed to make himself available during a review of the structure and organisation of the Medical Department Administration that the Government proposes to undertake.

SUPPLEMENTARY TO QUESTION NO. 133 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister explain why the Government has not accepted his resignation yet?

HON M K FEATHERSTONE:

Could you repeat that please, I cannot hear you?

HON MISS M I MONTEGRIFFO:

Has the Minister confirmed that the Government has actually accepted his resignation?

HON M K FEATHERSTONE:

Yes, it has been accepted.

HON MISS M I MONTEGRIFFO:

Can the Minister say when they intend to advertise the post, Mr Speaker?

HON M K FEATHERSTONE:

Dr Hamilton has intimated he is willing to stay on until about December so that there is no need to advertise until October at the earliest.

MR SPEAKER:

Next question.

THE HON R MOR

Can Government state what is the current level of notional gross earnings used in the 'bread-line formula' recently re-introduced by Government?

ANSWERTHE HON THE ATTORNEY-GENERAL

Yes, Sir, the current level of notional gross weekly earnings used in the bread-line formula is broken down into:

- (a) an element for living expenses equivalent to Supplementary Benefit consisting of £41.90 pw for a married couple or £24.25 pw for a single officer;
- (b) a hypothetical rent of basic Government accommodation (2 RKB) of £13.40 pw;
- (c) £7.31 pw in respect of the voluntary Social Insurance contributions (inclusive of Group Practice Medical Scheme) and
- (d) the hypothetical amount of income tax that would be payable to arrive at the total net income derived from these earnings.

The total gross notional weekly income therefore consists of £65.70 for a married couple and £49 for a single person.

8 7 86

NO. 135 OF 1986

ORAL

THE HON R MOR

Does Government accept that additional resources need to be provided to the Education Department to cope with GCSE examinations?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Ample additional funding has been made available to both Secondary Schools specifically for GCSE during 1986/87.

SUPPLEMENTARY TO QUESTION NO. 135 OF 1986

HON R MOR:

Mr Speaker, can the Hon Member give an indication of what amount he is referring to?

HON G MASCARENHAS:

Mr Speaker, over and above the very reasonable level of capitation allowances, an extra £10,032 and £9,600 has been available to Westside and Bayside respectively, specifically for books and equipment required for GCSE.

HON R MOR:

Mr Speaker, would the Hon Member say which mode is going to be accepted with the introduction of GCSE?

HON G MASCARENHAS:

Mr Speaker, it does not arise from the question.

MR SPEAKER:

Next question.

8 7 86

NO. 136 OF 1986

ORAL

THE HON R MOR

Can Government confirm that is it not their policy to encourage non-EEC nationals to take up teaching jobs in Gibraltar?

ANSWER

THE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Yes, Sir.

THE HON MISS M I MONTEGRIFFO

Is it still Government's intention to assist GASA in the construction of a swimming-pool at the Montagu Bathing site?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 137 OF 1986.

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister say whether they are going to financially assist them this year?

HON G MASCARENHAS:

No, Mr Speaker, the question 'Is it Government's intention to assist GASA?' and I have said yes.

HON MISS M I MONTEGRIFFO:

But how will the Government then assist GASA, Mr Speaker?

HON G MASCARENHAS:

Mr Speaker, I have no further information from GASA. The latest position is that they have made an application to the Development and Planning Commission for the construction of the swimming pool, that has been agreed to in principle, a technical matter is still to be resolved and the matter lies with the Director of Crown Lands. Once the application is agreed in toto then, I would imagine, that GASA will approach Government for financial help.

HON MISS M I MONTEGRIFFO:

So really, Mr Speaker, what the Minister is saying is that until GASA asks for the money it will not be forthcoming. When GASA do ask for the money Mr Speaker, will the Government actually provide the money?

HON G MASCARENHAS:

Mr Speaker, the Gibraltar Amateur Swimming Association themselves do not know what the cost of the swimming pool will be.

HON MISS M I MONTEGRIFFO:

Mr Speaker, the Minister hasn't really answered my question. What I have said is, if GASA were to come up and ask for the money would Government be in a position to assist them financially?

HON G MASCARENHAS:

Mr Speaker, it is a hypothetical question, the answer must be yes that we would like to help them as much as possible.

HON MISS M I MONTEGRIFFO:

Mr Speaker, the Minister cannot confirm whether they would actually help them financially, is that the case?

HON G MASCARENHAS:

Mr Speaker, there are no voted funds for this financial year for the construction of the swimming pool.

HON J C PEREZ:

Could the Hon Member confirm that it is in fact the Montagu Bathing site that we are still talking about?

HON G MASCARENHAS:

Yes.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Has Government had representations made by the Gibraltar Hockey Association for the requirement of an astro turf pitch?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Government has received no written direct representations from GHA as to their requirement for an artificial turf pitch (astro turf or any other trade name). Representations were made by a member of GHA to the Tourism Amenities Committee who have recommended to Government that an artificial turf pitch should be provided for hockey.

SUPPLEMENTARY TO QUESTION NO. 138 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister confirm whether the Government is committed to providing an artificial turf pitch to the Hockey Association?

HON G MASCARENHAS:

No, Mr Speaker, the Government is not committed, the Government has received many verbal representations from GHA but unfortunately the matter is very complex as to the type of artificial turf available on the market today. It is, as I say, a very complex matter, we still do not know because the different turfs available all over the world none of them appear to have been put in countries such as Spain, Greece, anywhere in the Mediterranean, so there is very little experience to go by and therefore the Government is investigating thoroughly what the best turf would be for Gibraltar which would suit our requirements best in respect of our weather, our usage, our usage here is far higher than anywhere else and we have to get it right. I have recently heard that in Portsmouth or one of the local Councils in the south of England has actually had to replace an artificial turf which cost them £350,000 of taxpayers money in three years. That is the position, it is a new concept altogether and we have got to get it right for Gibraltar.

HON MISS M I MONTEGRIFFO:

Mr Speaker, then the Minister is actually saying that the Government is committed to doing it?

HON G MASCARENHAS:

No, we are not committed, we are studying it.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

What is Government's policy in respect of legislation requiring the payment of compensation to those employees made redundant?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

The Government is committed by Community Law to introduce legislation to protect employees in the event of the insolvency of their employers. A preliminary draft Bill has already been prepared for this purpose and the Government hopes to be in a position to bring the Bill before the House after the summer recess.

The Government has not formulated a policy on the wider issue of introducing legislation for the payment of compensation to employees made redundant. Before doing so, it would wish to consider the recommendations of the Conditions of Employment Board which is the body which normally deals with such matters in the first instance.

NO. 140 OF 1986

ORAL

THE HON M A FEETHAM

What is Government's policy on the introduction of legislation establishing a national minimum wage?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

The question of introducing legislation for a national minimum wage was first raised at a meeting of the Regulation of Wages and Conditions of Employment Board held on 25 February, 1986. The matter was discussed in general terms and it was agreed that a further meeting should be held to discuss it again after members of the Board had had an opportunity to consult the organisations they represent.

SUPPLEMENTARY TO QUESTION NO. 140 OF 1986

HON M A FEETHAM:

What I am asking is has Government got a policy on this?

HON DR R G VALARINO:

Sir, the Government has not yet formulated a policy on the introduction of legislation establishing a national minimum wage, it is obviously still awaiting the recommendations of the Board.

MR SPEAKER:

Next question.

NO. 141 OF 1986

ORAL

THE HON M A FEETHAM

Can Government state whether Gibraltarians and other Community Nationals who are frontier workers are permitted to register as seeking employment on becoming unemployed in Gibraltar?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Gibraltarians and EEC Nationals who are frontier workers are permitted to register as seeking employment on becoming unemployed in Gibraltar. This does not apply to Spanish, Portuguese or Greek frontier workers who do not have the right to seek and take up employment in Gibraltar during the respective transitional periods agreed with the Community, ie 7 years in each case, dating from 1 January, 1981, in respect of Greek nationals and 1 January, 1986, in respect of Spanish and Portuguese nationals. Spanish, Portuguese and Greek unemployed frontier workers still have access to those vacancies which cannot be filled by 'residents of Gibraltar' (as defined in the Employment Ordinance) if they call at our Central Employment Exchange. These vacancies are communicated on a weekly basis to the Spanish Employment services in the Campo Area and offered to those persons who register there. Government has already decided that Moroccans who register in Gibraltar as seeking employment should be regarded as part of the local labour market for a period of up to 6 months.

SUPPLEMENTARY TO QUESTION NO. 141 OF 1986

HON M A FEETHAM:

Mr Speaker, as I understand it what the Minister is saying is that Spanish, Portuguese and Greek nationals who are frontier workers who have acquired a work permit during the seven year transitional period and become unemployed, haven't got the right to register as unemployed in Gibraltar having already worked in Gibraltar and having had a work permit to do so?

HON DR R G VALARINO:

Yes, Sir, this is essentially because once they become unemployed they are entitled to Unemployment Benefit from the country of residence.

HON J BOSSANO:

Mr Speaker, isn't that equally true of other EEC nationals who are

not subject to the seven year transitional period?

HON DR R G VALARINO:

Like which?

HON J BOSSANO:

Mr Speaker, is it not true that a Gibraltarian frontier worker under EEC Rules is entitled to Unemployment Benefit in Spain if he is resident in Spain?

HON DR R G VALARINO:

Yes, he is.

HON J BOSSANO:

Then, Mr Speaker, if both are in exactly the same situation why is it that the Minister has just given as the reason the fact that one is entitled to Unemployment Benefit implying the other one was not?

HON DR R G VALARINO:

I think you have to divorce both facts, one is a fact of being able to get Unemployment Benefit and the other one is a fact that you are able to register. We are allowing Gibraltarians and EEC nationals to register here in Gibraltar. I agree with the Hon Member that there are Gibraltarians who are residing on the other side but for reasons of, shall we say, benefit to the community in general, Gibraltarians are able to register here when they cease to be employed and other EEC nationals.

HON J BOSSANO:

Mr Speaker, can he say when did the Department start allowing other EEC nationals to register?

HON DR R G VALARINO:

As far as I can remember, Mr Speaker, this has come fairly late and I would have thought is a question of merely a couple of months.

HON J BOSSANO:

But is the Hon Member not aware that up to May the Department was refusing to register UK nationals who became unemployed and were resident in Spain?

HON DR R G VALARINO:

Yes, Sir.

HON J BOSSANO:

Can he say then, is it that they were doing it wrongly and the matter has now been corrected?

HON DR R G VALARINO:

No, Sir, the matter was not being done wrongly except that we thought we would make an exception in the case of Gibraltarians.

HON J BOSSANO:

Has the Hon Member not said that the reason why he is not allowing unemployed Spanish nationals to register as seeking work is because they are subject to a seven year transition period? If that is the case can he explain why he is not allowing unemployed Englishmen to register for work?

HON DR R G VALARINO:

I did that at the beginning, if I may repeat my original answer. Gibraltarians and EEC nationals who are frontier workers are permitted to register as seeking employment on becoming unemployed in Gibraltar.

HON J BOSSANO:

Therefore I am telling the Hon Member, when did he start doing that since up to the end of May, according to his Director, they were being refused?

HON DR R G VALARINO:

It was early June, Mr Speaker.

HON J BOSSANO:

I suppose by a process of natural deduction, Mr Speaker, Can he say then whether in May the Department was therefore wrongly depriving EEC nationals who are not subject to the seven year transition period from registering as seeking employment.

HON DR R G VALARINO:

No, Sir, the Department was not wrong in doing this except that we

have reconsidered the situation and we have taken a decision as to what Gibraltarians and EEC nationals should do when they cease to remain unemployed.

HON J BOSSANO:

Mr Speaker, is it not the case that Section 15 of the Employment Ordinance says that there shall be a Register kept in the Employment Exchange and that any person who has requested that his name shall be included on the Register shall be deemed to be able and willing to take up employment and that there is no indication there that the Department has got the right to refuse to include anybody because of a seven year transition period?

MR SPEAKER:

You don't have to answer that, you are being asked to interpret the law.

HON J BOSSANO:

Mr Speaker, can I then ask the Hon Member what authority he has under which law to refuse people a right that is apparently contained in Section 15 of the Employment Ordinance?

HON DR R G VALARINO:

We are talking about no laws here, Mr Speaker. To allow Spanish, Portuguese or Greek frontier workers to register would not serve any useful purpose and would only create problems of an administrative nature. The fact remains that until the expiration of the transitional period these workers have no right to seek or take employment in Gibraltar. It would be of no benefit to them to register in Gibraltar as, in accordance with the Employment Ordinance, they would still only have access to those vacancies which could not be filled by residents of Gibraltar.

HON J BOS SANO:

Mr Speaker, independent of the opinion of the Hon Member, can the Hon Member say under the authority of which law is he depriving people of a right apparently contained in Section 15 of the Employment Ordinance?

HON DR R G VALARINO:

Mr Speaker, this is obviously a question of law and I am afraid I cannot answer. I would have to ask further counsel from the Attorney-General's Chambers to reply to Mr Bossano.

HON J BOSSANO:

Mr Speaker, would the Hon Member not agree that however desirable or undesirable he may feel it is, if it is established that somebody who has been working in Gibraltar for a considerable time, for example, this week two people working a year and a half in Gibraltar having become unemployed have been refused the right to register seeking another job? Does the Hon Member think that that is conducive to good neighbourly relations?

HON DR R G VALARINO:

Mr Speaker, first of all, he has not mentioned the nationality of these two people.

HON J BOSSANO:

I would have thought it was quite obvious.

HON DR R G VALARINO:

I reiterate that the fact remains that until the expiration of the transitional period these workers have no right to seek or take up employment in Gibraltar and it would be of no benefit to them to register in Gibraltar in accordance with the Employment Ordinance and as a Gibraltarian I feel that my prime target is to make sure that Gibraltarians are working and I will do my utmost to make sure that it is to the Gibraltarians that I will turn and try to find as many jobs as possible and not to anybody else either in the neighbouring region or elsewhere. So my prime and my only consideration is Gibraltarians, whatever they cannot do then I will look for it elsewhere. If Mr Bossano is trying to push up the claim of our neighbours and trying to get in a Spanish landslide then it is up to him.

HON J BOSSANO:

Mr Speaker, I am not sure what kind of rebuff that deserves from the Hon Member. Can the Hon Member confirm that his Department granted 500 new work permits last year for new people, his Department, can he confirm that?

HON DR R G VALARINO:

Certainly, Mr Speaker, I will confirm that because those 500 new permits were unable to be filled by Gibraltarians. They were needed urgently especially in things like the building trade, the catering trade and things like that. We had no Gibraltarians and it was a matter of urgency to fill up these vacancies for the benefit of the economy of Gibraltar. If the Hon the Leader of the Opposition now wants not only to destroy the economy and have

an influx of Spaniards it is up to him.

MR SPEAKER:

Order. With respect, we have now got to the stage when we are not being informative, we are now going into matters of policy.

HON CHIEF MINISTER:

I have never seen the Leader of the Opposition so concerned for our neighbours before.

HON J BOSSANO:

The Hon and Learned the Chief Minister may have an attitude and I am at Question Time seeking information on policy from the Government, I am not here to make statements. If he wants we can have a debate on this issue and I can tell him where I stand on all the things that he is doing wrong in Gibraltar, including this. What I am asking the Hon Member is, is it not the policy of the Government that somebody who has worked for a certain amount of time in Gibraltar, given that he is issuing new permits to new people, should have an opportunity to seek employment since they have already been established here and worked here and contributed here? What is so unfair or unreasonable about that?

MR SPEAKER:

I think the answer has been given, the answer is no.

HON J BOSSANO:

Then, Mr Speaker, what I would like to ask the Government, will they look into, in view of the points that have been made, whether they are entitled under the Community obligations to continue to deprive people of this right that they appear to have in law and if they find that they are not entitled to deprive them will they correct it?

HON DR R G VALARINO:

Mr Speaker, I give the Hon the Leader of the Opposition that undertaking.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

Is Government satisfied that the figure of 46 frontier workers as shown in the October 1985 Employment Survey is an accurate reflection of the number of Gibraltarians living in Spain and working in Gibraltar?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Sir, I am not fully satisfied because the figures contained in the Employment Survey reports relate to employees only. They exclude employers and the self-employed. Although compulsory, the survey does not normally achieve a full count, nor is there any guarantee that all employers complete the relevant forms, providing all the details required on residential status. The figures nevertheless are useful in monitoring trends, even though they would tend to under-estimate the position.

SUPPLEMENTARY TO QUESTION NO. 142 OF 1986

HON. J L BALDACHINO:

I asked this question in the last House and the Hon Member said that if he found that he was not satisfied with the figures shown he would introduce other measures to try to monitor it. Is that still the position of the Government?

HON DR R G VALARINO:

Mr Speaker, no, Sir, we are in the process of trying to elicit more up-to-date figures on the number of frontier workers and, in fact, we are doing an exercise at the moment to try to see whether we can get clearer and more definite numbers of frontier workers than the figures produced by the Employment Survey Report. This is being done by the Department and not by the Statistics Office.

MR SPEAKER:

Next question.

NO. 143 OF 1986

ORAL

THE HON R MOR

Between 1955 and 1969, what was the total amount of:

- a. Spaniards' contributions to the Social Insurance Fund, and
- b. benefits paid to Spaniards?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, the answer is:-

- (a) £787,386.
- (b) £249,156.

8 7 86

NO. 144 OF 1986

ORAL

THE HON R MOR

What has been the total amount of pensions paid to Spaniards up to 30 June, 1986?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

The total amount paid to Spanish pensioners from 1 January to 30 June, 1986, was £3,101,184.

SUPPLEMENTARY TO QUESTION NO. 144 OF 1986

HON R MOR:

Mr Speaker, does this figure include the £55,000-odd that were stolen?

MR SPEAKER:

Next question.

NO. 145 OF 1986

ORAL

THE HON R MOR

What progress has been made in discussions with the British Government to obtain further aid from ODA to meet the cost of Spanish pensions beyond 1988?

ANSWERTHE HON THE CHIEF MINISTER

Sir, as stated in the Press Release issued by the Government on 23 December, 1985, British Government and Gibraltar Government officials will carry out a review which will form the basis of discussions between the two Governments as to how Spanish pensions should be funded beyond 1988. The terms of reference for this review are currently under discussion.

8 7 86

NO. 146 OF 1986

ORAL

THE HON R MOR

Have Government plans to paint or re-surface the playground at Bayside Comprehensive School?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

The school was painted last year. It is intended to resurface the playground this year.

NO. 147 OF 1986

ORAL

THE HON J C PEREZ

When does Government intend to commence works on the corridors of the Police Barracks now that funds for this purpose have been approved by the House?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Tenders for the repairs of the corridors at Scud Hill Police Barracks will be obtained next month and it is expected that the works will be completed by late September.

The repairs to the Castle Road Police Barracks are more complicated and it is considered that tenders should be sought later this year when the Public Works Department has assessed the outcome of the smaller project at Scud Hill.

SUPPLEMENTARY TO QUESTION NO. 147 OF 1986

HON J C PEREZ:

Has the Hon Member considered whether the Department was capable of carrying out the work itself prior to deciding to put the work out to tender?

HON MAJOR F J DELLIPIANI:

The work cannot be carried out by the Department and even if it could, if it had the resources to do it, we would prefer it to be a clinical job, a quick in and out job and not spread it out over a couple of months.

MR SPEAKER:

Next question.

8 7 86

NO. 145 OF 1986

ORAL

THE HON J. L. BALDACHINO

When does Government intend to put to tender the construction of the extra flats in Laguna Estate?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

The drawing and other design aspects are being prepared and tenders are programmed to be invited early in October 1986.

NO. 149 OF 1986

ORAL

THE HON J C PEREZ

Can Government state when they intend to commence Phase I of the Road Works Programme?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Phase I of the Road Works Programme commenced late May 1986 with the resurfacing of Tuckey's Lane. At present Library Street and part of Cannon Lane are being resurfaced.

SUPPLEMENTARY TO QUESTION NO. 149 OF 1986

HON J C PEREZ:

Mr Speaker, can the Hon Member explain why it is that the Department has decided to change the Programme that they originally had?

HON MAJOR F J DELLIPIANI:

Yes, Mr Speaker. For example, when I quoted Library Street there was a lot of work done in connection with Hadfield House and it is in a very bad state because of the heavy trucks used in the area so we have slightly changed the programme. If the Hon Member wishes I will send him the new phasing of the complete programme.

HON J C PEREZ:

Could the Hon Member explain when it is that they intend to start work on Main Street which was the first item to be undertaken under the original programme?

HON MAJOR F J DELLIPIANI:

Yes, Sir. That is one of the changes that we have done in the phasing, Main Street originally was in the first Phase. It has now become the second Phase and it is intended to start work around September. In September the peak period of the tourist season dies out slightly but at the moment it is almost impossible to do any work in Main Street.

HON J C PEREZ:

I can take it then, Mr Speaker, that if they are to go ahead with the resurfacing of Main Street that any plans for the paving and pedestrianisation of Main Street will not now proceed?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I don't think that the Gibraltar Government has the resources to do the proper pedestrianisation of the whole of Main Street at the moment. We are, however, studying a slight offshoot of Main Street where we could possibly experiment

but it is a very extensive programme and I think it is something for the future but we are trying to experiment with a small area around Main Street.

MR SPEAKER:

Next question.

NO. 150 OF 1986

ORAL

THE HON J C PEREZ

Has Government filled in all the posts of lifeguards for this year?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

There are 13 lifeguards in post at present out of a complement of 17. The remaining 4 will be employed next week.

However, Mr Speaker, since this answer was prepared, we had five applications for these four posts, two did not turn up for the interview, one was not trained but said he would like to be trained for next year and we were left with two. We will probably have to re-advertise again for the other two.

SUPPLEMENTARY TO QUESTION NO. 150 OF 1986

HON J C PEREZ:

Has the Hon Member found it necessary to have to train people to the standard required by the Department so that they would be able to qualify for the job?

HON MAJOR F J DELLIPIANI:

Yes, we have been persistently asked, I think, in the past, by the Hon Member opposite that our lifeguards should be trained to a certain standard. We are certainly not going to lower our standards. What we have said is that we are always prepared to train people who are not qualified and it is hoped, after the summer months, that we will recruit on a permanent basis ten lifeguards who we will be able to deploy to other duties. We will negotiate the conditions with the union where we could really have flexibility with these ten people who will have nothing to do during the winter months unless there is a certain amount of flexibility.

MR SPEAKER:

Next question.

NO. 151 OF 1986

ORAL

THE HON J C PEREZ

Can Government state what is the annual revenue derived from advertisements displayed around Gibraltar, the sole concession of which is held by one company?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

The annual revenue derived from these advertisements was as follows:-

1983/84	£514
1984/85	£620
1985/86	£646

However there is a second source of income ie revenue derived from advertisements on litter bins. The litter bins are provided and maintained by the company at its own cost. Annual revenue obtained from this source has been:-

1981/82	£ 77
1982/83	£215
1983/84	£ 30
1984/85	£180
1985/86	£240

SUPPLEMENTARY TO QUESTION NO. 151 OF 1986

HON J C PEREZ:

Mr Speaker, can the Hon Member explain whether this is a percentage of what the company actually charges its clients or whether it is a standard rate that is paid to the Government?

HON MAJOR F J DELLIPIANI:

Mr Speaker, that is a fair question to ask as a supplementary but, quite frankly, I haven't got the details. If the Hon Member will have patience with me or care to call at my office I will give him all the necessary information on both contracts.

HON J C PEREZ:

Mr Speaker, is the Hon Member in a position to state whether the concession that was granted at the time was restricted to certain areas or whether there is a body in the Government that needs to approve new areas for advertisements or whether the company has a free hand in deciding where it advertises?

HON MAJOR F J DELLIPIANI:

Mr Speaker, all advertising locations have to be approved by the Development and Planning Commission.

HON J C PEREZ:

Mr Speaker, is the Hon Member aware that from one sole advertisement by the Victoria Stadium facing the airfield which is something the company is going to start now, the company is charging one client £250 a month?

HON MAJOR F J DELLIPIANI:

No, Mr Speaker, I was not aware. The last time that the agreement was reviewed took effect on the 1st September, 1985. I don't know when the next review is but bearing in mind the figure that the Hon Member has supplied we will review in an upwards trend.

HON J C PEREZ:

Mr Speaker, does the Government feel that for the sake of deriving in revenue in 1985/86 following the Government's figures, £800 to £900, that we should put up with the fact that there are advertisements all around Gibraltar which is not necessarily a nice thing either for the citizens living here or for the tourists?

HON MAJOR F J DELLIPIANI:

Mr Speaker, the first part of the question has a logical explanation. The second part of the Hon Member's question is a question of opinion whether it is nice or not nice. On the first part, Mr Speaker, it is not only a question of revenue that the company provides. The company provides also and I don't know the figures, for so many advertising places that we are allowed to give him, he provides free directional signs, maps, etc, so apart from the revenue derived we get certain benefits in that he provides some very good directional advertising to our tourists.

HON J C PEREZ:

Mr Speaker, when the concession expires, will the Hon Member commit himself to put the concession out to proper tendering?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I think that when the concession expires I will not be sitting in this House so I cannot give such a commitment.

HON J C PEREZ:

Perhaps the Government can give a commitment on that?

HON MAJOR F J DELLIPIANI:

We cannot give a commitment because none of us might be sitting here.

MR SPEAKER:

Next question.

NO. 152 OF 1986

ORAL

THE HON M A FEETHAM

Can Government confirm that in order to be on the list of approved Government contractors the applicant is required to be in possession of the relevant trade licence?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Applications are referred to the Trade Licensing Authority for clearance before the submission is considered by the Public Works Department.

SUPPLEMENTARY TO QUESTION NO. 152 OF 1986

HON M A FEETHAM:

So the Government is confirming it?

MR SPEAKER:

Yes, he has said yes.

HON M A FEETHAM:

Can the Hon Minister then confirm that Dragados y Construcciones is on the list and has got a trade licence therefore?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I believe so, in fact, I am almost sure. I think what the Hon Member opposite doesn't realise is that Ministers do not sit on the Board which issues the licences so I can only talk from hearsay, quite reliable hearsay, but I haven't actually seen the list of traders because Ministers do not get involved in the selection of firms.

HON M A FEETHAM:

What I am asking the Hon Member is, is he aware since his Department approves contractors for Government contracts, is his Department aware whether Dragados y Construcciones have, in fact, got the relevant trade licence?

HON MAJOR F J DELLIPIANI:

Mr Speaker, following from the reply to Question No. 152, I think that what it said is that the thing is considered after clearance by the Trade Licensing Authority. However, I will check for the Hon Member whether this has been done, whether in fact Dragados y Construcciones have a licence. Will the Hon Member be satisfied with that?

HON M A FEETHAM:

Yes, I would be satisfied with that. Why I am asking, Mr

Speaker, is because I understand the licence was transferred to Dragados y Construcciones. Therefore can the Minister confirm that once a transfer of a licence has been made that the previous contractor on the list is therefore deleted from the Government approved list of contractors?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I will check on the question and give a proper reply to the Hon Member.

HON M A FEETHAM:

Whilst the Minister is doing that, could the Minister also check then that since I understand that Wilkie Construction transferred its licence to Rosemary Construction - I am only trying to seek information to put the matter up-to-date - whether in fact Wilkie Construction still remains on the Government list of approved contractors as published in the Gazette?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I will so do.

MR SPEAKER:

Next question.

NO. 153 OF 1986

ORAL

THE HON J C PEREZ

Can Government state how many contractors have been removed from the PWD approved list for failing to comply with the Fair Wages Clause?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

No instructions have been received from the Director of Labour and Social Security to remove any contractors from the approved list.

SUPPLEMENTARY TO QUESTION NO. 153 OF 1986

HON J C PEREZ:

Is the Hon Member aware that that was what the Director of Labour told the construction companies concerned in a letter to them last month?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I am not aware of any letter, what I am aware of is the information that I have been supplied by the Director of Labour and Social Security at this stage and this is the answer I have given the Hon Member.

HON J C PEREZ:

Can anyone in the Government give me an answer on that? Surely, someone should know what is happening.

HON CHIEF MINISTER:

The Director.

HON J C PEREZ:

But there is a Minister responsible over that Director.

HON CHIEF MINISTER:

The Hon Member must realise that Ministers cannot know the details without notice. He has answered the question in the terms of the reply given by the Director. Of course, if there is a letter it will be enquired into but you cannot expect just one Minister to be responsible for the details of all the Departments.

HON J C PEREZ:

To say that notice has not been given is not true. Notice was given of this question. If the Government by accident pass it to the wrong Minister it is not our fault because if it is the Director of Labour who is carrying out this then perhaps the question should have been passed on to Dr Valarino and not to Major Dellipiani.

HON MAJOR F J DELLIPIANI:

Mr Speaker, I think actually though the question might have to be prepared by the Director of Labour and Social Security it only concerns the Public Works Department no other Department because we are talking of the approved list for works that concerns the PWD so I think it was fair for me to answer the question. I am aware that the Director of Labour and Social Security is in correspondence with representatives of a particular firm which might have been required to be struck off and there are some legal arguments involved so the Director does not want to go ahead with the deletion of any company until the legal arguments have been cleared. That is the latest thing that I know about this but not because I have seen it but because I am in the building and I hear things.

MR SPEAKER:

Next question.

8 7 86

NO. 154 OF 1986

ORAL

THE HON' J E PILCHER

Can Government confirm that the current estimates of tourist expenditure in Gibraltar during 1985 is £25m?

ANSWER

THE HON THE MINISTER FOR TOURISM

Sir, the latest official estimates reveal that tourist expenditure for 1985 was in the order of £21m to £23m. The final estimates will be published in the Tourist Survey later this year.

THE HON. J. E. PILCHER

Can Government state whether they intend to continue with the Tourist Consultative Board and, if so, what will be its future function?

ANSWERTHE HON. THE MINISTER FOR TOURISM

Sir, it is Government's intention to continue with the Tourism Consultative Board and its functions will remain unchanged as constituted under the Pitaluga Report.

SUPPLEMENTARY TO QUESTION NO. 155 OF 1986

HON. J. E. PILCHER:

When, therefore, Mr Speaker, is going to be the next meeting of the Tourism Consultative Board which should meet regularly and hasn't, in fact, met for the past nine months at least?

HON. H. J. ZAMMITT:

That is not true, Mr Speaker, the Consultative Board met about six weeks ago.

HON. J. E. PILCHER:

Is it now the case that the Tourist Consultative Board will meet regularly, Mr Speaker?

HON. H. J. ZAMMITT:

We are endeavouring, Mr Speaker, to have more regular meetings of the Consultative Board.

HON. MISS M. I. MONTEGRIFFO:

Mr Speaker, can the Minister state what the Government policy is on the future of the Environment and the History and Heritage Committee and can he also explain to the House what are the problems members of both Committees have recently alleged publicly in relation to Government unwillingness to publish their Reports which were presented two years ago?

HON. H. J. ZAMMITT:

Mr Speaker, it is not part of the question and therefore I have to speak purely from memory and not from detailed information afforded by my Department. I understand that there is some resentment amongst the various Committees in the tourism set-up which we are trying to overcome. I think that the matter of making public the recommendations of all the Consultative Boards and all the other Committees will inevitably have to occur but until the Government has been able to analyse each individual item, evaluate it, cost it and see what it can or cannot do, I think it would be wrong to make it public without the Committee

members themselves knowing what the Government's attitude towards their recommendations might be.

HON MISS M I MONTEGRIFFO:

Mr Speaker, does the Minister accept their allegation as well that the sole purpose of the Government is to actually put out to tender private development without consulting Government created committees?

HON H J ZAMMITT:

I am sorry, I am afraid I didn't understand and it seems to be quite a delicate one, Sir.

HON MISS M I MONTEGRIFFO:

Does he accept their allegations that it was published in a local newspaper last week that the Government's sole purpose is to put out to tender private development without actually consulting Government created committees?

HON H J ZAMMITT:

I think the History and Heritage Committee which is quite vociferous would like more participation from the conservationist point of view, if that is what the Hon Member is referring to. They would like to have much more involvement as to the conservation aspect of Gibraltar but that is not really a matter for the Tourist Office, it is a matter for the Land Board, the Development and Planning Commission and Government as a whole.

MR SPEAKER:

Next question.

NO. 156 OF 1986

ORAL

THE HON J E PILCHER

Can Government state how many of the 19 items submitted by the Chamber of Commerce to the Minister for Tourism and which the Minister committed himself to do in the current financial year, have been commenced?

ANSWERTHE HON THE MINISTER FOR TOURISM

Sir, a substantial number of items of the recommendations submitted by the Chamber of Commerce have been or are in the process of being implemented. There are other items, on which no action has been taken, which are being studied by Government.

SUPPLEMENTARY TO QUESTION NO. 156 OF 1986

HON J E PILCHER:

Can the Minister enumerate which are those items that have been commenced?

HON H J ZAMMITT:

Mr Speaker, I have quite a long list here. I can of course read them out with your indulgence or if the Hon Member would like me to give him a copy of the supplementaries which I have.

HON J E PILCHER:

Perhaps he will put with that copy the copy of the recommendations of all the Tourist Boards which he promised me at the last House.

HON H J ZAMMITT:

I think the Hon Member has, without me giving him them, he has them already, Mr Speaker.

MR SPEAKER:

Next question.

NO. 157 OF 1986

ORAL

THE HON J C PEREZ

Will the Minister responsible for Traffic explain why legislation to allow the Motor Vehicle Test Centre to operate fully has not been brought to this meeting of the House?

ANSWERTHE HON THE ATTORNEY-GENERAL

I am responsible for legislation that is why I am answering the question.

The final draft of the Bill was received from Sir John Spry on the 25th June last. The bulk of the subsidiary legislation was received on the 1st July last. The draft of one set of regulations is still awaited.

The Government has not yet had the opportunity of considering these drafts.

As the major part of the legislation is now in Gibraltar there should be no problem in bringing the Bill to the House at the first meeting after the Summer recess.

SUPPLEMENTARY TO QUESTION NO. 157 OF 1986

HON J C PEREZ:

Mr Speaker, if you will allow me to, I did ask directly the Minister responsible for Traffic because it was he who committed himself that the legislation would be brought to this meeting of the House.

HON ATTORNEY-GENERAL:

Certainly he has done everything he can to push me and I have done everything I can to push the draftsman.

MR SPEAKER:

Next question.

8 7 86

NO. 158 OF 1986

ORAL

THE HON J ROSSANO

Has Government now taken a policy decision not to increase the number of taxi licences?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir. A decision will be taken once the agreement reached with the GTA expires in November.

NO. 159 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government state how many of its dwellings do not have running water?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

According to the census of Gibraltar 1981, there were 106 households without running water. Since then this figures has been significantly reduced. Between 20 and 25 installations have been or are being undertaken.

SUPPLEMENTARY TO QUESTION NO. 159 OF 1986

HON J L BALDACHINO:

Does Government intend to install running water in the remainder of the dwellings?

HON M K FEATHERSTONE:

Sir, the Department's policy is to help tenants in the installation of potable water. Consequently tenants who are prepared to carry out their own installation are provided with the necessary pipes, fittings, etc, free of charge.

MR SPEAKER:

Next question.

NO. 160 OF 1986

ORAL

THE HON J L BALDACHINO

Has Government now made up its mind on what measures it needs to introduce to monitor the reserve funds that landlords are required to set up under Part III of the Landlord and Tenant Ordinance?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

The monitoring system to be introduced is currently being prepared by the Housing Department in consultation with Treasury.

SUPPLEMENTARY TO QUESTION NO. 160 OF 1986

HON J L BALDACHINO:

Does the Hon Member have any idea when the Government will be in a position to introduce those measures?

HON M K FEATHERSTONE:

Sir, it is proposed to introduce a simple system, easy for landlords to operate and only requiring the minimum administrative resources. We hope that they will be ready by the autumn.

NO. 161 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government state how many dwellings of its housing stock are considered to be sub-standard?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

No Sir, this information is not available.

SUPPLEMENTARY TO QUESTION NO. 161 OF 1986

HON J L BALDACHINO:

Will Government introduce some sort of survey to find out how many of its housing stock is sub-standard?

HON M K FEATHERSTONE:

The Department of Environmental Health can look into this but to survey every building of Government property would be a lengthy and time consuming process and also considerably costly. I will, however, see that the most serious cases are brought to attention.

HON J BOSSANO:

A survey of the Government pre-war housing stock was conducted some time ago I think when the City Plan was published and it referred to it there. Does the Government not think that if one goes from that information that it is possible to draw an update on that?

HON M K FEATHERSTONE:

That is about ten years old, it is possible to do an update on it and I will see if something can be done.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

Can Government state if there are any unallocated post-war Government dwellings?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

There are two unallocated post-war dwellings. Both are retained by the Establishment Officer for the purpose of decanting two Government pensioners occupying Government Quarters.

SUPPLEMENTARY TO QUESTION NO. 162 OF 1986

HON J L BALDACHINO:

Mr Speaker, is the Hon Member saying that at least the two I know which are in the Tower Blocks which were made available to the workers doing the cladding have already been allocated or are those not included?

HON M K FEATHERSTONE:

I think those must be the two you are referring to.

HON J L BALDACHINO:

The two allocated at the Tower Blocks and as I understand it those two will be given as Government Quarters, is that correct?

HON M K FEATHERSTONE:

They are to decant Government pensioners who are at the moment living in Government Quarters.

MR SPEAKER:

Next question.

NO. 163 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government state: (a) how many applicants there are in the Housing Waiting List, and (b) a breakdown of the number of applicants in the various categories, ie 2 RKB, 3RKB, etc?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Yes, Sir, the answer is:-

Bedsitter	259
2RKB	405
3RKB	717
4RKB	566
5RKB	75
6RKB	4
TOTAL	<u>2026</u>

NO. 164 OF 1986

ORAL

THE HON J L BALDACHINO

Will Government consider placing outside the Housing Department a list with the names and points of successful applicants when allocated a Government dwelling under the pointage system?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir.

SUPPLEMENTARY TO QUESTION NO. 164 OF 1986

HON J L BALDACHINO:

Can we have the reason why not, Mr Speaker?

HON M K FEATHERSTONE:

It would be extremely difficult to implement such a system successfully as the ripples created by the application of the musical chairs system would only contribute to confuse the public. It is well known that the list with the first 50 applicants with the highest points in each category are posted outside the Housing Department.

HON J L BALDACHINO:

Surely everybody is entitled to know who has been allocated a house and with how many points. The musical chairs system, if I might add, does not come into it because all the musical chairs system is doing is bringing somebody out of a four-roomed flat and putting him in a bedsitter and that four-room flat will go to somebody under the pointage system, is that correct?

HON M K FEATHERSTONE:

It would be rather invidious to do it because if the person who is allocated a flat is not the top one of the list because, perhaps, the top one of the list has refused the flat, etc, questions will then come up: 'Why has the second one got it? Why has the third one got it? It would make a lot of confusion in the mind of the public and it is not thought conducive to the best operation of the system so to do.

HON J L BALDACHINO:

Will the Hon Member then be prepared to give me the list when a

dwelling is allocated under the pointage system as was previously offered to the Opposition in 1982?

HON M K FEATHERSTONE:

Yes, Sir.

MR SPEAKER:

Next question.

THE HON R MOR

Have Government reviewed the regulations on Rent Relief as applied to private tenants?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Yes, Sir. Regulation 7 of the Landlord and Tenant (Rent Relief) (Terms and Conditions) Regulations was amended in December, 1985.

Under Proviso (C) of this Regulations, tenants who have been living in premises before 1 January, 1984, are now eligible for Rent Relief.

Prior to this amendment the effective date was 23 April, 1959.

SUPPLEMENTARY TO QUESTION NO. 165 OF 1986

HON R MOR:

Mr Speaker, if the Hon Member will recall, we had a debate on rent relief as applied to private tenants in October, 1984, and the Government undertook to look into some of the points raised by the Opposition and if I can recall one point was that those tenants in furnished accommodation the Government was prepared to look at whether they could be allowed rent relief or not because under the present system they are not allowed?

HON M K FEATHERSTONE:

Yes, Sir, further consideration is being given to tenants living in furnished accommodation. This, however, is a more complicated matter but it is intended to amend the Regulations to allow rent relief assessed as if the premises have been left unfurnished to be introduced.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Can Government explain what is the reason for the continuation of the ban on meat imports from Spain?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Since the Government is physically unable to undertake the inspection and approval of all abattoirs and cutting premises for the supply of red meats, it must of necessity abide by the lists of approved establishments issued by the UK Ministry of Agriculture, Fisheries and Food under their Imported Food Regulations. These lists incorporate not only establishments inspected and approved in 'third countries' by the Ministry of Agriculture, Fisheries and Food inspectorate but also those approved by EC Member States in their respective countries for intra-Community trade.

Under the terms of the various EC Directives on the subject, Spain has approved its own list of establishments for intra-Community Trade. It is understood, however, that certain matters such as the types of animals to be slaughtered in some of the slaughterhouses listed etc are unclear and the Ministry of Agriculture, Fisheries and Food has, therefore, not yet been able to publish the appropriate I.F.R. list in respect of the Spanish approved establishments.

Since our own Imported Food Regulations run parallel to the UK legislation and for the reasons already given, we are unable to act on the Spanish list until the Ministry of Agriculture, Fisheries and Food has had all outstanding queries clarified and publishes the list with all the relevant information.

As stated previously in this House, Government is committed and anxious to initiate the necessary procedures to lift the current ban as soon as the Ministry of Agriculture, Fisheries and Food publishes the approved list in keeping with the Imported Food Regulations.

SUPPLEMENTARY TO QUESTION NO. 166 OF 1986

HON MISS M I MONTEGRIFFO:

But, Mr Speaker, on the 11 June the Ministry of Agriculture, in fact, lifted the ban on chicken and poultry, surely Gibraltar should have followed suit?

HON M K FEATHERSTONE:

We have investigated that report that appeared in the Chronicle the other day and we have no news of it.

HON J BOSSANO:

Mr Speaker, could I ask the Hon Member, is he then saying that when such a list of approved abattoirs materialises, any person

coming back with a quantity of meat for personal consumption will have to produce a certificate of origin of the abattoir before he is allowed in?

HON M K FEATHERSTONE:

From the information that we have got at the moment most of these abattoirs are in the north of Spain and it is very doubtful whether any meat for sale in the local markets around here will have been produced in those abattoirs.

HON J BOSSANO:

So that means that even after the list of abattoirs is produced the ban will continue?

HON M K FEATHERSTONE:

Yes, I would think so.

HON J BOSSANO:

Mr Speaker, is the Hon Member then going to require as part of any change to bring us into line with UK that the person would have to prove to the satisfaction of, presumably the Customs at the frontier, which abattoir the meat came from otherwise how can he refuse? If somebody alleges that he has bought a pound of beef from an abattoir in Barcelona what proof will the Government require before they let them in?

HON M K FEATHERSTONE:

I admit it is going to be very difficult to administer.

MR SPEAKER:

Next question.

NO. 167 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Is Government now in a position to state when they expect the ODA appointed team to arrive in Gibraltar to look into the staffing requirements of the Medical Services?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir, arrangements are being made by ODA with the Department of Health and Social Security for the appointment of the reviewers but as yet I am unable to give any details of their arrival in Gibraltar.

Subsequent to the working out of this reply, Sir, we have heard that they will be arriving on the 16th July.

SUPPLEMENTARY TO QUESTION NO. 167 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister say what the terms of reference of the team are, for example, who they are and where they are coming from?

HON M K FEATHERSTONE:

I don't know where they are coming from, I know the gentleman concerned is a Mr W Hill. His terms of reference will be to look into the situation in Gibraltar with regard to nursing staff and, in particular, to see how they can be incorporated into the UK system.

HON MISS M I MONTEGRIFFO:

Mr Speaker, does the Minister, in fact, accept that there is actually a shortage of nurses and that, in fact, he did tell the President of the Chamber of Commerce, as published in a local newspaper in April, that the only thing wrong with the Health Services in Gibraltar was that there was, in fact, a shortage of nurses?

HON M K FEATHERSTONE:

They will be looking into that as well, yes.

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister confirm that he did actually tell this to the President?

HON M K FEATHERSTONE:

Dr Bacarese-Hamilton saw this Mr Hill two or three weeks ago and made a certain number of suggestions to him but I am not appraised exactly what those suggestions were.

HON MISS M I MONTEGRIFFO:

Mr Speaker, the Minister hasn't answered my question. What I am saying is, can he confirm that what he told the President of the Chamber of Commerce as published in a local newspaper in April was, in fact, that the only thing wrong with the Health Services in Gibraltar was that there was a shortage of nurses?

HON M K FEATHERSTONE:

I think I couldn't have said the only thing wrong with the Health Services was the shortage of nurses. The situation is that the whole nursing staff needs to be put under review with regard to their gradings all the way down the line and this is one of the things that will be looked into.

HON MISS M I MONTEGRIFFO:

But, in fact, is the Minister then confirming that the statement in the paper is correct?

HON M K FEATHERSTONE:

There is a shortage of nurses but this is not the underlying reason for the visit. The visit is to look into the gradings of the nurses all the way down the line and to see how they can fit into the UK scheme so that the qualifications obtained in Gibraltar are acceptable to the EEC.

HON MISS M I MONTEGRIFFO:

Mr Speaker, what has happened since June last year when the Minister actually told me in the House that he could not agree that there was a shortage of nurses?

HON M K FEATHERSTONE:

There is a shortage of nurses according to the conditions appertaining

in the Department at the moment and this will be looked into, what the shortage is, what is the shortfall, how it can be remedied, that will be part of the brief of the person looking into the situation.

HON MISS M I MONTEGRIFFO:

So, in fact, Mr Speaker, the Minister is saying that since June last year he has changed his mind?

HON M K FEATHERSTONE:

No.

MR SPEAKER:

In other words, what I think the Minister is saying is that when this gentleman makes his report then it is time to decide whether the Minister was wrong or not.

HON MISS M I MONTEGRIFFO:

But, Mr Speaker, he is recognising now that there is a shortage of nurses and in June last year he said he could not agree to a shortage of nurses so he has changed his mind in a year. Can he explain what has happened to change his mind?

MR SPEAKER:

We will have to wait events and see whether that statement is correct or not.

HON J BOSSANO:

Mr Speaker, the team or the person that is coming, are they from any sort of specialised institution or organisation in UK like an evaluation unit in the Health Service or something like that who are the kind of people who do grading exercises in UK?

HON M K FEATHERSTONE:

That is what we have asked for, an expert in that field.

MR SPEAKER:

Next question.

8 7 86

NO. 168 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Has Government now had the views of the Consultant on whether there is a requirement for a Dietician?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Yes, Sir, and they are currently under consideration.

NO. 169 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Is it Government policy to use the KGV Mental Home to provide accommodation for homeless elderly people who are not mentally ill?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

It is not Government policy to use the KGV Mental Home to provide accommodation for homeless elderly people who are not mentally ill. However, there are at the moment a small number of cases which are being kept in KGV primarily for social reasons, but who have a history of mental illness.

SUPPLEMENTARY TO QUESTION NO. 169 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, if they have been certified mentally as sane shouldn't the Minister try and find them accommodation?

HON M K FEATHERSTONE:

These are social cases, you would have to find them accommodation in such an area that they would not be too far from the hospital so that they could come at least every day to be seen. We do have one or two cases at the moment where that is done. There are, at the moment, four people who are being kept in hospital and one who actually comes and goes.

HON J BOSSANO:

Mr Speaker, is the Minister aware that there is a particular case of an 89 year old person who apparently is there very much against his will purely because he is homeless? He has been found not to be ill in any respect and having been admitted originally under observation to see whether he was ill, it has since been established he is not ill. Does the Minister not agree that there is something very wrong if a person at that age who ought to be enjoying his old age in peace should be kept against his will in a place for people who are ill and who need treatment?

HON M K FEATHERSTONE:

Yes, I accept that there is one instance of a person who has been there a considerably long period of time. If one could find accommodation for him perhaps that should be done.

HON J BOSSANO:

Mr Speaker, is the Minister not aware that there is a particular case of an elderly gentleman who found himself deprived of his home because it was transferred to somebody else in his family and who, in fact, is being kept there for no reason other than if he were discharged which is what he wants to be, he would have nowhere to go to live? Does the Minister not agree that there is something very wrong in a system that keeps somebody in a Mental Home purely because it is better to have him in a Mental Home than to have him sleeping on the streets at 89 years of age? Would he not look into that matter using his other hat as Housing Minister to see whether he can help in this case?

HON M K FEATHERSTONE:

I will try and see if we can find accommodation for him.

HON CHIEF MINISTER:

The man cannot look after himself and all the difficulties arise out of that, the danger of causing fire and so on. The man is perfectly normal in many ways but it is rather dangerous to leave him on his own and I think the answer must be, perhaps, either Mount Alvernia or the Hospital Old Age Wing but otherwise it is very difficult. I have given a lot of hours to that case I can tell Hon Members.

MR SPEAKER:

Next question.

NO. 170 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Has Government now taken a policy decision on the introduction of a Prescriptions Only Medicines List?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir. The matter is still under consideration.

SUPPLEMENTARY TO QUESTION NO. 170 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, but surely the Government has known of the existence of this List for a number of years. Do they not consider that the safety of patients is a prime consideration in this matter?

HON M K FEATHERSTONE:

The Council of Ministers had looked at this at one time and they came to one decision but since then further facts have come up and the matter is being further considered.

HON MISS M I MONTEGRIFFO:

Mr Speaker, the Government recently published a press release on the dangers of aspirin for children, are they taking any steps to remove paediatric aspirins which are already in stock in Gibraltar?

HON M K FEATHERSTONE:

I think the matter has been inflated considerably out of its context. There have not been any cases, to my knowledge, of abuse of the present system.

HON MISS M I MONTEGRIFFO:

Mr Speaker, I am actually asking on the question of the paediatric aspirins from which we have had advice from UK that they shouldn't be given to children under 12 years old. Is the Government going to do anything about those paediatric aspirins which are already in stock in Gibraltar?

HON M K FEATHERSTONE:

I think the Pharmacists themselves use a modicum of discretion

when they are actually selling some of these items to people and ask who they are actually going to be intended for.

MR SPEAKER:

Next question.

8 7 86

NO. 171 OF 1986

ORAL

THE HON M A FEETHAM

Can Government state whether Bigib Ltd has now been granted a licence without quantitative restrictions to import fruit and vegetables from EEC countries?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

No licence has been granted to Bigib Ltd. The Trade Licensing Authority has lodged an appeal at the Supreme Court against the decision by the Stipendiary Magistrate.

THE HON J L BALDACHINO

Has Government now given further consideration to increasing the allocation of funds in the Improvement and Development Fund devoted to the construction of new public housing?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, the Government is currently evaluating the feasibility of carrying out a public housing project at the Engineer House site. The proposed project consists of 45 new housing units at an estimated cost of £1.12m. The provision of funds will be considered once the results of the feasibility study are available.

I should also point out that tenders for Phase I of the additional storey at Laguna Estate are expected to be invited by October. Phase I consists of 12 units.

I realise that the quantity of new housing currently being considered is far from what the Government considers ideal. As has been mentioned in this house on numerous occasions in the past, the refusal of ODA to provide funds has seriously curtailed our ability to build houses for rent. Nevertheless, given the clear financial constraints, the Government is making every attempt to provide additional housing where possible.

SUPPLEMENTARY TO QUESTION NO. 172 OF 1986

HON J BOSSANO:

Mr Speaker, isn't it the case that the Government has now borrowed money which, in fact, it was indicated at the Budget once they had got through their discussions with ODA they would reconsider allocating for the Improvement and Development Fund, for example, having borrowed £2m this year and having voted £1½m into the Improvement and Development Fund, what is holding back the Government from making available the other £½m?

HON A J CANEPA:

First of all, we haven't concluded our discussions with ODA on the Development Programme as I think is already evident and will become even more evident when I answer a question later on on the Order Paper. This feasibility study has not yet been put to Council of Ministers. The Drawing Office Public Works have been working on that, I am informed by the Minister for Public Works that they are now at a stage to put something up to me to discuss with me and then we will take it to Council of Ministers. If that is approved then the financial considerations or the provision of funds is a separate exercise but this is a scheme to provide very low cost housing, 45 units for £1.12m means that they can be constructed for slightly over £20,000 which is about half of what used to be the going price

at the time of the last Development Programme.

HON J L BALDACHINO:

Will the houses that are going to be built in Laguna Estate be more or less in the same order as the existing flats or will they have variations to the existing ones?

HON A J CANEPA:

The same size, essentially the same.

NO. 173 OF 1986

ORAL

THE HON J L BALDACHINO

When does Government intend to commence with the sale of Government flats in selected Estates to sitting tenants who have shown willingness to buy?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

The sale of Government flats to sitting tenants in selected Estates has already commenced.

Following the results of a questionnaire sent to the tenants of all the selected Estates, it has been decided to approach the sale in phases giving priority to those Estates which have produced the most promising response.

Consequently, last May the tenants of Rosia Dale were called to a meeting organised by the Home Ownership Unit of the Crown Lands Department.

As expected, although most of the tenants are generally in favour of the home ownership scheme, there are a number of points which require further discussion. These are related mainly to communal areas and the arrangements for their maintenance. There is also the question of the tenants who do not wish to purchase. This point has to be studied in greater detail.

On-going discussions are therefore being held by the Rosia Dale Purchasers Association and the Home Ownership Unit with a view to bringing the sale to a speedy conclusion.

Once this has been achieved it is intended to proceed systematically with the sale of the other selected estates.

SUPPLEMENTARY TO QUESTION NO. 173 OF 1986

HON J L BALDACHINO:

Mr Speaker, can the Hon Member say whether irrespective of what the delay is in time, the Government will respect the selling price stated initially.

HON A J CANEPA:

Mr Speaker, I have already given that undertaking provided delays are not caused by the purchasers. If the delay is due to government

inactivity, let us put it that way, then of course the Government would respect the selling prices. But if it were to be the other way round, which I doubt, because there are indications given that people are only too anxious to get on with it and purchase, but once it gets into the areas of legal technicalities we could get bogged down. But as a general principle the Government will respect the prices at the time of offer.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

What is the criteria used by Government to determine the percentage of the cost of any project allowed for development aid?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

The Development Aid Ordinance prescribes that the Minister responsible for economic development may attach such conditions as he thinks fit to a development aid licence including any condition as to the amount to be expended on the project that will qualify as capital expenditure for the purposes of the Ordinance.

Having said this, Mr Speaker, I would like to take this opportunity to inform the House that I invariably get sound advice from the Development Aid Advisory Committee both on the merits of a project and on the percentage that should be allowed as capital expenditure for the purposes of the licence.

The percentage allowed is a question of judgement, but projects which result in the creation of employment opportunities, major improvements to Gibraltar's economic infrastructure or add to a significant degree to the housing stock are normally treated more favourably.

NO. 175 OF 1986

ORAL

THE HON M A FEETHAM

Is it Government's policy to grant development aid licences in respect of projects after they have been completed?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

The Development Aid Ordinance does not provide for consideration of applications for development aid licences after the projects have been completed.

SUPPLEMENTARY TO QUESTION NO. 175 OF 1986

HON M A FEETHAM:

I take it what the Minister is saying, in fact, is that no aid is given after a project has been completed. Can the Minister explain why in respect of aid licence No.2 of 1986, in respect of Lloyds Bank was the licence for aid awarded on the 5th May when the project was supposed to be completed by the 31st March, 1986?

HON A J CANEPA:

That is the date on which the decision of the Minister responsible has been gazetted but that doesn't mean that an application will not have been received well before the project has been completed. It is a case of receiving an application which then has to be processed by various Departments, studies have to be made by officials as to the amount that qualifies for capital expenditure, a meeting of the Development Aid Advisory Committee has to be held, a decision taken, there could be an appeal against the decision and finally, the decision is gazetted but I have no doubt that an application for Lloyds Bank because I have a note here to the effect, as a supplementary, that no application has been entertained in respect of a completed project.

HON M A FEETHAM:

I understand the procedure, it is just that having looked at the Gazette which was published on the 2nd June, 1986, it says that the Minister responsible on the 5th May under Section 7 of the Ordinance granted a development aid licence, that was on the 5th May, and it was conditional that the project was completed by the 31st May, 1986, so the licence was being granted after the completion of the project. This is the impression it gives to me.

HON A J CANEPA:

But the application had been received well before. Apart from that, the application would have been received before, apart from that let me say that the Committee also has power to extend the completion date. If once a project has commenced it is realised for some reason or rather that it cannot be completed within that time schedule then they may ask for an extension of time and there have been numerous instances where an extension has been allowed. But the point I wish to establish is a project is commenced and completed, an application is received for a development aid licence subsequent to completion date then that application would not be entertained.

MR SPEAKER:

What has been explained to you is that there was an application within the required period which had to be considered but the relevant date is the date of the application not the date of the granting of the licence. Is that correct?

HON J C PEREZ:

Mr Speaker, if you will allow me. I think the Hon Member opposite said quite categorically that the Ordinance would not allow the grant of a development aid licence if the project has been completed.

HON A J CANEPA:

Let him not put words into my mouth, let me repeat the main answer that I gave. I said the Development Aid Ordinance does not provide for consideration of applications.

MR SPEAKER:

Next question.

NO. 176 OF 1986

ORAL

THE HON M A FEETHAM

Does Government intend to amend the Town Planning Ordinance to provide that public notice be given of every application for planning permission allowing a reasonable time for objections?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

As is now public knowledge the Commissioner of the Inquiry into the Casemates Wall collapse recommended, inter alia, that the Town Planning Ordinance should be amended to require public notice of all applications, with a right of objection and a right of appeal. This recommendation has been considered by the Government who favour it in principle. Accordingly, the Development and Planning Commission has set up a working party to study the whole question of public participation as it stands in UK today. The main purpose of the study is to consider the extent to which public participation can be introduced locally in the light of the experience gained in UK and local circumstances. It will also be necessary to consider the administrative support structure required to implement this recommendation.

NO. 177 OF 1986

ORAL

THE HON R MOR

Have Government received any proposals for restricting access to any part of Sandy Bay to clients of Both Worlds?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

No, Sir, as far as I am aware the Government has not received any such proposals.

SUPPLEMENTARY TO QUESTION NO. 177 OF 1986.

HON R MOR:

Mr Speaker, may I ask what would be the Government's position if such a request were to be made?

HON A J CANEPA:

That is a hypothetical question, Mr Speaker, I wouldn't like to answer a hypothetical question. I doubt it that such a request will be made, it is a public beach. The public have had a right of access to that beach since after the war when it was a firing range, I remember, and I think it would be very difficult to change that position.

MR SPEAKER:

Next question.

NO. 178 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government state if the White Rock Camp area will form part of the intended development of the Caravan site?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

The tender documents for the development of the Caravan Site do not include the White Rock Camp area.

However, one of the four outline proposals submitted in the first stage of selective tendering procedure envisaged the incorporation of the White Rock Camp into the development by rehousing the existing Government tenants in alternative accommodation. This alternative suggestion is still under consideration.

SUPPLEMENTARY TO QUESTION NO. 178 OF 1986

HON J L BALDACHINO:

Mr Speaker, by alternative accommodation I presume it will be around the Catalan Bay area, is that correct?

HON A J CANEPA:

I would imagine so, Mr Speaker, it would be very difficult to envisage that people whose homes are in Catalan Bay, certainly I doubt it they would be moved out of the Catalan Bay area against their volition. Some people have from time to time accepted offers of Government accommodation in town but to move them out of White Rock Camp in order to make that available for inclusion in a development if the offer of alternative accommodation were to be against the wishes of those concerned because it were to be in town, I think, it would be very difficult to enforce that but the matter is nothing more than a proposal and I have already had representations in any case, from the Village Council for the reservation of White Rock Camp for housing. I am in constant touch with them on the matter.

HON J E PILCHER:

Just for clarification, one of the developers is, in fact, offering alternative accommodation, only one of the four developers?

HON A J CANEPA:

Only one of the four developers.

HON J C PEREZ:

Mr Speaker, were the Government to opt for a developer that does not intend to rehouse the tenants of the White Rock Camp,

does not the Government feel that it is not right for a development to take off with the White Rock Camp there which is, in fact, an eyesore and perhaps against the overall tourist policy of the Government?

HON A J CANEPA:

White Rock Camp is at the moment earmarked for Government housing at some stage or other. Prior to there being any housing development at White Rock Camp there is the area below where some old houses were demolished there a couple of years ago which would be the next phase of housing development in Catalan Bay so White Rock Camp would only be a second phase. I accept the point that the Hon Member is making that to have a touristic orientated development with White Rock Camp in its present state would detract from that development but we are only at an outline planning stage with four developers. We haven't received any tenders, we have only received outline proposals and therefore we are at the stage of discussion.

MR SPEAKER:

Next question.

NO. 179 OF 1986

ORAL

THE HON M A FETHAM

Can Government state what is the position of the allocation of Rosia Bay site for Development?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

The position is that the only tender for the site received from Gibraltar Land Developments Limited and Marples International Limited in Joint Venture has not yet been awarded.

The reason for this is that the Development and Planning Commission is not fully satisfied with the proposals submitted nor with the subsequent revisions. The Commission is of the view that the scheme relies too heavily on residential use giving little value to the touristic potential of the site.

Accordingly, the Company has been informed that the residential element will not be allowed unless there is an assurance that the scheme will also include a hotel on the site.

The Commission also appreciates that the provision of a hotel and other touristic facilities will require a detailed market research and it has therefore agreed to grant the Company a 6 month option for the purpose of carrying out a feasibility study. The option expires on the 25th September, 1986, when the position will be reviewed in the light of the new proposals.

8 7 86

NO. 180 OF 1986

ORAL

THE HON M A FEETHAM

Can Government confirm that Princess Caroline's Battery has been allocated to a locally registered company without going out to tender?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Answered together with Question No. 181 of 1986.

THE HON J C PEREZ

In the light of the recent disclosure that Government is considering awarding a site at Princess Caroline's Battery for development, can it say whether it has estimated what the cost will be of providing electricity, water and drainage facilities?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Firstly, I can confirm that we have received an application for a direct allocation of a development site at Princess Caroline's Battery and that the application has been processed under Policy Recommendation No. 8 of the Report to the Chief Minister on the Tourist Industry that is to say, it has been treated as a project which would be beneficial to Gibraltar's tourist industry and which subject to certain conditions and safeguards, should not be made the subject of the normal tender procedures.

Accordingly the proposals were first considered by the Development and Planning Commission in March, 1985. The proposals, which consist of a mixed commercial development estimated at £4.6 million with emphasis on the touristic facilities required for the area, were considered acceptable on planning and architectural grounds, but required further investigation regarding the provision of services to the site.

The Independent Tender Board, which as the name implies is independent of Government influence, then considered the submission and recommended that the proposals were original and generally satisfied the criteria laid down for a direct allocation. Consequently they were of the opinion that a suspension of normal tender procedures was justified in principle, but also advised that more detailed information was required on the financial and technical aspects before finalising the allocation.

This recommendation was next considered by the Land Board, who decided to grant the development Company a period of 3 months in which to submit a detailed Feasibility Study on the technical, financial and economic viability of the scheme. The Company was therefore asked to submit the following information:-

- (a) the nature and scope of the project;
- (b) estimate of cost; methods of financing; and the expected return on the investment, cash flows, etc;
- (c) provision of services to the site and other infrastructural requirements - eg water and electricity supplies, drainage, road widening, parking facilities etc;
- (d) time schedules for commencement and completion;

(e) value of the land either by way of premium or rental.

The Company was also informed that if the above information was not submitted to the satisfaction of the Government, the latter would be at liberty to deal with the site as it may deem fit.

The Company submitted their Feasibility Study in November, 1985. This was considered in detail by the Land Board who directed the Financial and Development Secretary and Director of Crown Lands to clarify certain matters regarding the financial and infrastructural details. Several meetings have been held with the developers and at its last meeting of the 27th June, the Board advised that all matters had been resolved and recommended that the Company should be granted a Licence Agreement for a period of 3 years upon payment of £75,000 for the land and on an assurance that they would undertake to meet all costs of the services infrastructure estimated at about £½ million. This estimate has been prepared in consultation with the relevant Government Departments and consists of the following:-

(i)	Water supplies and Drainage	-	£350,000
(ii)	Electricity	-	£120,000
(iii)	Telephones	-	£ 31,649
			<u>£501,649</u>

Since the Licence Agreement would entitle the Company to a 150 year lease on completion of the development the approval of Gibraltar Council to the disposal of the land is now required under Section 75 of the Constitution.

SUPPLEMENTARY TO QUESTION NOS. 180 AND 181
OF 1986

HON M A FEETHAM:

Mr Speaker, we in the Opposition are not actually questioning the development, what we are questioning is the procedure. Do I take it then that Government has accepted that a major site that could go out for development within normal tender procedures which nobody else is aware that that site is available because I don't think that Government has made a policy statement to that effect, that in fact this should be - (a) directly allocated, and (b) can he name the company who made the original application?

HON A J CANEPA:

First of all, Mr Speaker, it is not the Government which has made any allocation as yet, it is not the Government. What the Government did was that it accepted a recommendation in the Pitaluga Report which allowed for the by-passing of the normal tender procedure, in other words, which allowed for a direct allocation

in respect of an original project of a tourist orientated nature. The difficulty, Mr Speaker, has been that over the years people may have a project which they submit to the Government, the Government prior to the acceptance of this recommendation of the Pitaluga Report would then invite tenders and in the process of tendering very often the company or the party that had the original idea lost out. There is a difference, I think, between a site which the Government already has earmarked for development about which it has got proposals, the Government itself may have proposals which have been submitted, let us say, by the Public Works Department, by the Drawing Office for approval by the Development and Planning Commission and where the Government has got proposals of its own it does not entertain a direct allocation but where there is a site which the Government has no proposals for, which it hasn't yet thought of developing and somebody comes along with a project which is original and of a tourist orientated nature, what the Government did in accepting the Pitaluga Report and there have been more than one instance already where a direct allocation has been made, what the Government has decided was to adopt the policy of not going out to tender and therefore allowing other people to take advantage of this original proposal and to allow, under certain conditions, that person or persons to be considered for a direct allocation. The matter has not gone to the Government yet, the matter will go to the Government when it is put before Gibraltar Council or, indeed, the project was of such a magnitude that even before Gibraltar Council considers the whole matter there is no reason why Council of Ministers collectively should not consider the matter because in Council of Ministers there are eight Ministers involved and not five as is the case with Gibraltar Council and the project is of a magnitude that all Ministers should be given an opportunity to air their views and not just the five who are members of Gibraltar Council. It is at that stage that the Government would be brought into it. First of all, the Development and Planning Commission has to consider the proposal on planning grounds. If it is not acceptable on planning ground there is no point in taking it any further because planning permission would not be given, that stage has been gone through. The Independent Tender Board then considered it, considered that it was original, tourist orientated and worthy of a direct allocation and so recommended. Then the Land Board, as an agency of the Government, has been the one to go through the negotiations and the detailed consideration of the project. It has recommended that they be given a three year licence upon payment of £75,000 and other conditions and those recommendations now have to be considered by the Government. That is the position.

HON M A FEETHAM:

I am fully aware of the position, Mr Speaker. What concerns us is that under the recommendations contained in the Pitaluga Report which the Minister has already read and which I will repeat said:

'Projects proposed to Government' which would be beneficial to Gibraltar's tourist industry should, subject to certain conditions and safeguards, not be made the subject of normal tender procedure'. Using that, you have waived the tender procedure. What we are questioning is the arbitrary manner in which somebody somewhere.....

HON A J CANEPA:

We have not yet waived the tender procedure. There has been a recommendation to Government that it should do so.

HON M A FEETHAM:

Obviously, if an application has been processed so far somebody has made the decision in Government that a direct allocation should be considered and, in fact, negotiations have taken place.

HON A J CANEPA:

The people that have made that decision are the Independent Tender Board who were set up by the Government when this policy recommendation in the Pitaluga Report was accepted. Those people have recommended that a direct allocation should be made.

HON M A FEETHAM:

Mr Speaker, isn't it correct to say that when the Pitaluga Report was accepted and when this particular recommendation was subject to much debate and discussion that, in fact, that recommendation was not envisaged for a major development of this magnitude and, indeed, that a major site for development should be the case of a direct allocation and, in fact, isn't it also against the public interest that that allocation should be made on the basis that it will be a licence of £75,000 for three years and a proposed lease for 150 years? What are we coming to? Are we giving away the lands of Gibraltar to anybody now?

HON A J CANEPA:

I don't know, Mr Speaker, of what magnitude projects were envisaged at the time. I don't think that the Pitaluga Report gave any indication. It could well be that Mr Pitaluga did not have a major project of this magnitude in mind, he may have had something more modest but I know that the Independent Tender Board has considered projects not of this magnitude but which involved considerable investment, for instance, the conversion of the restaurant at Devil's Tower Road, the former workers' hostel restaurant.

HON J BOSSANO:

Is there any connection between the people who bought that?

HON A J CANEPA:

No, no connection, not that I am aware of. If there is one I am not aware of it. I don't worry too much about people. I look at matters on their merits, I don't ask who is behind this always, sometimes one gets to know invariably but to be objective one should look at a proposal, make up your mind and then, having made up your mind, ask 'Who is behind it?' That is, I think, to be objective. Another one has been, I think, a proposal for a small hotel at a site adjacent to St Martin's School. Projects which are sizeable ones. I don't recall that there was any limit set in the Pitaluga Report but I do grant you that this is the kind of proposal that now, obviously, put the onus squarely on Government to decide is this the kind of thing that it wants?

HON M A FEETHAM:

That is what I am asking.

HON A J CANEPA:

Obviously the Government has got to decide, when the matter is now put before them it will have to decide.

HON M A FEETHAM:

It is not a matter of deciding. For public interest, Mr Speaker, what I am trying to air in this House is that we have got very strict conditions attached to tender procedures in order to avoid abusement, in order to avoid corruption, in order to avoid all sorts of things. I am not saying that there is, Mr Speaker, what I am saying is that it is done precisely so that nobody is subject to questioning at least that it is fair. If we have got that and we are now divorcing it under a Pitaluga Report recommendation which cuts across the very principles of tender procedures by direct allocation of major sites for development, isn't Government therefore, if this goes through and accepts this because one thing is, for example, a direct allocation at the airport where we had the Silk Cut Lounge set up and another one is something of this magnitude under the present conditions. It is a dangerous path to take because it puts into question the whole aspect of development in Gibraltar and I don't think the Government should set itself the power, that is what I am asking, to decide this sort of thing.

HON A J CANEPA:

I agree that it is a dangerous path, it is always fraught with all sorts of dangers. I think it is dangerous to have a Land Board constituted as it is in which three Ministers are involved but to my mind it is better to have a Land Board which at least considers

economic factors in awarding a tender and not the procedure that we had previously in the days when the Treasury Tender Board decided on allocations in respect of land when invariably they just went by the highest bidder. I think that that was terrible and at least the people who are members of the Land Board have to carry the can and you have to defend, as I do, from time to time in the House our decision. It is a very dangerous path and the abuse, corruption, what have you, is always.....

HON M A FEETHAM:

If the Minister will give way. I am not saying that there is corruption, what I am saying is that it could plant in people's mind that by being such a loose procedure it opens up to all sorts of abuse and, indeed, corruption, that is what I am saying.

HON A J CANEPA:

I fully subscribe to that. I have no doubt about the integrity of the people on the Independent Tender Board, let me say that I have no doubt whatsoever and I think it would be difficult to find people who in the community generally were held to be of similar standing. At least we politicians put ourselves in a firing line but they are people who don't have to do this sort of work if they don't want to and I think it is very laudable when people come forward to fulfil such a difficult task. I think what the Government has to ask itself is this, and perhaps we might even go back to Mr Pitaluga and ask him to think about it, it is this; the Pitaluga Report was produced and submitted at a time when the economic climate was different, at a time when the tourist industry was going through a very difficult time and in the same way as from time to time we have given incentives to encourage development, this was another incentive that was being given to encourage someone with an original proposal who was interested in development and the question is, therefore: 'Has the economic climate now changed in such a way that a site like Princess Caroline's Battery where the Government has been loathe to consider inviting tenders in the past because of the problems of the provision of the facilities, the infrastructure of the site has been of the magnitude that I have mentioned, the Government has been constrained in that perhaps otherwise it would have been coming forward itself. Has the climate therefore changed that it should reconsider? Is there a case for a cash limit to be set on projects that will be considered by the Independent Tender Board in the same way as there is a floor for projects to be considered for a development aid licence? These are considerations which I think as a result of the exchanges in the House today and I think we should be grateful to the Speaker for his leniency that he is allowing what is really a debate and not just a question and answer session, but I think we are doing our job here in the House in putting forward considerations which I think the Government must address itself to. I don't think that this is just a routine matter that can be dealt with lightly and, personally,

I am grateful that the matter has been raised in the House and I know that points have been put which my colleagues and I will have to think about and consider when the matter is put in front of us.

HON J C PEREZ:

Mr Speaker, taking on another aspect of the situation, is the Hon Member aware whether any Government Department has hinted at any stage that that site was available for development?

HON A J CANEPA:

As I recall, Mr. Speaker, I may be wrong on the date, I have asked this morning Crown Lands to check, I have been a member of the Development and Planning Commission since 1973 and usually I have a good memory about dates. Sometime in the last 1970's, purely internally as between Public Works and the Development and Planning Commission, the matter was posed, the matter was brought before the Development and Planning Commission whether it would wish to consider earmarking this site for development and I think that the matter was not taken any further because of the problem of providing water, electricity and other services to the site and therefore it was left at that. That is the only indication that I can recall in all the years of the matter having ever been broached.

HON J C PEREZ:

Is the Hon Member aware then that plans of the magazines of the site were made available to this particular company a few months before the opening of the frontier to consider developing the site?

HON A J CANEPA:

No, but what has been happening since the opening of the frontier and, indeed, just before, is that there are a lot of people now coming to Gibraltar expressing an interest in Princess Caroline's, in Parson's Lodge, in this or in that. They approach Government Departments, usually Crown Lands, they are then put in touch either with the Tourist Office, with the Drawing Office in Public Works and consultations and discussions take place and there what Government officials try to do is they try to be helpful, they try to encourage development, it could well have happened.

HON H J ZAMMITT:

Mr Speaker, may I intervene just one second to talk on the Pitaluga Report which Members opposite have mentioned. I think my colleague has very rightly put the position but I think we should not forget that there was not a price-tag to a given development and I think

It went back and it is historical in the sense that for very many years potential developers who express a desire to start something new in Gibraltar were not prepared to hold £XM here for six months or, may I say, even a year.....

MR SPEAKER:

With respect, I accept what you are trying to say and I will allow you to finish but you are beginning to debate now, you are not giving information. If the matter is important enough then it should be the subject matter of a motion but we must not debate because we have been at this question for 20 minutes.

HON H J ZAMMITT:

Mr Speaker, I am just trying to clarify the Pitaluga Report, Sir. There were people that did come here and were, if I can use the word, 'shyed' away because they were not prepared to wait for so long. But my colleague mentioned the site, he mentioned the one at St Martin's School. That went to tender and there were no tenders for it. If somebody would have arrived during the interval with a project worth £XM for the Command Education Centre as a novel idea I think Government would have done very well in having accepted that but, as I said and I think my colleague is right, there could well be a situation today because of the tremendous interest that is shown in Gibraltar in possible developments that the whole situation might well have to be reviewed.

HON J BOSSANO:

Can I ask for further clarification, the Minister mentioned £75,000 for a three year licence. Does that mean that they have now paid £75,000 and they have now got a licence for three years?

HON A J CANEPA:

No, that would not happen unless Gibraltar Council approved the allocation.

HON J BOSSANO:

Would they then be required to pay anything more for the 150 year lease after the three year licence?

HON A J CANEPA:

No, I don't think so.

HON J BOSSANO:

So effectively what we are talking about then is practically

giving away Princess Caroline's Battery for £75,000?

HON A J CANEPA:

This is the value that has been put on the site, probably the value is low because of the enormous difficulties with infrastructure.

HON J BOSSANO:

Mr Speaker, if we are talking about a situation where in the past there were no tenderers for a site because of the closed frontier and so forth and therefore it was very difficult to assess the market value in the absence of interest, how is the changed situation being replaced? In whose judgement is the site worth no more than £75,000?

HON A J CANEPA:

In the judgement of the valuers, the valuers in the Crown Lands Department.

HON J BOSSANO:

Was it the valuers in the Crown Lands Department, for example, who decided that Casemates was worth £110,000 and the Vineyard £100?

HON A J CANEPA:

No, in the case of Casemates that was the tender figure received. In the case of Vineyard the Government did indicate that because it wanted to see low price housing it was prepared to give the land away for next to nothing but I must reiterate that the valuers have ascribed this relatively low figure because they know that the cost of infrastructure is over £½m.

MR SPEAKER:

Next question.

THE HON J E PILCHER

Can Government state what proportion of the £6.6m granted to Gibraltar by ODA has been allocated to Tourism and for which specific projects?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, the overall sum offered by ODA as their contribution to the 1986/90 Development Programme is £6m. The allocations proposed by ODA are as follows:

Port Development	£3.2m
Main Seawater Pumping Station	£1.1m
Electricity Distribution to Dockyard	£1.0m
Consultancy on future power requirements	£0.1m
Unallocated Balance	£0.6m

As can be seen, no specific funds have been allocated to tourist developments. I would like to take this opportunity to inform the House that it is understood however that the ODA are prepared to consider other projects in lieu of any of these, so long as the project is of an infrastructural nature.

NO. 183 OF 1986

ORAL

THE HON J BOSSANO

Can Government state what decision has been taken by the ad hoc Committee on the future of the Garrison Library?

ANSWERTHE HON THE CHIEF MINISTER

The ad hoc Committee made the following recommendations:

- (1) the Garrison Library Committee's proposal that the Library and other properties should be transferred to the Gibraltar Government should be accepted;
- (2) the properties should be retained by the Government;
and
- (3) the Library Building and its contents should be vested in the Gibraltar Heritage Trust.

These recommendations were approved by the Government on 25 June, 1986.

SUPPLEMENTARY TO QUESTION NO. 183 OF 1986

HON J BOSSANO:

Mr Speaker, is there a timescale within which this is likely to happen?

HON CHIEF MINISTER:

I couldn't say but certainly one of the first requirements for the Government to take it over is the completion of the works and the handing over in a proper state and from my daily observation of the works opposite my Chambers, I can tell you that there is a lot of time to be taken in finishing those roofs and so on but there must be a time-scale related to that.

MR SPEAKER:

Next question.

NO. 184 OF 1986

ORAL

THE HON M A FEETHAM

Does Government consider that the amount of aid granted for the next 5-year Development Programme of £6m is fair and reasonable?

ANSWERTHE HON THE CHIEF MINISTER

The Government was naturally disappointed that Her Majesty's Government were unable to make available more than £6m by way of financial assistance for the next 5-year Development Programme but, indeed, my understanding is that it was given for the next four years though the proposals were for a 5-year Development Programme. Apart from the sum involved, there are a number of matters arising out of the offer, mainly as regards the projects identified by ODA as worthy of their assistance, which have still to be discussed with them as my Hon colleague has just mentioned but they have indicated that within those parameters there would be flexibility in the proposals and, indeed, I think I would like to take the opportunity of saying that when we took objection to proposals being made the answer was that this was proposed if priorities were more or less what our own Economist and the Economist of the ODA had identified. But so long as they are for infrastructural purposes I think we have a considerable amount of flexibility in respect of that.

SUPPLEMENTARY TO QUESTION NO. 184 OF 1986

HON M A FEETHAM:

I take it then, Mr Speaker, that the Government is not going back for more money and that the matter is now closed as was said in the House of Commons?

HON CHIEF MINISTER:

I don't know whether it was reflected in my colleagues answer but we have not yet responded to that offer for a number of reasons one of which is that we would like to respond to the whole offer which includes the £2.4m which is, in turn, linked to the balance of the £28m. The whole matter is now the subject of consideration before going back on the matter. I would not like to give an indication that we hope that we can get much more than the £6m for infrastructural aid but we have not reacted yet to that formally so that it is not closed.

HON J BOSSANO:

Mr Speaker, wasn't the Hon and Learned Chief Minister going to say something about the £2.4m, wasn't that the indication?

MR SPEAKER:

That would be on Question No. 187, I would imagine. Next question.

NO. 185 OF 1986

ORAL

THE HON J BOSSANO

Has Government received any proposals from Spanish interests for participation in GBC?

ANSWERTHE HON THE CHIEF MINISTER

No, Sir.

However, informal contacts have taken place between GBC and a Spanish Broadcasting firm into the possibility of GBC leasing their transmitters during those times when they are not in use.

Government has also been approached by another Spanish firm with a proposal to set up independent transmitting facilities in Gibraltar for broadcasting to the hinterland. Both these matters will be looked into, in consultation with GBC, by the Standing Committee which has recently been set up.

SUPPLEMENTARY TO QUESTION NO. 185 OF 1986

HON J BOSSANO:

Will the House have an opportunity to express its views on any decision on this matter before a decision is finalised?

HON CHIEF MINISTER:

Inevitably because it would require an amendment to the law.

MR SPEAKER:

Next question.

NO. 186 OF 1986ORALTHE HON J. BOSSANO

Can Government state when was it decided to convert the post of Secretary to the Board of GBC from part-time to full-time and whether it was consulted by the Board regarding the subsequent elimination of the post?

ANSWERTHE HON THE CHIEF MINISTER

This is a matter entirely for the Board of the Gibraltar Broadcasting Corporation which, as the Hon Member is aware, is an independent body. The Government was not consulted by the Board nor is there any reason why it should have been.

SUPPLEMENTARY TO QUESTION NO. 186 OF 1986

HON J BOSSANO:

Didn't the Hon and Learned the Chief Minister, in fact, announce in the House the original decision to appoint a Secretary on the basis that this was something the Government was supporting in order to strengthen the Board which then had too much work and needed to have independent assistance from the Corporation?

HON CHIEF MINISTER:

That is the case and I had to mention that in the House because the Gibraltar Broadcasting Corporation Ordinance provides that the Board has a right to appoint a Secretary, the rest is entirely a matter for them, it was in policing, if I may say so, the Ordinance in respect of that appointment that I made the statement.

HON J BOSSANO:

But surely, Mr Speaker, if it is of interest to the House and we are informed that the Board has decided to exercise its powers and appoint a part-time Secretary on the basis that there is a certain amount of work to be done there then if there are changes one shouldn't have to discover those changes by hearsay. Having been told of the original decision, one should be told surely that the Board had now decided that it doesn't need a Secretary after all or that it needs a full-time Secretary instead of a part-time Secretary. I don't see how it can be nothing to do with the Government and nothing to do with the House now and it was originally. Either it had nothing to do with us from the beginning or it still has something to do with us, surely, Mr Speaker?

HON CHIEF MINISTER:

I am sure the Hon Member has already got the Hansard there prepared to tell me what I said then, but speaking purely from memory, that was in response to a question and I said that there was power under the Ordinance and that is all, there was power. Under the general provision the Board is completely independent and I do not have to answer for them. In respect of that appointment I have to draw attention to the fact that they have represented that as they have power to appoint a Secretary they are going to do so under the Ordinance.

HON J BOSSANO:

Mr Speaker, isn't it the case that if a Secretary was appointed on a part-time basis originally and the House was so informed by the Hon and Learned Member and then the Secretary had the salary doubled because he moved from part-time to full-time, it is a matter which involves necessarily an additional cost which is reflected in the amount of money the Government provides and the House votes?

HON CHIEF MINISTER:

That will have to be taken into account when the Corporation approaches the Government about the subsidy.

HON J BOSSANO:

Mr Speaker, what I am talking about is not something that is due to happen in the future. I am saying, is it not the case that at some time in the past without the matter being reflected by the Government in this House, a decision was taken by the Board to increase the salary of that post from part-time to full-time, is that a fact or is it not a fact or is it that the Hon and Learned Member doesn't know?

HON CHIEF MINISTER:

Of course I know as much as I know from reading the papers and the fact that it led to some industrial trouble, I am not unaware of what happens in Gibraltar despite my other occupations. Certainly we have nothing to do with it. The other one I replied in the form that I did in order to draw attention to the fact that what they were doing was within the terms of the Ordinance. Within the wider terms of the Ordinance what they do they are answerable to themselves and, insofar as we are concerned in respect of subsidy, we might have something to say assuming, for example, that an increased subsidy contains a reference to increased salary for the full time Secretary. That is the only opportunity we have and we would not like to use the question

of the subsidy to try and have any control over the Corporation any more than we have any point in interfering with the Corporation's decision as to the kind of pension fund that they have given to their workers or to their staff, no more than they have referred these matters to us they have not referred this matter to us. If they had referred the matter to us because they felt they wanted our support we might have considered it or we might have said: 'This is a matter for you'. What we would have said if we had been asked and if we had given a reply is a different thing.

HON J BOSSANO:

I don't think the Hon and Learned Member is following the question that I am asking, Mr Speaker. There are two parts to the question and I am not asking him at the moment about the current decision of the Board to eliminate the post, I am talking about the previous decision of the Board to double the salary of the Secretary and increase his functions from part-time to full-time. Is the Hon and Learned Member then saying that the Board is free because they have got the right to appoint a Secretary having decided to appoint a part-time Secretary then decide to make it a full-time Secretary and simply pass the Government the bill without any explanation?

HON CHIEF MINISTER:

No, I am not saying that and let me say straightaway that what I did not know, and I say so quite candidly, what I did not know was that it was the intention to double the salary of the Secretary. All I had heard was of the appointment of a full-time person in lieu of the Secretary but I was not aware that that was the intention and that is what led to the problems in GBC. Quite candidly I can tell you I was not aware of that.

HON J BOSSANO:

If the Hon Member will give way because I am afraid he still doesn't understand. What I am saying and clearly he is not aware is, Mr Speaker, is it the case then that when this happened - I am not talking about what has happened currently or the controversy, I am talking about a year ago - when a year ago the Board decided to double the salary of the Secretary and to make the Secretary a full-timer the Hon Member is saying that he doesn't know that it happened a year ago and the Board has got the authority and the right to do that and simply pass the Bill to the Government without a word of explanation.

HON CHIEF MINISTER:

No, they do not pass the bill to the Government. They make a

submission for a subsidy on many things and they are looked at with as much scrutiny as submissions by Heads of Departments or Ministers in respect of their Departments though it is not a Department of Government. Insofar as the criteria applied by the Government in granting money is concerned, that goes through that scrutiny and therefore it is not a question of their coming for £10,000 more or anything like that. At the time of submission for the subsidy they make out a case of what their costs are and they make out what their expected revenue is and what they expect from the Government and let me tell you quite clearly that they never get what they expect to get.

MR SPEAKER:

Next question.

NO. 187 of 1986

ORAL

THE HON M A FEETHAM

Has Government now accepted that the amount of ODA funds provided to GSL over the £28m should be counted against the overall aid allocated to the Gibraltar Government?

ANSWERTHE HON THE CHIEF MINISTER

As the Hon Member will be aware, the amount which HMG offered to the Government as further financial assistance for GSL was £2.4m. This fell short of the amount which the Government, after very careful consideration, requested, by about £1m. We were assured by ODA that they would consider the request for assistance for GSL on its merits. It would appear from the response that, at any rate when the offer was made, they took a different view of the merits of the case from that taken by the Gibraltar Government.

That was the prepared answer but having regard to the remarks made about my making a further statement about this, I would like to say that we are still in very close and intense consultation about the response, generally, and in respect of the whole question of GSL. I had hoped and I have requested a response in order to be able to give a reply to the House today or tomorrow, so long as the House is sitting. Unfortunately the ODA has not found this possible and one of the reasons given for the delay in clearing up this matter which should have been cleared up long ago is that there has been a very vast change in the officials dealing with this matter some of whom are completely new and are taking longer to consider the various aspects of this rather complicated matter than would have been the case. But I have been assured that I would get a reply by the end of the week. As soon as the reply is received I will communicate the reply to the Leader of the Opposition. I cannot do more than have exhausted my efforts in trying to get an early reply to be able to make it public, whether it was good, bad or indifferent, I thought this was the place in which to make the reply public.

SUPPLEMENTARY TO QUESTION NO. 187 OF 1986

HON M A FEETHAM:

Mr Speaker, what the Hon and Learned Chief Minister is saying is that the Government have not accepted that this sum should, in fact, be paid out of the ODA aid allocated to the Gibraltar Government for development? The Government of Gibraltar have not accepted it should come out of that aid?

HON CHIEF MINISTER:

You cannot say that it has not accepted or accepted, we have been offered £6m for development and £2.4m for the yard. We haven't been offered £8.4m and you can use it the way you like. We made a case for £3.5m for the yard and we were given £2.4m, we made a case for £14m for the Development Programme and we got £6m. I think it complicates matters if you say that we accept it as part of the allocation. We need this money and more in order to cover quite a number of overruns which really are not the fault of the Government in respect of the expenditure.

HON M A FEETHAM:

What the Hon and Learned Chief Minister is saying is that insofar as Government policy is concerned the Government's priority is, in fact, that a certain amount of this money - we are talking about £2.4m- will be going to GSL?

HON CHIEF MINISTER:

We want more because more is needed.

HON M A FEETHAM:

The Government is saying that in their priority the money should be spent exactly as he has said today in the House, the priority is not elsewhere, that is what I am saying.

HON CHIEF MINISTER:

I don't think that they would give us the money for elsewhere.

HON J E PILCHER:

Could I clarify because I had a few questions this morning which were put back to this question. The Chief Minister said he will have a reply by the end of the week. A reply to what specific issues because I put the issue of the £28m, we are still £1.7m short of the £28m which was one of my supplementaries this morning. I also asked why was that being held back.

MR SPEAKER:

But that has nothing to do with the particular allocation we are talking about.

HON J E PILCHER:

This morning, Mr Speaker, in my supplementaries to the Hon

Financial and Development Secretary, I was told to wait because there would be a

MR SPEAKER:

All I am trying to bring to your notice is the fact that the £1.6m you are referring to has nothing to do with the £2.4m or the £6m from ODA.

HON J E PILCHER:

No, what is left of the £28m.

HON CHIEF MINISTER:

I think that it is a very good question and I am sorry that it has not come out clearly. Strictly speaking, as will be seen when I answer the last question in the Order Paper, what was being referred to this morning was the balance of the £28m, that is what has not yet been released and that is what is the subject of discussion with the United Kingdom together with but for other reasons of the £2.4m.

HON J BOSSANO:

Mr Speaker, as far as we are concerned there is a fundamental distinction between whether the Government gets the extra £2.4m or the extra £3.5m that they asked, that is their responsibility because, in fact, we both went to an election campaign in 1984 saying £28m was enough. What we want to know is if the Government has now not been given the remainder of the £28m, have they been given a reason for not being given the remainder?

HON CHIEF MINISTER:

Of course we were given a reason and that was made public at the time when there was the industrial problem. I released a copy of the letter I had received from the Governor I think at the Press Conference and it was made public. It is that letter that we are still fighting which is the balance of the £28m and we think that all the conditions of the agreement signed by the Secretary of State and the present conditions at the yard and so on make it indisputable that we are entitled to that money.

HON J BOSSANO:

Mr Speaker, on the question of the amount of extra money being part of the overall aid or not, I think the point that we are trying to elicit from the Government is, is it a valid analysis on our part to say that the amount of money the British Government

was prepared to give Gibraltar has been £6m because they had agreed to give £2.4m? This is the extent to which we are saying, have they accepted that one thing should be offset against the other or not? I think it is important to know if the Government is in a position because they know themselves or they may not know but it is important to know if that information is available whether the situation is that the British Government has said: 'I am only prepared to give you £6m because I have already agreed to give you £2.4m for the commercial dockyard' or whether, in fact, even if the £2.4m had not been there the position is still that they wouldn't give more than £6m?

HON CHIEF MINISTER:

It is a very good question to which I do not know the answer. They have not revealed at any stage either that or whether something else had anything to do with the overall amount committed from ODA funds for Gibraltar. We do not know.

MR SPEAKER:

Next question.

NO. 188 OF 1986

ORAL

THE HON J E PILCHER

What are the conditions of the loan given by the Gibraltar Government to Gibraltar Shiprepair Limited?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

The loan, of £¼m, has been made initially for a period of twelve months and will be interest free. The Government has told the Company it will give favourable consideration to renewal of the loan at the end of twelve months in the light of the company's financial circumstances at the time.

SUPPLEMENTARY TO QUESTION NO. 188 OF 1986

HON J E PILCHER:

Following from this morning, is the company really not entitled to that £¼m anyway because the refurbishment of the dockyard which overrun by £1.7m is an asset which belongs to the Gibraltar Government, should be paid by the Gibraltar Government and therefore what the Gibraltar Government should do is pay the £1.7m to the company.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon Member will be fully aware of a lot of considerations which prompted the Government to make its offer of financial assistance to GSL and as far as the capital expenditure is concerned I think I could refer him to what I said this morning about the expectations that this, indeed, the probability subject to what the Chief Minister has just said that this will form part of further assistance from ODA. We are talking, of course, about financing.

HON J E PILCHER:

Mr Speaker, the point I think was cleared up this morning with the intervention by the Attorney-General when he mentioned the two different aspects where the money could be spent and it was clear that the £1.7m had come out of the expenditure on assets which the Ordinance clearly specifies belongs or is the commitment of the Gibraltar Government and therefore, as was said this morning by the Hon Financial Secretary the £1.7m is an overrun on capital expenditure on assets that overrun is the commitment of the Gibraltar Government and not the commitment of the company irrespective that there is an agreement between the Gibraltar Government and the company for the company to actually contract out the work, that is an agreement between the Gibraltar

Government and the company which does not supercede what the Ordinance says, Mr Speaker.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker, but the question which the Hon Member asked was the conditions of the loan given by the Gibraltar Government to Gibraltar Shiprepair Limited and I think I have explained the circumstances of that particular loan. I am quite happy to go into detail about the loan and what it is intended to meet if he so wishes but I am not prepared to re-open the discussion we had this morning.

HON J E PILCHER:

I am not trying to re-open the discussion. The question really is why have the loan in the first place, why not just give the money to them which belongs to the company?

HON CHIEF MINISTER:

I would assure the Hon Member that we do not suck our finger.

HON J BOSSANO:

We have already discovered on a previous occasion the Hon Member didn't suck eggs and now we know that he doesn't suck fingers either, I am not sure what that has got to do with the loan, Mr Speaker. What we are trying to establish.....

HON CHIEF MINISTER:

Other people suck other things.

HON J BOSSANO:

We won't go into that aspect of it. Are we correct in understanding the Hon and Learned Attorney-General's answer to a supplementary this morning that, in fact, monies from the Gibraltar Shiprepair Fund can only be used for one of two things; either the purchase of shares in the company or the cost of the renovation of the yard? And if the answer to that is yes, then if there has been an overrun on the cost of the renovation of the yard, isn't that overrun the responsibility of the Government of Gibraltar who have to pay for it from the GSL Fund and not from the GSL shareholdings and if that is the case then surely the company, as an entity, is misusing company funds.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I wouldn't like to say that the Hon Member is out of order but we were asked a question about the conditions of the loan given by the Gibraltar Government to Gibraltar Shiprepair Limited and, of course, that loan does not form part of the Special Fund.

MR SPEAKER:

What you are being asked is whether the actual making of the loan was justified and to that extent the question is most certainly relevant.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, I am quite prepared to explain the circumstances of the loan but, of course, it was explained fully in press releases at the time. The figure of £¼m was related to what was at an early stage in the industrial negotiations or, as I say, the negotiations turned then to an industrial dispute, are intended to, broadly speaking, bridge a figure of about 2½% which was the offer and something like 5% with respect from the 1 January, 1986. The settlement reached was more of the order of 9%, I believe or thereabouts, and it was of course from the 1 June, 1986, rather than the 1 January. And of course it was made clear that this was to meet the immediate financial problems, the cash flow problems of the company in 1986 pending further consideration of the longer term future of Gibrepair by the consultants who have been appointed by the Government. The difference between 9% from the 1 June and 5% from the 1 January is very, very marginal, in fact, seven-twelfths (7/12ths) of 9% is about 5% so the eventual financial assistance made by the Government was consistent with what it had originally intended.

HON J E PILCHER:

Mr Speaker, I think we are going round in circles. Really this is a political question and this is the disadvantage of having a non-political person answering questions. The reality is that all that the Hon Financial and Development Secretary has said is, in fact, the magnanimity of the Government in giving GSL £¼m to pay for the pay rise and bring the company out of the financial difficulties, the Gibraltar Government coming to the rescue of the company and being seen publicly as coming to the rescue of the company when in the first place it is the Gibraltar Government that has caused the cash flow problem of the company by not paying the company £1.7m of extra money in the refurbishment programme. That is the question, Mr Speaker.

HON J BOSSANO:

Then have we misunderstood the answer? Mr Speaker, we are talking about the Gibraltar Shiprepair Limited Ordinance and the establishment of the fund under Section 6 of that Ordinance and the use for which that money can be put. Are we right in understanding the law and in understanding the answer from the Hon and Learned the Attorney-General that the £28m can only be used either to buy shares in the company or to pay for the renovation of the yard? And the answer is yes, it can only be used for one or the other. Our supplementary to that is, if the renovation of the yard costs more doesn't it follow that it is the responsibility of the Government and not the responsibility of the company because it doesn't come out of the shareholdings. If the answer to that is no, it is not the responsibility of the Government it is the responsibility of the company from the money obtained by the issue of shares, let us be told that because that seems to be in conflict with the law. Perhaps we have understood the law wrongly. Can we have a statement from the Government, which is it and then we don't have to be at cross purposes but if they are trying to mislead us then, of course, we will go round in circles all day.

HON CHIEF MINISTER:

I don't think there is any attempt on this side of anybody trying to mislead but I think Hon Members opposite are trying to confuse the issue in this matter, either to take away credit for having helped the yard or because we didn't help them enough. Of course, the strict legal view may be that but we say that the overrun on the capital is the responsibility of the British Government because further expenditure has been required which was not envisaged at the time the £28m were discussed. That is why we have asked for more money, that is why they have offered more money even though it is not what we have asked and there is a dispute there. The other thing, of course, insofar as the particular funds are concerned is that we have not in any case yet received the full £28m.

HON J BOSSANO:

Mr Speaker, I think there is an important situation in that, quite frankly, the way we are going to vote on this £250,000 is to a very large extent determined on our understanding of the justification, how right the Government is in providing that money or in not providing that money and this is what we are trying to establish and we are trying to seek information.

MR SPEAKER:

In fairness, you are not going to get the information you want.

The Government is taking a stand and the Opposition is taking a stand and there is no way that you are going to get answers which is going to prove them wrong or you right. In other words, you are trying to justify what you are saying by getting replies from Government. You are not getting the reply and you are not going to get it. It gets to the stage when one must draw the line somewhere.

HON J BOSSANO:

Mr Speaker, I think when the Hon and Learned Chief Minister gave us an answer just now he said that as far as the Gibraltar Government is concerned the responsibility for providing the money is the UK Government, we are not disputing that. Let us say we had the £28m here provided, our question to the Government is, is the £1.7m that they still haven't got part of the money that is used for buying shares or part of the money that is used for paying refurbishment? And the answer must be either one or the other, there is no two ways about it or they don't want to tell us. What is the mystery? Why can't we be told that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I understand the Hon Member's point. The £28m has been spent we are offered another £1.7m by ODA then quite clearly that is something which has to be paid into the GSL Special Fund and an amendment to the existing Ordinance would have to be made to provide for that particular contingency.

HON J BOSSANO:

Mr Speaker, when the money is used from the Fund, the Financial and Development Secretary gets £28m put into the Fund and he can use that money one of two ways either to buy shares in GSL or to pay for the refurbishment costs in respect of which he will not be issued with shares, that is what the law says and that is what the Hon and Learned Attorney-General told us this morning. We are asking him, from the missing money of the £28m, the balance, is that a balance of money that is intended for buying shares in the company or a balance of money that it intended for paying for refurbishment? Why can't we get a straight answer to that question?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If the Hon Member is referring to the £1.6m then my assumption is that that will be mostly money which is used for capital purposes but whether it is precisely Government-owned bits of the dockyard or capital equipment which is in the company ownership I am not absolutely certain but whatever happens it is quite clear

that as soon as that £1.6m has been released and spent and further money has to be spent with the aid one hopes of ODA funds then there would have to be an amendment to the Ordinance.

MR SPEAKER:

Next question.

NO. 189 OF 1986

ORAL

THE HON J E PILCHER

Can Government state when they intend to appoint the independent consultancy to look into the future of Gibrepair?

ANSWERTHE HON THE CHIEF MINISTER

Arrangements are at an advanced stage to appoint Price Waterhouse Management Consultants. It is expected that the Consultants will start work before the end of this month.

SUPPLEMENTARY TO QUESTION NO. 189 OF 1986

HON J BOSSANO:

Is the independent consultant amongst his terms of reference going to look at whether there was any mismanagement of the yard in 1985?

HON CHIEF MINISTER:

They will have to look at everything.

HON J BOSSANO:

And would that mean that the Government would have recourse to any possibility of taking action against the managing agents if any deficiencies were found?

HON CHIEF MINISTER:

That will have to wait the outcome of the Report.

HON J BOSSANO:

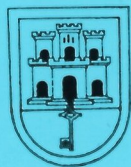
The possibility of taking action is not precluded by the management contract, is it?

HON CHIEF MINISTER:

Not at all and, in fact, the company has offered to cooperate fully in the consultancy.

GIBRALTAR

HOUSE OF ASSEMBLY



QUESTIONS AND ANSWERS

3RD NOVEMBER, 1986

190 TO 255

THE HON J L BALDACHINO

Mr Speaker, can Government state how much of the money spent in construction of new houses from the I&D Fund in the financial year 1981/82 has now been amortised in the Housing Special Fund and in what manner?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the total expenditure during 1981-82 on the construction of new houses was £2.6m of which ODA funded expenditure was £0.5m. The net amount to be amortized over sixty years was therefore £2.1m. Capital expenditure on new housing is written off over 60 years and the capital charges comprise equal annual amounts for depreciation plus interest at the JCF rate on the reducing balance at the end of each year. The capital charges up to the end of 1985-86 in respect of the 1981-82 expenditure amount in aggregate to £972,000.

SUPPLEMENTARY TO QUESTION NO. 190 OF 1986

HON J L BALDACHINO:

If I understand correctly the way it is done, Mr Speaker, is that this is borrowed money once Government borrows money for construction of new houses, is that correct? Is that the one that is amortised for the new buildings?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't think I can say for certain whether all of it was borrowed, Mr Speaker. The sources of Government finance for new housing would at that particular stage have been partly from local funds, partly from commercial borrowing together with any contribution which may have been made from the Consolidated Fund.

HON J BOSSANO:

Mr Speaker, hasn't the Hon Member or perhaps someone before him said previously in the House that, in fact, the interest charged to the Housing Fund was on the one hand the actual interest paid on the loan and on the other hand the Joint Consolidated Fund rate where the loan had been repaid, is it that there has been a change of policy in this respect?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon Member may be referring, Mr Speaker, to the previous old amortisation programme under which capital expenditure on housing was amortised on an annuity method over sixty years using a fixed interest rate of 3%. If the Hon Member recalls, this was revised in the 1985/86 Accounts, an adjustment was made for the amount undercharged to the Fund in respect of previous years when the change was made, that is to say, a change from an interest rate of 3% to an interest rate which represented the Joint Consolidated Fund rate for the year in question.

HON J BOSSANO:

Mr Speaker, when the charge was 3% was it 3% plus the actual interest paid or was it 3% in substitution of the actual interest paid?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The charge to the Housing Fund, Mr Speaker, under the old amortisation programme was 3%.

HON J BOSSANO:

Is the Hon Member then saying that when it was 3% the actual interest that was chargeable on a loan that was identified as having been used for housing was not charged, is that what he is saying?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think that is correct, Mr Speaker, in the sense that the Consolidated Fund would, of course, have borne the charges incurred on whatever loan was made to the Government by the bank or debentures.

HON J BOSSANO:

I am talking about the charge made to the Housing Fund and not to the Consolidated Fund. Can the Hon Member find out whether, in fact, in answer to similar questions in the past the House has, in fact, not been told that the 3% notional figure was charged in respect of amortisation whereas the interest charged was the actual interest payable on the loan which is identified as having been used for housing? Can the Hon Member say whether this in fact was the explanation given previously which is not the explanation he has given now?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am fairly confident, Mr Speaker, that the figure I have quoted, that is one of 3% under the old amortisation programme, was the

charge to the Housing Fund, without going into greater detail. I did explain this recently during the course of the 1985 Budget, I think it was. I think if the Hon Member would like to refresh his memory by looking at that he will see a full explanation. If there is anything which following his study on that particular passage he is still unclear about naturally I will be glad to advise him further.

HON J BOSSANO:

I am not asking the Hon Member to clear for me things I can understand, Mr Speaker, I am seeking information and the information that I am seeking is whether the Hon Member will go back and check which is the correct explanation, the one he has given now or the one we have been given previously in this House and the previous one, if my memory doesn't fail me and it doesn't very often, Mr Speaker, was that the 3% amortisation charge over the sixty years was in addition to the actual interest payable on the loan. I accept that the Hon Member says that there was an explanation when he changed from that system to the new one but in comparing the change what we are trying to establish, Mr Speaker, is whether the change is from what he is explaining now which is 3% to a Joint Consolidated Fund interest or 3% plus an interest charge to the Joint Consolidated Fund interest? I think what I would like the Hon Member is to perhaps pursue the matter and let me know the answer not necessarily in the House but which of the two is the correct explanation?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I would just like to place on record, Mr Speaker, that I have given the correct explanation to the Hon Member and I certainly don't wish to go through the various copies of Hansard which may reflect whatever my predecessors have said in the past but certainly I will consult my staff on the matter and see if any statement has been made in recent history to which they can refer me and then let the Hon Member know.

HON J L BALDACHINO:

Mr Speaker, is the Hon Member saying that if the Government were to borrow money now and charge it to the Housing Fund the only interest rate it could carry would be 3%?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I didn't say that, I said that the interest rate charged to the Fund used to be 3% and, of course, this was considerably less than the rate at which the Government was borrowing and therefore the charge to the Consolidated Fund, the whole point being that that represented a subsidy in terms of the differential between the interest rate on which the Government borrowed generally and the rate which was charged to the Fund.

HON J BOSSANO:

Mr Speaker, is the Hon Member then saying that the 3% amortisation charge was the only charge being made and that there was no other interest charge being made at the time, that is what the Hon Member is saying?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker, to the best of my knowledge 3% was the interest charged to the Fund and no other charge in respect of interest was made to the Fund. There would, of course, be the element of capital repayment. When I use the phrase capital charges, I mean, of course, interest plus depreciation.

HON J BOSSANO:

No, Mr Speaker, what does the Hon Member mean by interest plus depreciation? Is the situation that prior to the introduction of the system which he announced recently, the only charge being made to the Housing Fund was 3% or was in fact the Housing Fund being charged with an interest payment related to the cost of servicing the loan plus 3% which is the explanation we were told before?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Capital charges, Mr Speaker, as I explained in my answer, comprise two elements, one for depreciation which one can regard as repayment of capital and the other is interest. I don't think anything I have said could be construed as misleading the House on that particular point.

MR SPEAKER:

I think he has promised you an answer at a later stage.

HON J BOSSANO:

I am not sure that I am going to get the answer, Mr Speaker.

MR SPEAKER:

Well, once you get the answer then we can go into it further.

HON J BOSSANO:

I would like, Mr Speaker, to ask the Hon Member another question. Is the Hon Member then saying that there was a charge for depreciation of the property over sixty years independent of the 3% which is what he appears to have said just now, and if so, what was it? How was the property depreciated over sixty years?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As I feel sure the Hon Member will know, under the old amortisation programme expenditure on housing was amortised on an annuity method, that is to say, there are two elements, one is as with the repayment of a mortgage, for example. You repay the capital and you are charged interest on the reducing balance. There is a slight difference between that method, the annuity method, and what I might call the reducing balance method, not a great deal of difference but the major difference between the old amortisation programme and the current one is in respect of the interest rate charged. Formerly it was 3% and now the interest is at a rate which is the average of the Joint Consolidated Fund borrowing rate for the year.

HON J BOSSANO:

And what I am asking the Hon Member if he says that there are two elements is if the difference between the old system and the new one is that one was being charged 3% and the other one is being charged the Joint Consolidated Fund interest rate, what is the difference on the capital repayment side, shall we say. He said that one was depreciated on an annuity basis over a sixty year period, what is he doing now in that respect?

MR SPEAKER:

I think what you are being asked is what is the practical difference in pounds and pence between the previous method and the new method?

HON J BOSSANO:

Mr Speaker, I don't think he is correct in what he is saying in fact. What the Hon Member appears to be saying to me unless I got him wrong is that the Housing Fund is being charged with a cost which is made up of two elements, one is an interest charge and the other one is a capital repayment charge. He is saying that the system previously consisted of an interest charge of 3% which was artificial and too low and involved an element of hidden subsidy whereas the interest charge now is the Joint Consolidated Fund. I am asking what has happened on the capital repayment side, he has just given an explanation on what has happened on the interest side, the old and the new?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I take it the Hon Member is not then familiar with the principle on which an annuity is paid and it would perhaps take me rather a long time to explain this in great detail but the basic difference is that under the annuity method while the annual payments in total comprising the capital charge are equal, that is to say, constant throughout the period, the repayment element is smaller at the beginning of the loan than at the end of the loan because obviously

the interest rate varies proportionately. With the, what I might call, the reducing balance method, the depreciation charge is constant throughout the period of the loan and in this particular case we were talking about 1981/82 expenditure on Housing, it would have been approximately £35,000 on capital expenditure of just over £2m and the interest is charged at the new rate on the reducing balance, that is to say, the amount of the hypothetical loan outstanding at the end of the year, that is the basic difference.

MR SPEAKER:

We are now turning to economics.

HON J BOSSANO:

No, Mr Speaker, it is a question of information.

MR SPEAKER:

With respect, tell me what is the information you are seeking?

HON J BOSSANO:

The information that I want is how is the amount charged to the Housing Fund? If the Hon Member says that it is on the reducing balance how much is he reducing by every year, is he reducing it over a sixty-year period, over a thirty-year period, over how many years?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Each year by the amount of the depreciation charge which, as I have explained, in this particular instance would be £35,000.

HON J BOSSANO:

And that is what, Mr Speaker, over how long a period?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Over sixty years.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

Can Government state how much of the estimated receipts of £942,300 by 31st March, 1986, from the sale of Government properties has been spent and how much is committed to spending on construction of new Government housing?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the actual receipts in 1985/86 from the Sale of Government Properties were £846,000. The total spent on the construction of new housing during 1985/86 was £683,000.

SUPPLEMENTARY TO QUESTION NO. 191 OF 1986

HON J L BALDACHINO:

Mr Spcaker, the £683,000, was it only from the sale of Government dwellings or from the sale of old properties?

MR SPEAKER:

It was £846,000 that was received.

HON J L BALDACHINO:

The £683,000, Mr Speaker, is that amount of money only from what the Government has received from the sale of dwellings, like Shorthorn Estate, for example, or are other properties involved?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

This amount was the expenditure, Mr Speaker, £683,000 was spent on the construction of new housing. The actual receipts during 1985/86 from the sale of Government property were £846,000.

MR SPEAKER:

I think what you are being asked is, is the £683,000 the total amount spent on construction by Government this year or is that the amount spent from the £846,000?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The two are not directly related, Mr Speaker, there is a slightly technical point here. The receipts from the sale of Government property go into the Improvement and Development Fund, that is

to say, this is not hypothecated revenue, I apologise for that, that is a UK Treasury phrase, it is not hypothecated revenue as, for example, the revenue from Wireless licence sales would be but in this particular case it forms part of a fund of money which is available for capital purposes including housing, of course.

MR SPEAKER:

In other words, the £683,000 is the total amount spent on construction?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Spent on new housing, yes.

HON J L BALDACHINO:

So what the Hon Member is actually saying is that the £846,000 will not all be committed to housing, is that correct?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, it may be that £846,000 has not been spent in 1985/86; Mr Speaker, but this does not necessarily mean to say that the total of Government housing will always necessarily be below the amount raised from the sale of Government properties, I should be very surprised if it were.

HON J L BALDACHINO:

What I am asking, Mr Speaker, is will this money that the Government has received from the sale of property, will it all be committed to housing?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, the total amount of housing expenditure, Mr Speaker, looking at the estimates, is far in excess of the figure of £683,000 or £846,000. The actual timing of new housing development is, of course, another matter it naturally takes time to prepare all the necessary plans for such things.

HON J BOSSANO:

Mr Speaker, could I ask the Hon Member whether this money that is then spent on new construction of houses is charged to the Housing Fund over sixty years?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Money spent on new housing, Mr Speaker, would be amortised over sixty years.

MR SPEAKER:

Next question.

NO. 192 OF 1986

ORAL

THE HON J E PILCHER

Can Government state when and by whom have the calculations been made that for every £1 in tourist expenditure, Government receipts from all sources increases by 60p?

ANSWERTHE HON THE MINISTER FOR TOURISM

Sir, the Honourable Member of the Opposition has referred in his question to Government receipts. In fact the figures previously quoted by me have always referred to income, that is, National Income.

Both the Gibraltar Port Study Report, completed in January 1981 by PEIDA, and the Input and Output Study of Gibraltar completed in March 1981 by the Institute of Economic Research, University College of North Wales stated that for every additional £1000 in Tourism expenditure additional income to the value of £600 is generated (£644 in the Port Study; £571 in the Input and Output Study).

SUPPLEMENTARY TO QUESTION NO. 192 OF 1986

HON J E PILCHER:

So, in fact, Mr Speaker, for every £1 in tourist expenditure Government receipts from all sources does not increase 60p, that is what the Hon Minister is saying?

HON H J ZAMMITT:

Mr Speaker, what I am saying is that national income and what we have always said is national income, never Government receipts. We have never said that Government obtained 60p in every £1 or £1,000 or £600 in the case of pounds, we have never said that the Government receipts obtain it, we have said national income and this is highlighted, Mr Speaker, in paragraph 562 of the PEIDA Report which Members opposite have had now since November, 1984, which is very, very clear.

MR SPEAKER:

Please don't read it.

HON H J ZAMMITT:

I am not reading the paragraph, Mr Speaker, but I think it is

very important information. I am not reading the paragraph just one item here, Mr Speaker, which states: "It has been calculated that, for an increase in tourist expenditure of £1,000 an additional income of £644 would be generated and around twelve extra job opportunities created. Indeed, income and employment multipliers for tourism are higher than for any other form of economic activity in Gibraltar".

HON J E PILCHER:

Mr Speaker, I accept what the Hon Minister has said but I would like him to answer the question. Referring to his comments he did say in an interview on television with myself in a discussion programme, receipts, but notwithstanding that, could the Minister answer the question? The answer should be no, that kind of study has never been undertaken and for every £1 of tourist expenditure Government receipts do not add up to 60p.

MR SPEAKER:

With respect, you cannot expect the Minister to give you the answer you want. He is giving you an explanation but it may not be the answer you want.

HON J E PILCHER:

It is not a question of being the answer I want, Mr Speaker, with respect. I am asking, can Government state when and by whom the calculations have been made that for every £1 in tourist expenditure.....

MR SPEAKER:

And he has given you the source of that statement. If your interpretation of that source is different to his that is another matter.

HON J BOSSANO:

Mr Speaker, are we correct in deducing from the answer of the Hon Member that what he said on television was a mistake and that he doesn't know how much Government receipts go up by?

HON H J ZAMMITT:

Mr Speaker, I refute that I said on television that Government receipts, I refute that strongly, I have a video of that.

HON J BOSSANO:

You said Government income.

HON H J ZAMMITT:

No, Sir, I never said Government income, I said generates, I used the word generates. For every £1 of tourist expenditure Gibraltar generates 60p.

HON J BOSSANO:

The other point, Mr Speaker, is the Hon Member is referring to the PEIDA Study of 1984 and previous studies. Is he saying that the experience of the Government subsequent to the increase that there has been in tourist expenditure is that, in fact, the multiplier effect is 60% and that they generate twelve jobs for every £1,000 or has PEIDA been proved wrong by events?

HON H J ZAMMITT:

I think the Hon the Leader of the Opposition is very right in asking that question because this was based in 1981 and it is based on tourism that occupied beds in Gibraltar. I think the formula on the base for excursionists is bound to be very, very much lower than the spread that tourists staying on a ten or fourteen day period in Gibraltar would generate but I am afraid, Mr Speaker, that we have not as yet been able to work that out. There are rough calculations but I would not like to say what they are, they are very much a fraction of this but we have not as yet been able to really go down to a full study into what the excursionists tourist renders the economy of Gibraltar generally.

HON J E PILCHER:

So, in fact, Mr Speaker, what the Hon Minister is saying is that out of the 7.8 million excursionists they do not generate 60p for every £1 of expenditure?

HON J E PILCHER:

What I am saying, of course, is that, Mr Speaker, I am just repeating what the Hon Member has said. Obviously what we do know is that certainly the 3 million excursionists that we have had crossing the frontier over a period has inflated tourism income from something like £12m to £22m or £23m.

MR SPEAKER:

Next question.

NO. 193 OF 1986

ORAL

THE HON J BOSSANO

Can Government confirm whether the commercial dockyard buildings should have been included in the Valuation List when they passed from the ownership of MOD on 1st January, 1985?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as I have explained in correspondence with the Hon Member the dockyard buildings and structures were not included in the 1984-85 and 1985-86 Valuation Lists for the following reasons:-

- (1) almost all buildings and structures were in a state of obsolescence and subject to physical redevelopment; in accordance with normal rating practice they would not have been included.
- (2) the commercial yard was not fully in operation and, in the professional judgement of the Government Valuation Officer, the buildings and structures not therefore in beneficial occupation.

SUPPLEMENTARY TO QUESTION NO. 193 OF 1986

HON J BOSSANO:

Mr Speaker, isn't it a requirement of the Public Health Ordinance that every hereditament must be included in the Valuation List independent of whether rates are charged or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not aware of that, Mr Speaker, but I think, as far as I know the law allows the Government Valuation Officer some discretion in deciding what should be included. Certainly I can think of other cases where buildings which are subject to redevelopment have not been included in the Rating List for the obvious reason that he would not be able to provide a net annual value.

HON J BOSSANO:

Mr Speaker, isn't it the case that the provisions of the exemption from increased rates applies to the improvement in the building brought about by expenditure which qualifies for development aid and not to the original value of the building and that in corres-

pondence the Hon Member has said that it is possible that a sum considered small by him may have been lost in rates but that that is not considered sufficiently important to have it included in the Valuation List?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I would confirm what the Hon Member said in the first part of his supplementary question, that is to say, that if a building is in beneficial occupation and subject to some redevelopment this does not mean that the original part of the annual value unenhanced by the redevelopment should not be included, yes, I would agree with that. I think in the case of the dockyard it would have been extremely difficult for the Valuation Officer, or indeed anybody else, to put a figure, if this is certainly his professional opinion it would have been very difficult for him to put a figure on the value of the yard for rating purposes in 1984/85. He did, of course, produce an estimate with the benefit of hindsight when the development to the yard was more or less complete. It would not, in his view, have been possible to make such an estimate earlier in 1984/85 because the information would not have been available simply because the programme of redevelopment was extensive and it would have been impossible to say which buildings were or would be in beneficial ownership throughout or only for a part of the time and so on. The dockyard was rather an extraordinary event in terms of rating.

HON J BOSSANO:

Mr Speaker, can the Hon Member confirm that, in fact, the information that he gave the House in answer to a previous question on this subject that it was because it has previously been Crown Property that it has not been included is, in fact, an incorrect answer?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker, I think that was, with the benefit of hindsight on my part, not the correct answer. As is so often in this House, I was taken a little bit by surprise by one of the Hon Member's questions and although I don't normally indulge in this practice, I may very well have said the first thing that came to my head.

HON J BOSSANO:

Can the Hon Member confirm that, in fact, a great deal of the refurbishment of buildings was carried out in 1984 and can the Hon Member say whether, in fact, in January, 1985, there was an

inspection of the buildings in the Dockyard to establish to what extent they were already in beneficial occupation given that some 400 people were working in the place?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I cannot say from knowledge, Mr Speaker, whether there was an inspection of the premises earlier in 1985, presumably by the Valuation Officer, that is as I understand it correctly, for that particular purpose. If he wishes I will enquire.

HON J BOSSANO:

Would the Hon Member not agree that if the explanation for not including the buildings in the Valuation List was that they were not in beneficial occupation and therefore could not be identified, that it is important to know when this was done and when that conclusion was reached?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think there are two aspects, one is the physical redevelopment, it may very well be that as a result of a visit early in 1985, but I would have to confirm whether there was such a visit, the Valuation Officer came to the conclusion that it was impossible for him to assign a value because the physical development was under way and so far as he was concerned all buildings were in a state of redevelopment, he would not be able to assign an NAV. I should point out that had he assigned an NAV which could well have been challenged in the Courts, of course, he would have been on shaky ground and naturally he prefers to be on fairly certain ground when he makes his assessments. The other aspect is, of course, that view of beneficial occupation which, as I have acknowledged, is a matter of judgement. It could be said that until late in 1985 the yard was not fully in beneficial occupation.

HON J BOSSANO:

Mr Speaker, then can the Hon Member say when it was actually included? If he thinks it could be said that late in 1985 it was in beneficial occupation is he saying that it was included late in 1985?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, as far as the inclusion of the yard in the Valuation List, this will take effect from the 1st April this year.

MR SPEAKER:

This coming year or from the 1st April?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

From the 1st April, yes, it is possible, Mr Speaker, to review a property, so I understand, during the current year in the light of new developments and assign an NAV at the beginning of the current year. I am assured by the Government Valuation Officer that he has that power and so it will be from the 1st April, 1986, that an NAV is ascribed and I gather that he is in fact at present making enquiries and there have been a certain amount of discussion between himself and the company on that point.

HON J BOSSANO:

So the position is that it is not yet included in the Valuation List, is that it, currently at the moment?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It is not in the current List at the moment, no, Sir.

HON J BOSSANO:

Can the Hon and Learned Attorney-General say whether, in fact, the Public Health Ordinance requires all hereditaments to be included in the Valuation List or not?

HON ATTORNEY-GENERAL:

I couldn't say that off the cuff, Mr Speaker, I do apologise. I will try and find out later on in this meeting.

MR SPEAKER:

Next question.

NO. 194 OF 1986

ORAL

THE HON J BOSSANO

Can Government explain what requirements have to be met by prospective owner occupiers to obtain tax relief on amounts paid as deposits for the purchase of their property?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, a person who purchases property is entitled to claim against his assessable income a deduction of 20% of the purchase price or £2,000 whichever is the lesser, provided that the following three requirements are met:

- (1) he is buying a property for the first time ever;
- (2) the property is situated in Gibraltar;
- (3) the property is for his own residential occupation.

SUPPLEMENTARY TO QUESTION NO. 194 OF 1986

HON J BOSSANO:

Mr Speaker, does the third requirement mean that persons can only obtain the relief when the property is completed and ready to be occupied?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, the purchase is completed in law when the full purchase price has been paid over by the purchaser to the vendor and the purchaser acquires title to the property. The relief would be allowed in the year of assessment in which the purchase is completed.

HON J BOSSANO:

I don't think the Hon Member has answered my question, Mr Speaker. What I have said to him is, can an owner occupier obtain the tax relief on a building that is not yet completed and consequently it cannot yet be occupied?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I don't think he can, Mr Speaker, he would presumably not have paid for the property if it were not, in fact, completed.

MR SPEAKER:

In fairness to the Hon Financial Secretary, I think the Hon Member is trying to get free legal advice. I think you have been told completely and utterly clearly by the Hon Financial and Development Secretary that the time when the relief comes into operation is when the sale is completed.

HON J BOSSANO:

Mr Speaker, I am not a lawyer and I am not trying to get free legal advice because I realise what a strong union lawyers have, Mr Speaker. What I am trying to do is get information for a constituent who has approached me on this matter and therefore what I am asking the Government to explain to the House and to the people outside who are going to the Tax Department and being told they cannot get a tax relief, what I am saying to the Hon Member is, is the Hon Member aware, for example, that the projects that the Government is encouraging for owner occupation such as Vineyards require people to put up deposits now and there is nothing there to occupy. How can those people be helped to take advantage of the Government's scheme to encourage owner occupation?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It seems to me an entirely different question, Mr Speaker. I have explained the tax law.

HON J BOSSANO:

Mr Speaker, is Government satisfied that the law as described by the Financial and Development Secretary is achieving the purpose for which the law was introduced which is to encourage home ownership if people cannot, in fact, take advantage of it?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I wouldn't endorse at all the suggestion that people cannot take advantage of it. I appreciate that there is necessarily, I think, for tax purposes, a delay between the initial deposit, shall we say, which a purchaser might make in some circumstances to a developer in respect of his interest in property and the time at which he can gain the tax relief but I don't think there is anything unusual about this and certainly this would apply in the UK and I would have thought most other places as well as Gibraltar.

HON J BOSSANO:

No, Mr Speaker, in UK they don't get tax relief on deposits. This was something the Government introduced to encourage home owner-

ship. Is it a fact, Mr Speaker, that therefore all the people who are seeking to take advantage of the encouragement of the Government to take up home ownership can only do so when and if the buildings are completed and they are ready to move in, is that the position?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker.

HON J BOSSANO:

And if they are required to pay before the buildings are completed it is a chicken and egg situation which means they cannot get the relief, is that the position?

HON ATTORNEY-GENERAL:

When the buildings have been completed.

HON J BOSSANO:

Well, then, Mr Speaker, in the light of the fact that there are complaints about the inability to make the use of this provision that the Government intended and the Opposition supported, will the Government look into the matter to see if they can improve it?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't think that this particular one is capable of the improvement which the Hon Member would wish.

HON J BOSSANO:

It is Government's desire, Mr Speaker, to encourage as many people as possible to take up home ownership and owner occupation and if, in fact, it is brought to the notice of the Government that there is a handicap in the way that this is operating which is preventing people of modest means from obtaining a home, the Government thinks there is nothing that should be looked into to see if this can be overcome, that is the position?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I don't accept the inference which is drawn by the Hon Member. As he quite rightly says the facility whereby anyone who purchases property is able to claim a capital allowance up to 20% of the purchase price or £2,000, is in addition to the interest which he will be granted when he takes out a mortgage. I think those

facilities are very generous and stand in comparison with those of other administrations.

HON J BOSSANO:

I am not disputing, Mr Speaker, that they are generous. What I am saying is if people cannot, in fact, take advantage of it they are only theoretical and if the Hon Member has brought to his notice difficulties in people being able to obtain the tax relief should he not agree to look into the matter to make sure that people are able to take advantage. Presumably, the Government has got it there so that people can use it?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I am not prepared to give that assurance, Mr Speaker, because I don't think there is any need for it.

HON J BOSSANO:

So the Hon Member is satisfied that all the people who want to buy themselves flats have no difficulty in claiming the relief and obtaining the necessary assistance in purchasing a property even though they can only do it after the building is finished and the developer will not sell it to them unless they pay for it before it is started and he is quite happy that that system works well, yes?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

This is the normal arrangement, Mr Speaker, and bearing in mind the many years of advantage which the individual purchaser will be able to take of the various tax reliefs obtainable, I don't think that the temporary situation which he has described and which, for all I know, may be a gross exaggeration of one particular instance, is one which calls for further consideration.

MR SPEAKER:

Next question.

NO. 195 OF 1986

ORAL

THE HON J BOSSANO

Has Government now reconsidered the tax treatment of permitted individuals during periods of unemployment?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Income Tax (Permitted Individuals) Rules 1985 apply to persons who, broadly speaking, are not resident in Gibraltar but who, while in employment in Gibraltar, are entitled to most of the deductions allowed to ordinarily resident individuals. If the permitted individual ceases to be employed in Gibraltar, those deductions and the tax bands are apportioned to the number of months he was employed during the tax year. There are no proposals for changing the tax treatment of such individuals in the immediate future but the Government will keep these and other aspects of the tax structure under review.

SUPPLEMENTARY TO QUESTION NO. 195 OF 1986

HON J BOSSANO:

The Government, Mr Speaker, does accept that persons in this situation are being more highly taxed on their income whilst in employment as a result of periods of unemployment as compared to residents and that is considered by Government acceptable, is it?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There are differences, Mr Speaker, in the treatment of unemployed persons depending on whether they are domiciled resident in Gibraltar that is to say, they live in Gibraltar, and those who are not domiciled, that is to say, do not live in Gibraltar. I accept that, Mr Speaker, if that was the point the Hon Gentleman was making.

HON J BOSSANO:

No, the point that I am making, Mr Speaker, as the Hon Member knows very well, is that the situation is that permitted individuals who are working in Gibraltar and are commuting to work every day of whom there are increasing numbers with every passing day are taxed more highly because they lose their allowances during periods of unemployment than if they were resident here on exactly the same income. Two individuals, one residing and one commuting, suffering periods of unemployment, will pay more tax if

he is a commuter than if he is a resident. The Government knows that and accepts that and thinks there is no need to change that, is that the position?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

There are differences, yes, Mr Speaker, I accept that.

HON J BOSSANO:

Mr Speaker, I am not saying there are differences, I am saying one pays more tax than the other, is that a fact or is it not a fact, if it is not let the Hon Member deny it.

MR SPEAKER:

He has said that there are differences between a person paying his allowances based on the fact of whether he is resident or not resident in Gibraltar.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I would not like the House or, indeed, the Hon Member to think that there is any difference in the tax treatment. Tax is normally something which is charged against earnings and while they are earning there is no difference, that is the whole purpose of the various features of the Income Tax Ordinance and, indeed, the Permitted Individuals Rules otherwise without the Permitted Individuals Rules a person who was a permitted individual would be taxed at 30% and rise to 50% steeply without getting any allowances.

HON J BOSSANO:

Is it not a fact, Mr Speaker, that the Hon Member brought in those Rules precisely because that was the situation in existence and as a consequence of the law as it was before that was introduced and as a result of my bringing questions to the House the Government looked into it and accepted that there was a different tax treatment of individuals in similar circumstances. I am now saying to the Hon Member does he not accept that this continues to be the case for very many workers who suffer periods of unemployment in between jobs and that if they are permitted individuals, if they work forty weeks out of a year and they have twelve weeks unemployed, then on the income they earn in those forty weeks they finish up paying more tax than if they were resident here and the Government accepts that situation and thinks that there is nothing that can be done about it, that is the position?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, again, Mr Speaker, the Hon Member has referred to the circumstances

which an individual was unemployed. I think it is very difficult to generalise here because a person, and we are taking a case he mentioned, forty weeks in employment and twelve weeks unemployed, it may very well be that that particular individual in that particular case would, as a result of his unemployment depending on the period of unemployment, be treated no differently. The actual operation of the tax laws in any individual case is, of course, one which depends on the precise circumstances so I wouldn't accept his generalisation but I do accept that there can be and there is provision in the law for a difference of treatment of an individual who resides in Gibraltar and one who resides outside Gibraltar permanently but is employed in Gibraltar in the circumstances in which one or the other might become unemployed.

HON J BOSSANO:

Is Government satisfied that the way they are operating the Permitted Individual Rules in respect of periods of unemployment is not in conflict with Community law?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker, the whole purpose of the Permitted Individuals Rules was, in fact, to ensure that there was no discrimination against what I think would generally be regarded as frontier workers. The distinction in tax terms is, of course, between various types of residence, residence and domicile, not of course a discrimination on grounds of nationality or anything like that and such differential treatment in tax terms between residents and non-residents and so on is perfectly normal in tax law.

HON J BOSSANO:

That is not my question, Mr Speaker. My question is, is Government satisfied that the way they are applying the Rules, during periods of unemployment, I have said, is not contrary to Community law and the answer is that the Government is satisfied, yes?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker, but I have said we will keep these and other aspects of the tax structure under review in the light of developing circumstances. I certainly accept there is a need to do that.

MR SPEAKER:

Next question.

3 11 86

NO. 196 OF 1986

ORAL

THE HON J BOSSANO

Can Government state whether its policy is to finance tax reductions by increased public borrowing?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Answered together with Question No. 198 of 1986.

THE HON J BOSSANO

Can Government explain what is the estimated effect on economic growth of having stimulated demand by increasing disposable incomes in the current financial year?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as the Hon Member will recall, the increase in disposable income as a result of the tax cuts in the Budget was estimated at about £3 million. In the absence of up-to-date data on the multiplier effects of marginal propensities to consume and/or save, it is not possible to give an accurate estimate of the effect on demand and hence growth in the domestic economy attributable directly to this. Consumer expenditure has certainly increased but to what extent locally and to what extent abroad will perhaps become clearer when the next Family Expenditure Survey is carried out.

SUPPLEMENTARY TO QUESTION NO. 197 OF 1986

HON J BOSSANO:

Would the Hon Member not agree that in the light of those considerations it makes or it would appear to make better sense to concentrate the stimulation of economic growth by increasing capital spending rather than by stimulating consumer expenditure in the light of the comments he has made?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think there are two separate questions there, Mr Speaker, and I would not say that my support, naturally, for capital development where this is considered necessary for the development of the economy, infrastructural or social purposes, rules out the possibility of reducing taxation from the existing very high levels in Gibraltar which all members of the community and I think all shades of political opinion often draw attention to as being excessive.

HON J BOSSANO:

Mr Speaker, I am not asking the Hon Member whether taxes are excessive, I know that and he knows that, he is responsible for putting them. What I am asking him is, would he not agree in the light of the answer that he has given me, that if one wants to

stimulate economic growth and if one doesn't know what the multiplier effect is and if one doesn't know how much of an extra increase in disposable income is spent in Gibraltar and how much is spent outside Gibraltar for a given amount of money it is reasonable to suggest that it is better to stimulate the economy by capital investment, would he not agree with that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, without actually repeating everything I have just said, I wouldn't accept that particular hypothesis. I regret that in fact the existing Treasury model which is based really on the 1982 Input/Output Study is not adequate to provide the necessary details about the effects of increased consumer expenditure or, indeed, the effect of tax increases on consumer expenditure and growth in the economy. We would hope to be able to put that right but obviously there are a great many pressures on very limited resources in the Economic and Planning Office at the moment. We propose to carry out the next Family Expenditure Survey in 1987 and perhaps we will be in a better position then to look more closely at these matters.

MR SPEAKER:

Next question.

NO. 198 OF 1986

ORAL

THE HON J BOSSANO

Is it the policy of the Government to continue to borrow to meet recurrent expenditure in spite of the fact that the circumstances anticipated to justify the introduction of this policy in December 1984 have not materialised?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as I indicated to the Hon Member in my answer to question No. 125 of 1986, the Government is not increasing public borrowing. As I explained on that occasion, public debt has been reduced over the past two years. The latest estimates show a further reduction in prospect as part of the Treasury's ongoing responsibility for effective debt management. The figures for public debt, actual and forecast for the five years commencing with 31st March, 1985, are now as follows:

	£m
1985	28.9
1986	28.5
1987	26.8
1988	25.1
1989	20.4

It will remain Government policy to use whatever funds are raised, either locally or from commercial sources, primarily for purposes of development, as it has been in the past. The figures of declining public debt, against the background of a buoyant economy and expansion of Government revenue, demonstrate that there is ample scope for further borrowing to meet the requirements of the 1986-1990 Development Programme without increasing public debt charges beyond the capacity of the economy to sustain.

SUPPLEMENTARY TO QUESTION NOS. 196 AND 198 OF 1986

HON J BOSSANO:

Mr Speaker, the Hon Member has not answered Question No. 196. Is it the policy of the Government to borrow money to finance tax reductions?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I think it is the Leader of the Opposition who has at intervals in the past conjured up the chimera of wholesale Government borrowing to meet recurrent expenditure or reduce taxation and then proceeded to attack the illusion he himself has created.

HON J BOSSANO:

Mr Speaker, this is not a debate, I am seeking information. I am prepared to have a debate on this and I shall bring a motion at a future meeting of the House to give the Hon Member an opportunity to give vent to his own frustrations on the subject. However, what I would like to know is, is it the policy of the Government to finance tax reductions by borrowing or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have already answered that, Mr Speaker, no.

HON J BOSSANO:

So does the Hon Member still believe that to be against financing tax reductions by public borrowing is, in fact, reminiscent of the Stalinist era in the Soviet Union or has he become a Stalinist now?

MR. SPEAKER:

Next question.

NO. 199 OF 1986

ORAL

THE HON J E PILCHER

Can Government state whether it proposes to provide funds to GSL to meet the backdated costs of setting up a Pension Scheme with effect from 1st January 1985?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as the Hon Member will be aware, the Government has provided an interest free loan to the Company of £¼ million and that is the sum of the Government's financial commitment to date. However, when it became known, during the negotiations about GSL pay earlier this year, that the company had not made any contribution to the Pension Fund for 1985, the Government indicated that it would be prepared, if necessary, to underwrite any benefits to which any employee of the company might be entitled as a result of his service with the company in 1985.

SUPPLEMENTARY TO QUESTION NO. 199 OF 1986

HON J BOSSANO:

Mr Speaker, since then has Government satisfied itself that, in fact, there was a commitment given to establish the Pension Fund and is Government going beyond the position they adopted at that time if the company has publicly acknowledged the existence of such a commitment but may not be in a position to fulfil it?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I confirm that there was a commitment on the part of the company to establish a Pension Fund certainly and discussions have taken place. The company's commitment is quite clear and insofar as I am aware, I certainly hope and expect that they will honour this commitment.

HON J E PILCHER:

Mr Speaker, if the company had a commitment to the Pension Scheme which the Hon Financial Secretary has just admitted, is the Government satisfied that having had this commitment they did not provide the financial part in order to honour that commitment and are therefore calling upon the Government now to underwrite this financial commitment?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think there are two separate points here, Mr Speaker. I am sorry, I have forgotten what the Hon Member asked. There is a commitment, there is no doubt about it and secondly I think the Hon Member is quite right in saying that no financial provision was made by the company in 1985 and that is what they must put right. The second point is as I have explained, in the context of the industrial dispute and the settlement earlier this year the Government certainly gave its assurance that notwithstanding the company's failure to make any contribution in 1985 the Government would underwrite any benefits if necessary, any benefits which might be due to any member as a result of that failure. Of course, I should explain that the actual structure of the Pension Fund and the contributions is quite a complex one, there are three or four elements contributory and non-contributory.

MR SPEAKER:

Next question.

NO. 200 OF 1986

ORAL

THE HON J E PILCHER

Can Government state how much of the guaranteed £14m of RFA work has been carried out to date by Gibrepair and what remains in respect of 1987?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the value of RFA work carried out to date by Gibrepair is around £8.2m. It is estimated that around £7.2m worth of work remains for 1987.

SUPPLEMENTARY TO QUESTION NO. 200 OF 1986

HON J BOSSANO:

Mr Speaker, is there now a programme agreed with MOD for the RFA's for 1987, I mean for the remainder? Is there agreement now on the ships that are coming and on the value of the work?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Insofar as I am aware these discussions tend to go on more or less continuously. I couldn't give the Hon Member an assurance that an X number of ships are coming at a particular time, I think that is something which only the company would be able to determine.

HON J BOSSANO:

In the year.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Obviously we know we are going to get £7.2m worth but the exact programme profile I have no information about.

HON J BOSSANO:

That is what I am saying, Mr Speaker, the position then is that the provision of the remainder of the RFA programme of the £7.2m for 1987 has now been confirmed and agreed, is that the position?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

More or less, yes.

HON J BOSSANO:

So that means that, in fact, the programme will be completed by the end of 1987 at the latest, that is what we are talking about, and we don't know what is happening in 1988?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

One expects that it will be completed by 1987 but there may, of course, be some slippage.

MR SPEAKER:

Next question.

3 11 86

NO. 201 OF 1986

ORAL _____

THE HON J E PILCHER

Can Government give the number of Gibraltarian hourly-paid workers at Gibrepair at the end of September, 1986, and how does this compare against the figures for the same month of 1985?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Sir, the total number of Gibraltarians hourly-paid workers in Gibrepair as at the end of September, 1986, was 319. This compares with a figure of 317 for September, 1985.

NO. 202 OF 1986

ORAL

THE HON J E PILCHER

Can Government state when the House will be able to study GSL Company Accounts for 1985?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, I would hope that the 1985 GSL Accounts will be tabled at the next meeting of this House.

SUPPLEMENTARY TO QUESTION NO. 202 OF 1986

HON J E PILCHER:

Mr Speaker, can the Hon Financial and Development Secretary say what is the cause of the delay in bringing the Accounts to the House this year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker, the 1985 Accounts have been completed and I understand they are ready for audit certification. In certifying the Accounts the auditors, naturally, wish to assure themselves and, indeed, so would the company, that they have sufficient funds to trade over the next twelve months. This matter is in turn being considered in the context of the consultancy which is being carried out by Price Waterhouse and which we expect a result fairly shortly. Given the time-scales involved the company sought authority and, in fact, was given a three-month extension under Section 115 of the Company Act for a delay in the presentation of the GSL Accounts.

MR SPEAKER:

Next question.

NO. 203 OF 1986

ORAL

THE HON J E PILCHER

Can Government state how much money was programmed for the annual training of apprentices in the Project Study for the Dockyard commercialisation?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, no specific figure is shown in the Project Study for the training of apprentices. The sums of £300,000 and £400,000 are shown as the employee costs of apprentices in the first and second years respectively.

SUPPLEMENTARY TO QUESTION NO. 203 OF 1986

HON J BOSSANO:

Mr Speaker, is the position then that the company is no longer able to meet the costs provided for the Project Study for the cost of employing apprentices?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I don't think I would put it quite as bleakly as the Hon Leader of the Opposition has, Mr Speaker. Certainly as part of its general review of expenditure this year particularly overheads and other administrative costs, GSL felt that they should cut back on the first year trainees and recruit apprentices from the College of Further Education in the second year. The point here was that there was a very high wastage rate amongst first year apprentices in 1985, for example, and about half taken on originally later in the year. The Government has agreed to assist with the training costs of first year apprentices by paying the £15 weekly allowance to GSL apprentices in line with the policy established under the Youth Training Scheme. The apprentices who will be employed by GSL would be taken on by the College of Further Education and the Government is also, of course, contributing towards the cost of running the GSL's own Training Centre.

HON J BOSSANO:

Mr Speaker, isn't this a major policy change on the part of the Government given that initially the Government was charging such high fees to GSL for training in the College that, in fact, GSL threatened to withdraw all its apprentices from the College?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not aware of the dramatic change in policy, Mr Speaker, I don't know whether the Minister for Education has any information on this.

HON G MASCARENHAS:

Mr Speaker, there is an item in the Appropriation Bill which we shall be looking at later on in the proceedings where the Department of Education has asked for further sums of money and I think I can explain that either later or now.

HON J BOSSANO:

I am asking about Government policy. Is it not a fact, Mr Speaker, that in 1985 the Government sought to charge GSL with the full commercial cost of training their apprentices in the College to the extent that GSL threatened not to send them there because they couldn't afford it? Is that not a fact and, if so, if we have gone from that to actually subsidising their students, from one extreme to the other, is that not a major policy change?

HON G MASCARENHAS:

No, Mr Speaker, I wouldn't call it subsidising in any way, the arrangement that has been made in respect of the first year intake of apprentices is very reasonable and very favourable to the Government in the sense that we are getting the facilities which GSL have for training which are by far better than what we have found in the College of Further Education when we took that over last year and therefore we are gaining the facilities. For example, a training lathe costs £16,000 to replace and GSL have eight of these. In order for the Government to replace equipment it would cost us a lot of money over many years and we find the facilities are available there and for the small cost of 50% of the cost that we envisage with GSL for the first year training, I think the Government are getting a very good deal.

HON J BOSSANO:

Are those facilities going to be used by people other than GSL employees?

HON G MASCARENHAS:

Absolutely.

HON J E PILCHER:

Notwithstanding all that has been said, Mr Speaker, I have to go back to the initial question and I think a must as a follow-up is, are the Government satisfied that having in the Project Study which was really the point at which GSL sold the people of Gibraltar what they were intending to do with the dockyard commercialisation. They gave quite a high level of propaganda to their training and their apprentices, etc, laying back £300,000/£400,000. Is the Government satisfied that again as with the Pension Scheme, the commitment is there but the financial provision is not there and now the Government has had to subsidise, perhaps, the facilities. There is a point there but, nevertheless, we are now subsidising the apprenticeships in GSL.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I would distinguish between the sort of Pension Fund commitment on the one hand and this on the other, Mr Speaker. In the case of the apprentices I think it is mainly a question of GSL in discussion with the Government in the light of changing circumstances and I have mentioned certain factors such as the very high turnover and, therefore, what I might call the high wastage and the ineffective costs, if I may use that word, to provide the service to try and do it rather more differently and more efficiently and if it can save GSL money, as the Minister said, and still provide an effective way of training apprentices then I think this is to be applauded.

HON J E PILCHER:

Well, Mr Speaker, applauded is perhaps too strong a word. I accept the changed circumstances that the Hon Financial and Development Secretary is talking about, the changed circumstances have happened since the 1st January, 1985, and ^{in the} end every single part of the Project Study has been changed due to changed circumstances. But nevertheless I am asking the Government, are they satisfied that GSL is not producing what they promised in the Project Study to do as far as apprenticeships are concerned.

HON G MASCARENHAS:

Mr Speaker, I must make it clear that the twenty-five apprentices that GSL have taken on remain GSL apprentices, we are only assisting in the training.

HON J E PILCHER:

I accept that they are assisting in the training, Mr Speaker, but they are assisting to the tune of extra thousands of pounds which

was never in the Project Study going to be the part of the Gibraltar Government. The other question, I think, that surfaced was because of the changed circumstances they found that half of the first year apprentices left during the year. This is, I think, a process which would be more of inner thinking by GSL in their overall working plan than a worry on the part of Government to take up that financial provision, Mr Speaker.

MR SPEAKER:

Next question.

NO. 204 OF 1986

ORAL—

THE HON M A FEETHAM

Can Government state the number of EEC Directives still pending for implementation in Gibraltar, the area of application and the date when they should have taken effect or introduced?

ANSWERTHE HON THE ATTORNEY-GENERAL

No, Sir, I cannot. I know that there are a number of Directives which have not been implemented, for example, the Insurance and Companies Directives. However, Bills implementing these Directives have been prepared and are currently being studied. It is hoped that the Bill implementing the Insurance Directives will be introduced at the next Meeting of this House.

Mr Speaker, a Committee chaired by the Head of General Division has been set up and the purpose of this Committee is to examine the progress made in the implementation of Directives, to monitor action to be taken on the Directives and to ensure that Directives which have not already been implemented will be implemented.

SUPPLEMENTARY TO QUESTION NO. 204 OF 1986

HON M A FEETHAM:

Mr Speaker, since the Hon and Learned Member opposite cannot answer the question, how does he know how many Directives have still got to be implemented? I would like the Hon and Learned Member to answer. Is he saying that different departments do not know which Directives apply to them or not?

HON ATTORNEY-GENERAL:

We know which Directives, it is a question of how many Directives. They do not appear to be too many, not as many as the Hon Member opposite might think. For example, the Traffic Directives. In the Traffic Bill which we will be dealing with in this meeting of the House, we are implementing two or three of the Directives. The Food and Drugs legislation. I have a pile of Food and Drugs legislation in my office to look through implementing EEC Directives. Some of the Directives have been implemented by administrative action. If something is pointed out to the Department, "The Directive says this", the Department will implement the Directive without the necessity of legislation and this can be done. You can implement Directives administratively but we are looking, we are trying to focus through this Committee how many have we

still to go, how many have not been done, how many have been done? Those that have not been done what are we going to do about it, we are going to do this. And that is what we are looking at and what this Committee is looking at, we are looking forwards and backwards.

HON M A FEETHAM:

And backwards, and backwards.

HON ATTORNEY-GENERAL:

You only look back to 1973 and forward to what is coming up.

HON CHIEF MINISTER:

If I may, I think the Hon Member should be under no illusions that Member States are very anxious every day to implement the Directives that come from Brussels. All over the place there are Directives that are not being implemented as any intelligent reading of the press will show.

HON M A FEETHAM:

The Hon and Learned Chief Minister is quite right, there are many, many Member States who do not even want to introduce any of the Directives and, quite frankly, he is aware of what the GSLP policy is on EEC membership, anyway.

HON CHIEF MINISTER:

I am sure that the Brussels Commission will take the GSLP policy into account in deciding what Directives are applicable to the twelve nations.

MR SPEAKER:

Next question.

NO. 205 OF 1986

ORAL

THE HON R MOR

Mr Speaker, what percentage of school leavers left school with no public examination results in 1984?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, it is estimated that 19.6% of the 1983/84 Secondary School intake left school with no certification in a public examination.

SUPPLEMENTARY TO QUESTION NO. 205 OF 1986

HON R MOR:

Mr Speaker, is the Government aware that this figure is higher than that in the United Kingdom where it is estimated that only 12% leave school with no qualifications at all?

HON G MASCARENHAS:

Mr Speaker, I dispute the Hon Member's figures totally.

HON J BOSSANO:

What does the Hon Member think it is then?

HON G MASCARENHAS:

The figure for Gibraltar is much better than comparable areas in the United Kingdom, it varies substantially between the South and the North of the United Kingdom, I haven't got the figures here but the study that we carried out as a result of this question because I imagined that the Hon Member was going in the direction that he was going and we found that we are well satisfied that we are within the national average.

HON J BOSSANO:

And the Hon Member disputes totally that the figure we have seen published of 12% national average is incorrect?

HON G MASCARENHAS:

If the Hon Member will let me know where he got the information from I would like to see it.

HON J BOSSANO:

Would the Hon Member not agree that whether the figure is high or low compared to other places there is an area there, does he think that Government should perhaps be giving some thought to how those people clearly are the ones least well equipped in entering the labour market, can be helped to acquire some skills?

HON G MASCARENHAS:

The Hon Leader of the Opposition is totally correct and thus the vast investment in the College of Further Education. These are the people that we are concerned should have training and re-training for the skills obviously for the labour market.

MR SPEAKER:

Next question.

NO. 206 OF 1986

ORAL

THE HON R MOR

Mr Speaker, are Government satisfied that RSA qualifications are generally accepted in Gibraltar?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 206 OF 1986

HON R MOR:

Mr Speaker, if the Government is satisfied that RSA qualifications are generally accepted in Gibraltar, does the Government as an employer accept RSA qualifications other than Stage II typing and shorthand for secretarial grades?

HON G MASCARENHAS:

Yes, Mr Speaker, the eligibility for employment in the Government Service is governed by UK Government practice. The RSA Stages II and III in communications is acceptable in lieu of the English language, for example. As far as typing is concerned Stage III is the entry requirement for the Government typing grades.

HON R MOR:

But what about English, mathematics, commerce and other subjects?

HON G MASCARENHAS:

Roughly, Stage II and III compare with an 'O' level and the Government accepts them as such which is what happens in UK and we do so here as well. What we cannot do is force private employers to accept them but normally they follow the norm.

HON R MOR:

Mr Speaker, in every single Government advertisement that I have seen if qualifications are required this normally refers to 'O' level GCE and not RSA's.

HON G MASCARENHAS:

Or the equivalent, I am sure, all the adverts say that.

MR SPEAKER:

Next question.

THE HON R MOR

Mr Speaker, how much has been saved on students' tuition fees and how much of this has been used on extra grants for scholarships?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, to date, the UK Government has been unable to specify exactly how they propose to administer the payment of tuition fees for EC students undertaking first-degree or equivalent studies in the UK.

The Department is in regular communication with the Department of Education and Science in London.

The precise level of savings is not therefore known. My Department has estimated a saving of £83,000 for 1986/87, assuming a total reimbursement of tuition fees.

I gave a commitment to this House that all savings accruing from the UK Government's policy will be put to improve Government's educational awards scheme. This has already resulted in a lowering of the level of parental contributions by an estimated average of 13.7%, an increase in the level of maintenance grants of students to £2246 for London and £1901 elsewhere, and an additional 15 awards granted for 1986/87.

SUPPLEMENTARY TO QUESTION NO. 207 OF 1986

HON R MOR:

I accept that the Government did give an undertaking to reduce the points required for a scholarship but what the Government is now saying is that, in fact, they are not quite sure whether they will be getting.....

MR SPEAKER:

They are not sure of the amount.

HON G MASCARENHAS:

The amount is very difficult to work out, obviously the United Kingdom Government themselves have not finalised arrangements of how the payment will be made. What we envisage and I think I envisaged this in July in the House was that we would still

have to pay and that there would be a reimbursement and this is what we are not quite sure. We estimated the amount of £83,000 assuming that we get all the reimbursements back, they are all first degrees and everybody satisfies the criteria for EEC.

HON J BOSSANO:

The list of things the Hon Member has given, is that based on that costing £83,000 is that what he is saying?

HON G MASCARENHAS:

Yes.

MR SPEAKER:

Next question.

NO. 208 OF 1986

ORAL

THE HON R MOR

What precautions are Government taking to ensure the safe and expeditious flow of school children on entering and leaving schools?

ANSWERTHE HON THE ATTORNEY-GENERAL

Mr Speaker, arrangements are made to ensure that there is always a Police Constable on duty whenever children are entering or leaving school.

SUPPLEMENTARY TO QUESTION NO. 208 OF 1986

HON R MOR:

Mr Speaker, is the Government aware of the problems which have arisen in the new St Mary's School recently which were highlighted in the media?

HON ATTORNEY-GENERAL:

Yes, Mr Speaker, Government is aware of that problem but I believe arrangements have been made and the problem is solved. This was the problem with the pavements and the parked vehicles. Well, the existing pavements will be extended as soon as possible and the parking of vehicles will be prevented and the Police Officer on duty will stand between the junction and the crossing to be able to control both vehicular and pedestrian traffic.

HON R MOR:

Is the Hon Member, Mr Speaker, also aware that at Westside Comprehensive School due to the parking of cars around the area, children sometimes have to go on the road to walk out and go into School?

HON ATTORNEY-GENERAL:

No, I am not aware of the problem at Westside.

HON R MOR:

Will the Government undertake to investigate that?

HON ATTORNEY-GENERAL:

I will have a look, yes, most certainly.

MR SPEAKER:

Next question.

NO. 209 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Can Government state whether in their view there is any incompatibility between the allocation of an area of Montagu Basin for the purpose of building a swimming-pool for GASA, and the development of that area for reclamation to build a housing estate?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

No Sir.

SUPPLEMENTARY TO QUESTION NO. 209 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister confirm whether GASA have been told that it will be difficult for them to draw water from the sea because of the area being put up for private development in front of them?

HON G MASCARENHAS:

Yes, Mr Speaker, this is a fact.

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister say whether any conditions will be imposed on GASA for the construction of the pool?

HON G MASCARENHAS:

No, Mr Speaker, no conditions have been placed. I have advised them that since the area is to be developed they will have to make provision if they want to have a sea water pool for the piping and to reach obviously the inlet at the very beginning of Varyl Begg. Obviously, if this were to be reclaimed they will have to make provision for that, if they have a fresh water pool then they will have absolutely no problems.

HON MISS M I MONTEGRIFFO:

Mr Speaker, if the cost of the construction of the pool were to increase would the Government afford financial backing to GASA?

HON G MASCARENHAS:

Mr Speaker, I cannot give any commitments.

HON MISS M I MONTEGRIFFO:

Mr Speaker, surely, this commitment was given some twelve years ago is the Government changing their minds about the commitment?

HON G MASCARENHAS:

Mr Speaker, we have no idea of the cost of the swimming pool, it is impossible for the Government to make a commitment on that basis.

HON MISS M I MONTEGRIFFO:

Surely, the Government made the commitment already in their last manifesto when they said they were committed to the construction of the pool, are they changing their mind now?

HON G MASCARENHAS:

No, Mr Speaker, the commitment of the Government still stands, we are committed to building a swimming pool, we have not got the financial means to do so therefore the present position is that there is a reclaimed area which the Government have reclaimed for GASA and we have told GASA categorically that if they can proceed with the construction of the swimming pool then we will assist them but until we have firm plans on that basis there is nothing I can do.

HON MISS M I MONTEGRIFFO:

Mr Speaker, didn't the Minister say in a recent radio broadcast that we would have a pool in the near future? How near does he see that future then?

HON G MASCARENHAS:

Mr Speaker, I am encouraged by the work that GASA themselves are carrying out, very encouraged.

HON MISS M I MONTEGRIFFO:

In that case, Mr Speaker, the Minister is saying that they will assist GASA but not fully, it all depends on what plans they produce but the full financial backing is no longer there, is that what the Minister is saying?

HON G MASCARENHAS:

No, Mr Speaker, that is totally incorrect, we do not know what the cost of the swimming pool is. What the Government cannot commit themselves is to say: "We are going to give you £4m of taxpayers

money to pay for your swimming pool" when we don't know what the cost is, we don't know whether it is £5, £10, or £¼m and surely no Government in its right mind is going to commit itself to a swimming pool or to anything else on the basis of no facts.

HON MISS M I MONTEGRIFFO:

Mr Speaker, the Government are already committed to constructing the pool.

HON G MASCARENHAS:

A commitment in principle to build a pool but we haven't physically got the money.

HON J L BALDACHINO:

Mr Speaker, when the Government gave its commitment to GASA to build the pool there Government at that time still hadn't made up its mind what they were going to do with the Montagu Basin, is that correct?

HON G MASCARENHAS:

Mr Speaker, there are other priorities and we look at the priorities in themselves. The swimming pool, unfortunately, is a very low priority as far as the Government is concerned.

MR SPEAKER:

No, you are being asked a simple question. When Government committed itself to build the pool at that particular place, was the Housing Estate which is going to go there already committed?

HON G MASCARENHAS:

No, the Housing Estate is a new thing of reclaiming the Montagu Basin.

HON J L BALDACHINO:

If that was the case then surely when GASA took the decision to build the pool there they took that decision on the understanding of what the cost was going to be at the time. If the Estate is going to be built there at the Montagu Basin and they will have to take all these pipelines out by the entrance of Varyl Begg, maybe the cost is now so much greater that they won't be able to pay for it. If that is the case will Government give them financial support?

HON G MASCARENHAS:

No, Mr Speaker, the commitment by the Government was included in the manifesto for the 1980 General Election for the first time and that still remains an aim of policy. At the time the area at Montagu Basin where the GASA premises are situated was still not reclaimed, in the six years that have passed we have reclaimed a substantial area, enough to build a swimming pool.

HON J E PILCHER:

GASA has reclaimed it.

HON G MASCARENHAS:

GASA reclaimed it with the Government's support, they wouldn't have been able to do it alone. The position is that there is a substantial reclaimed area, enough for a swimming pool which remains there. It would be immoral and certainly the Government would not consider that we should stop GASA if they have the means to build a swimming pool because a Housing Estate is going there. The area is so minute in relation to the whole area that the Development and Planning Commission made a decision, a pragmatic decision, I think, to allow GASA to build if they can build and once they are in a position to be able to commit themselves then they will come to Government and say: "This is the cost of the swimming pool", and we might be able to assist them, yes.

HON J E PILCHER:

Mr Speaker, if I have understood the Minister correctly, it is the aim of policy of the AACR Government to build a swimming pool and they are committed in principle for GASA to build that swimming pool.

MR SPEAKER:

No, to assist GASA to build the swimming pool.

HON J E PILCHER:

But their aim of policy is for GASA to build a swimming pool.

MR SPEAKER:

To assist GASA.

HON J E PILCHER:

If the Minister is talking about immorality is it not immoral as my Hon.....

HON G MASCARENHAS:

Mr Speaker, immoral if we were to tell GASA now: "Look, you cannot have that area because we are going to build houses there" that would be immoral.

HON J E PILCHER:

As a follow-up of that, is it not immoral having agreed that the area is now there for the swimming pool to be built, is it not immoral then that if there is an extra cost as a result of new plans, for Government at least to make themselves responsible for the extra costs that the swimming pool is going to cost now as it would have cost three months ago. At least irrespective of their financial assistance towards the building of the swimming pool I think the Government have a moral obligation to pay for the extra cost.

HON G MASCARENHAS:

Mr Speaker, I am sure that this will be taken fully into account.

HON J E PILCHER:

I am not asking for taking this into account, I am asking, Mr Speaker, is the Government prepared to accept that commitment?

HON G MASCARENHAS:

No, Mr Speaker, I cannot accept that commitment.

MR SPEAKER:

Next question.

NO. 210 OF 1986

ORAL

THE HON R MOR

Mr Speaker, are Government taking any further steps to alleviate the problems of single parents?

ANSWERTHE HON THE MINISTER FOR LABOUR & SOCIAL SECURITY

Mr Speaker, the allowance of £7.50 per week for single parents introduced in August this year under the Supplementary Benefits Scheme will be reviewed for next year together with other social insurance and supplementary benefits. I will inform the House of the results of the review at its next meeting.

The special income tax allowance for single parents, which at present stands at £2,200, may be reviewed in the context of next year's budget.

NO. 211 OF 1986

ORAL

THE HON M A FEETHAM

Will Government introduce an allowance for those citizens medically certified incapable of working as distinct from any assistance which they may be entitled to in addition to supplementary earnings?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

No, Sir, a system of invalidity benefits is open to abuse and would prove extremely costly and difficult to administer in view of the large size of the immigrant labour force.

The Government is satisfied that the present system of supplementary benefits is adequate in the circumstances.

SUPPLEMENTARY TO QUESTION NO. 211 OF 1986

HON J BOSSANO:

Mr Speaker, but surely immigrant workers do not get supplementary benefits, how do immigrant workers come into it?

HON DR R G VALARINO:

That is exactly why.

HON J BOSSANO:

That is exactly why, that is to say, because they don't get it he won't do it because of them is that why? Mr Speaker, is the Hon Member saying then that people who are incapable of working are currently enjoying a standard of living acceptable to the Government on supplementary benefits? If the Hon Member hasn't understood the question I will repeat it. Is the Government satisfied that people who are certified as being incapable of working for medical reasons are currently enjoying a standard of living on supplementary benefits which is satisfactory from a Government point of view and nothing further needs to be done for them?

HON DR R G VALARINO:

Sir, people who have retired because of an invalidity could well have retired on medical grounds and could well be on a pension at a far earlier age than other normal people. This tends to help

them apart from the obvious gratuity that they would get. We are talking here about a system of invalidity benefits and the Government feels that such a system is open to abuse and would prove extremely costly and difficult to administer in view of the large size of the immigrant labour force. As far as Gibraltarians are concerned, the Government is satisfied that the present system of supplementary benefits is adequate in the circumstances. The Hon Member knows that supplementary benefits are for Gibraltarians and for UK residents of Gibraltar for a minimum period of three years.

HON M A FEETHAM:

Mr Speaker, the Hon Member has given an answer but is the Hon Member satisfied that society has to depend on people who are medically retired because they are found incapable of working, for example, hypothetically, somebody is retired because he has become blind or near blind and he quite rightly, as the Hon Member opposite has said, may be retired on a pension which could be anything from £5, £10, £15 to £80 a month and that because, for example, his wife may be working he is not entitled to any other means of income putting him in a position where his total dependence is on his wife because when you add what his wife is earning to what his pension is it is beyond supplementary. That is the official position today. My question is a matter of principle, a matter of policy. Does society want to look after people who are incapable of work due to the fact that they are invalidated out and the medical history says "This person can never ever work again" and therefore that person is a burden for himself and requires support?

MR SPEAKER:

We are making statements now.

HON M A FEETHAM:

That is what I want answered.

HON DR R G VALARINO:

Mr Speaker, Sir, with regard to the first part of what the Hon Member said about a person who is partially or totally blind, let me say to him that if he does work for the Crown and he is permanently and totally invalidated on account of his eyesight, it is the practice to judge him totally incapable of work and then his pension would be automatically brought forward. As regards the second part of what he has said, I am sure that any specific case of hardship which the Hon Member will bring to me or to the Government will be looked into and we will reassess any further

assistance that may be necessary in this area.

MR SPEAKER:

Next question.

NO. 212 OF 1986

ORAL

THE HON R MOR

Mr Speaker, in the case of an employee who is absent on sick leave and subject to medical retirement, does Government accept that he must return to work prior to the date of retirement in order to subsequently claim unemployment benefit?

ANSWERTHE HON THE MINISTER FOR LABOUR & SOCIAL SECURITY

Mr Speaker, as the law stands at present, a person who becomes unemployed must claim his unemployment benefit within six months of having paid his last contribution as an employed person. As a result, a person who becomes unemployed through illness and is unable to submit his claim within the six months' limit, would lose his entitlement to unemployment benefit.

A case which was brought to the notice of the department by the Hon Questioner recently shows that it is necessary to introduce legislation in this respect. This will be done at the next meeting of the House, in the context of the review of social security benefits, in order to rectify the situation.

NO. 213 OF 1986

ORAL

THE HON M A FEETHAM

When does Government intend to introduce legislation to compel certain employment establishments of an acceptable size to offer employment to handicapped persons able to carry out a useful occupation?

ANSWERTHE HON THE MINISTER FOR LABOUR & SOCIAL SECURITY

Mr Speaker, the Government does not propose to introduce legislation of the nature visualised in the question for the time being.

Although the Government shares the questioner's concern about finding useful employment for handicapped persons, it is not an easy matter to identify or create vacancies to suit the particular disabilities of each handicapped case.

It is therefore the Government's policy to try and identify individual cases first and then find suitably appropriate employment. To this end, a Committee has been set up under the Chairmanship of the Minister for Public Works to look into the question of providing sheltered employment within the Government service. So far, the Committee has been able to find employment for four handicapped persons and it is continuing in its efforts.

At a later stage it is proposed to seek the co-operation of other areas in the public sector as well as the private sector, but it was felt that as a first step, the Government should set the example in this respect.

In the circumstances it is not considered advisable at this stage to introduce legislation of a sweeping nature, which would probably be difficult to enforce in any event.

3 11 86

NO. 214 OF 1986

ORAL

THE HON M A FEETHAM

Will Government introduce a programme as a pilot scheme to offer training assistance to handicapped persons who could acquire skills to enable them to carry out a useful occupation?

ANSWER

THE HON THE MINISTER FOR LABOUR & SOCIAL SECURITY

Mr Speaker, the Government will certainly look into the possibility of introducing a pilot scheme as suggested in the question. The matter is being investigated and let me add that any specific proposals which the Hon Member may wish to put forward in this respect would be welcomed.

NO. 215 OF 1986

ORAL

THE HON J C PEREZ

Mr Speaker, can Government confirm that the Fair Wages Clause in Government contracts is still not being complied with and what steps are they taking to remedy the situation?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, it is confirmed that the Fair Wages Clause in Government contracts at the time the question was put was still not being complied with by some of those firms engaged in such contracts which have not reached an agreement with the Union.

The Director of Labour and Social Security issued a warning to the effect that failure to comply with the conditions of the Clause would render the firms in question liable to be struck off the list of approved contractors. Following this, a number of points have been raised by the legal advisers of one of the firms in question and these points are currently under consideration.

SUPPLEMENTARY TO QUESTION NO. 215 OF 1986

HON J C PEREZ:

Can the Hon Member state what are the legal points being made to the Government? The issue is pending since July, I got the same reply in July,

HON DR R G VALARINO:

Mr Speaker, Sir, I think this is very confidential and I honestly cannot release any information on this matter.

HON J BOSSANO:

Mr Speaker, does the answer imply that the Government is no longer enforcing the Fair Wages Clause? Is the Fair Wages Clause still being included in contracts that are currently being put out by Government?

HON DR R G VALARINO:

Mr Speaker, yes, Sir.

HON J BOSSANO:

What are people being told to get those contracts? Are they

being told that they have to pay a certain level of wages or not?

HON DR R G VALARINO:

Mr Speaker, as the Hon the Leader of the Opposition would well know as he is a member of the Manpower Planning Commission, he knows full well the structure and the kind of follow through of the procedure that the Director has. Let me reassure him that the Government stands by the Fair Wages Clause, it has always stood as far as I have been concerned by the Fair Wages Clause and the only thing I would like to do is to again give the Hon the Leader of the Opposition a complete and utter assurance that the Fair Wages Clause is being complied with.

HON J BOSSANO:

But the Hon Member admits that it is not being complied with and has told us that since last July there have been a number of legal points raised by representatives of the firm not complying with the Clause. Surely, Mr Speaker, that means that the enforceability of the Clause in law is being challenged. If that is the case and that is what the implication looks to us as being the case from the answer we have had from the Hon Member, what I would like to know from the Government, not necessarily from the Minister, from the Government, in the light of the legal difficulties they may be facing as the Clause is drafted, what are they doing about making sure that anybody getting new contracts has got no loophole for getting out of the Fair Wages Clause?

HON DR R G VALARINO:

Mr Speaker, the Director of Labour and Social Security first of all makes sure of the firms who are not complying with the conditions of the Clause and eventually in his opinion he will strike these firms off the list of tenderers. But he was unable to do so because various points were raised by the legal advisers in questions. If they had not been raised the firms would have been struck off. He was seeking legal opinion on this and this is why the matter, at the time was under consideration. Since then I am glad to say there has been agreement between the Gibraltar Master Builders Association and the Union and that these problems seem to have been solved.

HON J BOSSANO:

Mr Speaker, independent of the fact that there is now as provided in the Fair Wages Clause, there is now a situation where there are rates of wages and hours and conditions of labour which have been reached by agreement by negotiation which is what the Clause says, what I am saying to the Government is if the House is being

told now as it was being told in July that the enforcement of the Clause has not been proceeded with because the legal advisers of the company against whom the Clause was being enforced have raised a number of points, it can only be that they have raised a number of points challenging the ability of the Government to enforce the Clause. If that is the case what is the Government doing to make sure that in new contracts the Fair Wages Clause is structured in such a way that the same points, if they are loopholes, cannot be found in the context of the rates of pay that are now being paid? What guarantees can the Government give to the House of Assembly that it is able to enforce the Fair Wages Clause in Government contracts because if they cannot enforce it why have it there?

HON ATTORNEY-GENERAL:

Mr Speaker, maybe I can assist on this. A certain number of legal points have been raised by the solicitor acting on behalf of one particular employer. Those points have been looked at by me, I have had a preliminary glance at them, it is only a preliminary glance and I will try to arrange a conference with the Director of Labour and Social Security to see what the problem is and try to advise him. I suppose, Mr Speaker, if it is found that there is a gap or a loophole in the Fair Wages Clause, Government will try and close that loophole in any future contract which it draws up including the Fair Wages Clause.

MR SPEAKER:

Next question.

NO. 216 OF 1986

ORAL

THE HON J L BALDACHINO

Is Government satisfied that the figure of 24 male Gibraltarian frontier workers as shown in the April 1986 Employment Survey is realistic?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

No, Sir. As I have stated on a number of occasions, and lately in reply to a Press Release issued by the Hon Member, I have always qualified figures produced in employment reports as slowing trends and have never expressed satisfaction that these particular figures can be taken as being accurate.

SUPPLEMENTARY TO QUESTION NO. 216 OF 1986

HON J L BALDACHINO:

So this figure shown in the Employment Survey which the Hon Member laid this morning, is as a result of the exercise that he said was being carried out by his department in July?

HON DR R G VALARINO:

The figures produced in the Employment Survey Report are a result where the employers note the addresses of the employees and put them down. I am not totally satisfied with the way it is being done because it is a very difficult way to establish definitely by an employer where somebody is living and especially with a large employer like the MOD, Government and Her Majesty's Naval Base the problem is thus accentuated. My opinion is that the figure must be on the small side but it is obviously a very difficult task to make absolutely sure that the number given in the Employment Survey Report is a realistic one.

HON J L BALDACHINO:

What I am asking the Hon Member, Mr Speaker, is if the numbers that we have now in the Employment Survey which he has laid before this House is as a result of what he answered in Question No. 142 of 1986 when he said that at the moment they were carrying out an exercise to see if they could elicit the number of frontier workers living in Spain. Is this the result of that exercise which he said was being carried out in July?

HON DR R G VALARINO:

Mr Speaker, Sir, no, this is the result of the Employment Survey Report which has nothing to do with what I said at the time. What I said at the time was that if I was not happy with the figure that had been produced in the Employment Survey Report I would try to find other means by which to monitor.

HON J L BALDACHINO:

If I can quote what was said in Question No. 142, Mr Speaker, when I asked the Hon Member in a supplementary question: "I asked this question in the last House and the Hon Member said that if he found that he was not satisfied with the figures shown he would introduce other measures to try to monitor it. Is that still the position of the Government?" And the Hon Member answered: "Mr Speaker, no, Sir, we are in the process of trying to elicit more up-to-date figures on the number of frontier workers and, in fact, we are doing an exercise at the moment to try to see whether we can get clearer and more definite numbers of frontier workers than the figures produced by the Employment Survey Report. This is being done by the Department and not by the Statistics Office". I am asking if what he laid this morning on the table, Mr Speaker, is it as a result of that exercise that was being carried out by his Department?

HON DR R G VALARINO:

No, Sir, as he can see these are the figures produced by the Employment Survey Report and not by any other means of monitoring by any other Department.

HON J L BALDACHINO:

Seeing that the Hon Member is not satisfied that it is a realistic figure, what other type of monitoring does the Government intend to introduce?

HON DR R G VALARINO:

Mr Speaker, Sir, we have gone into various types of monitoring but we have found it almost totally impossible since the question arises that as long as a worker retains a permanent address in Gibraltar it is difficult to establish whether or not he has taken up residence in Spain even if he commutes to Gibraltar daily for a period of time. It is probable that in the case of some Gibraltarians living in Spain at present the stay is of a temporary nature and they are living there as visitors and have not obtained a permit of residence. To do any monitoring one would have to do it for a considerable period of time, in fact, over many, many

months and have to interview each Gibraltarian or each UK citizen who crosses the border individually and obtain or try to obtain certain facts from them. People are very loathe about telling the absolute truth and, I feel that monitoring in this respect which is the only respect it can be done on an absolute basis is a very complex affair and could easily lead to figures which are not indicative of the number of Gibraltarians at present residing in the Campo Area.

HON J E PILCHER:

Mr Speaker, is this not a complete reversal of what we have just heard my Hon Colleague saying was the answer of the Minister in July when he said that his office was already doing a monitoring exercise in order to establish one way or another what was the case? He is now saying it is a complex situation which cannot be done. Well, if he was doing it in July and he has had July, August, September.....

MR SPEAKER:

No, he hasn't said it cannot be done, he has said it could be a long process which might not give the desired result.

HON J E PILCHER:

He said, Mr Speaker, it was already happening in July.

MR SPEAKER:

Fair enough, but he hadn't said now that it cannot be done.

HON J E PILCHER:

Could we just confirm whether it was being done in July and it is still being done or it is no longer being done.

HON DR R G VALARINO:

Yes, Mr Speaker, it was being done but it was discontinued because we realised the difficult problems that were arising as a result, Sir, and we have then been left with the figures produced in the Employment Survey Report and though not entirely to our satisfaction I can see no other way of establishing figures except by reading The Times which could give us a true indication of the numbers of Gibraltarians residing in the nearby Campo Area. There are many factors to be taken into consideration and it is virtually impossible to determine the actual figure.

HON J C PEREZ:

Mr Speaker, the Hon Member having admitted that the figure in the Employment Survey is not realistic, can the Hon Member perhaps say which he prefers to believe best, the figure in the Employment Survey or the figure given by The Times and the figure given by a survey carried out recently by Action for Housing? Which figure does he think is nearer the truth, the one in the Employment Survey or the one given by the prestigious London newspaper The Times and that given by Action for Housing in a recent survey that they have carried out?

HON DR R G VALARINO:

Mr Speaker, one has got to qualify the three of them. First of all, this one as I explained, the place of residence is given by the employers. The one given by The Times I feel that this was an off the cuff figure and that no research went into it. The figure given by Action for Housing was done, I believe, on one day's basis and similarly must lead to some fault. Therefore the answer must lie somewhere in between all these figures.

HON J E PILCHER:

Mr Speaker, is this figure not an important figure for Government when they have to look at the overall statistics in order to legislate. The Minister is saying that the study that was being undergone has been discontinued. He has only got the Employment Survey Report which he says is not realistic but nevertheless on both occasions he has said that that establishes trends. Mr Speaker, the figure for April, 1986, is lower than the figure for 1985, surely, that is no longer expressing even trends. What is the Government doing about getting proper statistics in this area, Mr Speaker?

HON DR R G VALARINO:

Mr Speaker, I have mentioned the difficulties in obtaining proper statistics in this area. I have always said that we take these figures as producing trends and I must again reiterate that the Government have never taken these figures as being totally and wholly accurate and we certainly do not use them for any significant purpose. It is an extremely difficult and complex problem and when this section was added to the Employment Survey Report at the request of the unions, if I remember rightly the Leader of the Opposition had contacts then with Mr Montado who informed him how difficult it would be to monitor these figures and that he would find it extremely difficult.

HON J BOSSANO:

I think, Mr Speaker, the Statistics Office at the time said that

they would liaise with the Hon Member's Department in producing these figures. Clearly, that hasn't happened because the Hon Member told us in the last House that it was not his Department that was doing it and his Department would do something different and more accurate. We were told when we proposed it to Government as a desirable thing, we proposed it initially to his predecessor Major Dellipiani in the Department and then to Mr Montado and the reaction we had from the Government was that both departments would have to work together on this. Clearly, it is not happening.

MR SPEAKER:

I am afraid we have gone as far as we can go on this one.

HON J BOSSANO:

Mr Speaker, I would like to ask the Hon Member one question. I would like to pursue a different road on some of the responses he has given. In saying that people who may be living over there and commuting over here may be visitors in Spain, presumably, because they have not taken up a resident permit there, does he say then, Mr Speaker, that provided they have got an accommodation address in Gibraltar they will continue to be allowed to qualify in Gibraltar for unemployment benefit and register as unemployed by his Department?

HON DR R G VALARINO:

Mr Speaker, with respect to the Hon Leader of the Opposition, I think this is an entirely different question and he is now going off at a tangent and his question does not lie within the ambit of this particular question which has been asked by the Hon Mr Pepe Baldachino.

HON J BOSSANO:

Mr Speaker, can I ask the Minister for Labour since it is his Department, what criteria he applies to determine whether people are considered to be resident workers or not given that we cannot trust what the Employment Survey which he has brought to the House says, what is the departmental criteria for determining the right to unemployment benefit which is linked to residence?

HON DR R G VALARINO:

I feel that really the most important factor is whether they are living there for a temporary period of time or they set up house in Spain. By setting up house in Spain I would have thought that the operative word is 'residing' and implies a right of residence or the acquisition of a permit of residence, therefore there may be many Gibraltarians living in Spain as visitors or purely for a matter of time and should not be considered as residents of Spain in the true sense of the word.

HON J BOSSANO:

And would the Hon Member then say that the same would apply to the permitted individuals? What is the Government policy then? Is it that the Government has got one policy in considering workers to be.....

MR SPEAKER:

We are widening the scope of the question.

HON J BOSSANO:

Mr Speaker, we have raised the issue already in a previous question and we have given notice.

MR SPEAKER:

With respect, that is basically the function of Question Time, to obtain information to be followed up at a later stage.

HON J BOSSANO:

And we have not been able to obtain that information in answer to an earlier question and now we have been given a new insight into the problem by the Hon Member.

MR SPEAKER:

Which will enable you to pursue the subject at a later stage but not now.

HON J BOSSANO:

Which enables me to ask him whether there is an inconsistency between the criteria that he has just explained and that previously explained in the question of permitted individuals. Are permitted individuals limited to those who have official residence permits or to anybody who is physically living over there?

MR SPEAKER:

We will leave it at that.

HON J BOSSANO:

Is the answer that the Government doesn't know, they need more time or that they are not willing to give the information?

HON DR R G VALARINO:

Mr Speaker, Sir, I will consult the Attorney-General and give an

answer to the Hon Leader of the Opposition on this particular question as soon as I am able to.

MR SPEAKER:

Next question.

NO. 217 OF 1986

ORAL

THE HON R MOR

Mr Speaker, what has been the total amount of pensions paid to Spaniards up to 30 September 1986?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, the total amount of pensions paid to Spaniards up to 30 September, 1986, was £4,941,037.57.

SUPPLEMENTARY TO QUESTION NO. 217 OF 1986

HON R MOR:

Mr Speaker, does this amount include the £55,600-odd which were stolen?

MR SPEAKER:

No, with respect.

HON CHIEF MINISTER:

That is a silly question.

HON J BOSSANO:

Mr Speaker, perhaps it is less silly to ask the Hon and Learned Member whether in fact the loss of those funds has been borne by the Government or by the Social Insurance Fund?

MR SPEAKER:

With respect, if the Opposition wanted to know what has happened and how the amount stolen has been replaced that is another matter. You have asked a simple question, how much has been paid to Spanish pensioners and you have been given the answer. Next question.

NO. 218 OF 1986

ORAL

THE HON J C PEREZ

Mr Speaker, can Government state whether it has given written permission to Gunac Ltd to sub-let, transfer or assign directly or indirectly any part of the work on Referendum House to the Concrete Roofing Company Ltd?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Sir, Government has not given any written permission to Gunac Ltd to sub-let, transfer or assign directly or indirectly any part of the work on Referendum House to the Concrete Roofing Company Ltd.

Gunac Ltd and Concrete Roofing Ltd are part of the Cement Gun Group. Basically they are part and parcel of the same ownership and unit each dealing with different types of operations.

SUPPLEMENTARY TO QUESTION NO. 218 OF 1986

HON J C PEREZ:

Mr Speaker, is this true as well of Constitution House?

HON MAJOR F J DELLIPIANI:

I presume so, Mr Speaker, since the company in question has been tackling both blocks.

HON J C PEREZ:

Is the Hon Member aware, Mr Speaker, that this is the requirement which under Clause 7A, paragraph (4) (a) he needs to apply before something like this happens?

HON MAJOR F J DELLIPIANI:

I am not aware, Mr Speaker, What I am aware is that when there is a contract and the Government specifically wants a particular sub-contractor to do a certain type of work then that sub-contractor is what you call a named sub-contractor and the Government will insist that that particular ^{work} be done by a named sub-contractor. In this particular case of the two Tower Blocks the onus of sub-contracting was placed on the main contractor and the Government did not specify or qualify who should be doing the sub-contracting.

HON J C PEREZ:

Is the Hon Member then aware that the Concrete Roofing Company Ltd hasn't got a trade licence required under the Ordinance?

HON MAJOR F J DELLIPIANI:

I am not aware, Mr Speaker, and in this case because both of them form part and parcel of the same company I think it is quite irrelevant.

HON J C PEREZ:

Is the Hon Member aware that Gunac Ltd can trade in Gibraltar under the licence that they have but that Concrete Roofing Company Ltd is not even registered in Gibraltar, that all it has is the name in the United Kingdom?

HON MAJOR F J DELLIPIANI:

I was not aware until this question was raised by the Hon Member. I still think that because we are dealing basically with the same company it doesn't really matter.

HON J C PEREZ:

Mr Speaker, whether we are dealing with the same company or not, can the Hon Member explain to me how the department can allow work to be sub-contracted to a company which is not even registered in Gibraltar and therefore not liable to anything that might happen and on top of that, is the Hon Member not aware that in fact Concrete Roofing Company Ltd has been sub-contracting work to another company and not actually doing it itself?

HON MAJOR F J DELLIPIANI:

I am aware of all the companies that have worked and are working in the Tower Blocks. As I said originally, Mr Speaker, we did not attach any conditions as to who should do the sub-contracting work as is sometimes done, for example, when we are doing a particular project and there are electrics to be done and we want a particular company to do that work, we specify that the electrics should be done by such and such a company, the plumbing by such and such a company, the air conditioning by such and such a company because they will meet the specifications which we have put in the tender document. In the case of the Tower Blocks rehabilitation the contract was awarded to one particular company and no conditions were attached as to which sub-contractor was employed.

HON J C PEREZ:

So what the Hon Member is telling the House is that he is quite satisfied that Gunac should have passed on this work on a sub-contract basis to a company which is not registered in Gibraltar, a company which does not have a trade licence, a company which does not employ labour in Gibraltar and on top of that he says that it is perfectly normal that the Government in this case should have broken its own legislation and not applied Clause 7, paragraph (4) (a) 'whereby the contractor shall be prohibited from subletting, transferring or assigning directly or indirectly to a person or persons whatever any part of his contract without the written permission of the pertinent authorities by the Government'? And the Hon Member says that this is quite normal and it is quite correct?

HON MAJOR F J DELLIPIANI:

I am not saying it is normal, Mr Speaker, what I have said from the very beginning is that we did not put any conditions on this contract as to who the nominated sub-contractors should be, that is what I am saying. If the company is using this as a method of avoiding tax, etc, it is not really my concern. My concern is that the job is done to the satisfaction of my department.

HON J BOSSANO:

But, Mr Speaker, if it is brought to the Minister's attention that a Government contractor is failing to fulfil one of the conditions of that contract, doesn't the Minister think that the Government ought to do something about it? Isn't the message coming out from the Government that provided you can get away with it it doesn't matter what you break in your contract if that is the attitude?

HON MAJOR F J DELLIPIANI:

I have not said that, Mr Speaker, what I have said is that the condition of this contract was such that none of the sub-contractors were nominated by Government. The first I have heard that there are other companies involved, named companies which form part of the same original company, is now. If you want me to pursue that matter on the legalities I will do so. I am looking at it as Minister for Public Works and I am saying that the work which is being carried on by whoever is doing it is being done to our specifications. If you want me to look at the legalities of the question I have no objection to doing it. I don't hold any shares in any of the companies.

HON J BOSSANO:

Nobody for one moment is suggesting that the Hon Member owns shares,

Mr Speaker, that is not the issue. The issue is and the question is whether, in fact, Gunac obtained Government permission to pass that contract on to another company which may be owned by them but it is irrelevant whether it is owned by them or owned by anybody else and the answer is they haven't obtained permission. Well, surely, if they are required to obtain permission and they have not obtained permission, what does Government intend to do about it not because we tell them to do something because if they have discovered that Gunac has broken or is in breach of one of the Clauses of their contract what does Government propose to do about that?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I will investigate the matter for the Hon Member.

HON J BOSSANO:

Would Government agree that if, in fact, the work has been done by a local company contracted by the UK company which in turn was contracted by Gunac, the Government has got some measure of responsibility to ensure that the local company is able to obtain redress for anything that they may be raising which involves at the end of the day the work which the Hon Member says he is satisfied with, paid out of public funds, whereas they may not be able to do anything about it because the company with whom they have dealt is in UK and not in Gibraltar. Would the Government not accept that it has a moral responsibility if the work has been done in Gibraltar by a Gibraltarian company through a company in UK which has never set foot here, that they as the ultimate clients have some sort of say in the matter?

HON MAJOR F J DELLIPIANI:

No, Mr Speaker.

HON J BOSSANO:

So the Government is quite happy to dish out money to a UK company, have the work done by a Gibraltar company and as long as they get the work done whether the money gets to the people who did the work or not is no concern of theirs?

HON MAJOR F J DELLIPIANI:

That is a matter of contractual obligation between the sub-contractor and the main contractor.

HON J BOSSANO:

But, Mr Speaker, there is no contract between the sub-contractor

and the main contractor, that is the whole point. The main contractor has farmed out the work to UK and the UK firm has farmed the work back to Gibraltar and that is in breach of the contract. If the Government is able to satisfy itself that it is in breach of the contract, are they prepared to withhold payment to Gunac until they make sure the payment gets to the people who did the work?

HON MAJOR F J DELLIPIANI:

No, Mr Speaker, I am not prepared to make that kind of statement, I do not know whether they are in breach of contract until the Public Works Department Quantity Surveyors have a further look at the contract.

HON J BOSSANO:

So the Hon Member has not looked at the contract before coming to the House to answer this question?

HON MAJOR F J DELLIPIANI:

I looked at the contract possibly in 1984 when it was first made.

HON J BOSSANO:

But the Government, in fact, in reading the question which clearly talks about assigning, subletting and contracting a contract with or without Government permission didn't check to find out that Government permission was required by the contract?

HON MAJOR F J DELLIPIANI:

If I have been given this information by my own department it means that the Public Works Department is not directly concerned with the assignation.

HON J BOSSANO:

But the Public Works appears to have no knowledge of it, Mr Speaker.

HON MAJOR F J DELLIPIANI:

The Minister has no knowledge, that is another thing.

HON J BOSSANO:

But the Minister has not enquired in preparing himself to answer this question whether the department gave permission for Gunac to sub-contract the work to the Concrete Roofing Company Ltd so

he is not able to give us a clearcut yes or no, whether permission was given by the department?

HON MAJOR F J DELLIPIANI:

No, I cannot because I did not pursue the matter once I realised that all the companies were the same.

HON J BOSSANO:

Mr Speaker, the ownership of the company may be the same but, surely, as legal independent entities they are different individuals and if there is a transfer of a contract from one company to the other is the Government then saying that Government policy is that if they give a contract out to one company that company could give it out to any other company as long as there is an overlapping shareholding? Is that Government policy?

HON MAJOR F J DELLIPIANI:

Mr Speaker, as I said from the questioning from the Leader of the Opposition, I will pursue the legal aspects of the contract and I thank the Hon Leader for enlightening me in the question of the sub-contracting and the contracting and all the rest of it which I wasn't aware of. What I was aware of was that basically one company had the authority to sub-contract because we had not nominated any sub-contractor and the job was progressing satisfactorily. Seeing that there are obviously, as I am now hearing from the Hon Leader, some problems over payments to do with past performances of other sub-contractors, I will certainly not involve the Government in this if I can.

MR SPEAKER:

We will leave it at that.

NO. 219 OF 1986

ORAL

THE HON J C PEREZ

Mr Speaker, has Government now had the results from UK of the experimental deep drilling for water carried out in recent years which has cost a total of £355,000?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Yes, Sir. Various reports from the Institute of Geological Sciences have been produced. The existence of a thin fresh water lens close to sea level, recharged by rainfall has been identified. Recharge estimates indicate that up to 250,000 cubic metres per year may be available for exploitation. However, there has been contamination of the lens by oil leakage in the past and attempts at abstraction results in a rapid deterioration of quality.

The project has also been concerned with the potential of the airport run-off. Sampling of the run-off has demonstrated its potability but there remains the question of storage. To this end further boreholes were drilled. These have to be test-pumped to assess the possibility of injecting the run-off into the aquifers either within the rock or below the isthmus. It is hoped to complete the test pumping this financial year. Finally I would add that so far some £301,000 has been spent on this project.

SUPPLEMENTARY TO QUESTION NO. 219 OF 1986

HON J C PEREZ:

Mr Speaker, has the Hon Member got any idea from the consultants employed what it would cost to extract the water that is available, has any study on what the cost of extracting the water been made?

HON MAJOR F J DELLIPIANI:

The water in question when we talk about the lens effected, the fresh water stays up and the salt water sinks, is that at the moment with the methods that exist it is not possible to do it. Our next objective will be if the test boreholes in the isthmus area prove good enough to receive water from the run-off of the runway we would use that as storage. In any case in this exploration and exploitation there is an element of risk and we thought that it was a risk worth taking to see if there was potential. I think the question of the lens effect won't be a good objective.

HON J C PEREZ:

Is the Hon Member satisfied that it is worth continuing with this exploration having regard to the fact that they announced when the Waterport Distiller was completed that Gibraltar would become self sufficient in water with the Distiller?

HON MAJOR F J DELLIPIANI:

Gibraltar is already self sufficient with the Distiller but as the Hon Member will be aware distilled water does not have a particularly good taste and this is why we do a cocktail composed of water from our wells and rainwater. If we were entirely dependent just on distilled water there would be a boom in the sale of bottled water.

MR SPEAKER:

Next question.

NO. 220 OF 1986

ORAL

THE HON J C PEREZ

Mr Speaker, can Government state categorically whether there is any danger to tenants because of the existing state of disrepair of Police Barracks and if so, what they intend doing about it?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Sir, I cannot give a categorical answer until such time as the full survey report has been submitted. The physical survey has almost been completed and the full report and recommendations will follow. Every effort is being made to have this ready by mid-November.

In the meantime make-safe measures are being carried out. Two families have been temporarily accommodated elsewhere.

It is intended to carry out structural and other repairs as required, including work on the defects which have already come to light, such as the access walkways and balcony slabs.

Whilst the surveying proceeds, PWD will assess the number of dwellings that have to be vacated and which dwellings can be declared safe.

SUPPLEMENTARY TO QUESTION NO. 220 OF 1986

HON J C PEREZ:

Does the survey being conducted include the access corridors or has that nothing to do with the survey presently being conducted?

HON MAJOR F J DELLIPIANI:

The survey for the access corridor was already carried out and temporary propping up measures were made at least over a year ago. What has now come to light on the 3rd October was that there were cracks in the balcony areas and this is why the survey was being done but since we are there now we are doing an in depth survey of the whole building.

HON J C PEREZ:

Is the Hon Member saying that he considers the access corridors to be safe, that he can categorically state that they are safe?

HON MAJOR F J DELLIPIANI:

I can say that they are safe on a temporary basis because they are just propped up and the spillage of the concrete which was loose has been taken, I cannot say that at the present moment it will be safe for ever.

HON J C PEREZ:

Can the Hon and Learned the Chief Minister state whether that is his position as well since the tenants there claim that he told them otherwise? Is the Hon Member aware that the Hon and Learned the Chief Minister is said to have told the tenants there that on the grounds that the access corridors were unsafe they would all be moved out?

HON MAJOR F J DELLIPIANI:

I am not aware that the Chief Minister has said that.

HON J C PEREZ:

And is the Hon Member also aware that the Hon and Learned the Chief Minister is said to have committed himself to moving out some of the tenants there with large families to two units in the ex-Calpe Barracks which used to belong to the RAF which have, according to a press release, been given to the Government precisely because of the intervention of the Chief Minister.

HON MAJOR F J DELLIPIANI:

Mr Speaker, I was not present when the Chief Minister met the tenants of the Police Barracks. What I can say is that I did have a meeting with him together with my engineers and I did say that it might be possible if there was alternative accommodation, to vacate some of the premises into temporary accommodation and work in the premises which have been vacated as a temporary measure. Certainly as far as I know, I am not aware that Gibraltar has the luxury of having nearly forty-odd quarters standing by in case there is an accident of this nature, if there was then we wouldn't have a housing problem. What I am aware is that the Chief Minister has tried very hard and I think he was successful in accelerating the handover of some MOD properties to alleviate the temporary decanting of some of the more dangerous quarters as the survey is produced to this alternative accommodation until repairs are carried out in depth.

HON CHIEF MINISTER:

Mr Speaker, the Minister having answered the questions which were

addressed to him, I do not want to shirk the responsibility of dealing with the matter myself and I would like to say that in a case of this nature where spirits and difficulties run high I can understand that there may have been a misunderstanding. I did do my best to get as many of the MOD dwellings which had been promised to become available, I did say that some of them were small and that large families might have to take two, I did say that the worst cases would be decanted first and I did my best for that, the record shows that that is the case. I think it has been somewhat exaggerated and I do not like to be called a liar when I am not a liar. I said what I had to say, the record is there and the record bears out that I could never have said that thirty-five people can be decanted just like that and I therefore like to make that statement quite clear. There may have been a misunderstanding, I am not attributing bad faith, and in the excitement and in the difficulty with which we all sympathise they could have misunderstood me but I couldn't give what I didn't have. I obtained the early release of twenty dwellings in order to have them available which are in a very good state, I am happy to say, they don't require any repairs, in order that immediately the survey is finished the worst cases can be moved.

HON J C PEREZ:

So we can take it that what the Hon and Learned the Chief Minister is saying that he didn't commit himself to reallocate all the tenants?

HON CHIEF MINISTER:

Absolutely.

HON J C PEREZ:

Can Government perhaps state when they intend moving out some of the tenants and perhaps when they intend to start repairs and what the nature of the repairs will be?

HON MAJOR F J DELLIPIANI:

Mr Speaker, first of all we will have to receive the detailed report where I am sure it will be highlighted which are the quarters in most danger and I suppose they will have immediate priority in the moving into not equivalent accommodation but accommodation as much as possible which will suit the family composition. The process of the actual repairs will be a lengthy one because there will be a whole lot of documents to be prepared, engineering designs will have to be made and the bills of quantity will have to be made and the whole package of repairs will have to be put out to tender. It will be a rather long and complex

exercise even before we begin to do the actual repairs. I cannot give dates but what I can say is that the department has taken this as one of its priorities.

HON J C PEREZ:

Having regard to the fact that only £14,000 have been voted for that specific Barracks for the repairs of the access balconies, can the Hon Member tell me whether (a) that is sufficient money for the works needed for the access balconies and (b) from where are they thinking of allotting funds for the other repairs?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I don't think because of the nature of the problem that the Government is going to talk about where the money is coming from or not, the money will become available because it is absolutely necessary to do the work. Certainly, from the reports that I am getting now, and they are only very preliminary reports, I would imagine to completely rehabilitate all the quarters in Police Barracks, and I am speaking as an ex-contractor and an off the cuff estimate which I don't want to be quoted as being the gospel truth, I would imagine it will be in excess of £300,000.

HON J C PEREZ:

Which was what the original study said. The Hon Member has just said and it has been mentioned in press releases that the Public Works is carrying out a survey which will identify what the works that need to be done are and yet about eighteen months ago the Hon Member confirmed that there was a report that suggested such a recommendation.

HON MAJOR F J DELLIPIANI:

Yes, because there were two ways to tackle it and one was to physically tie up the access corridors within the structure of the building itself and that would have entailed the vacating of the tenants. So we went to a short-term ten to twenty years solution for repairs. If we went for the major repairs I said £300,000 because I could remember that at least it was £300,000 so that the access corridors could be tied up with the complete structure so we are probably talking of £½m because I am sure that when the roof is looked at the roof will be found to be defective.

HON J C PEREZ:

We are probably talking of £½m if we do both things. If we do what the Hon Member said that the report recommended which was

to the tune of £300,000 and the works that are identified as a result of the Public Works Survey, is that so?

HON MAJOR F J DELLIPIANI:

No, Sir, because we have found another solution where we hope to have the access corridors made out of steel and then joined to the building so that will bring the cost down and then do the whole of the structural side of the concrete of the balconies, etc, including some suspect floors in the building and the roof which is also suspect.

HON J C PEREZ:

Didn't the department say it needed to vacate the tenants there because of the joining of the balconies to the building?

HON MAJOR F J DELLIPIANI:

I am not talking of balconies I am talking of the access corridors.

HON J C PEREZ:

The access corridors, right.

HON MAJOR F J DELLIPIANI:

The access corridors if it was done in another way would have required the decanting of everybody at the same time.

HON J C PEREZ:

As it is what the Hon Member is saying is that they only need to vacate some people at a given time?

HON MAJOR F J DELLIPIANI:

Yes, if some of the quarters are found to be safe. If all the quarters are found to be unsafe obviously we would have to vacate every quarter.

HON J L BALDACHINO:

Mr Speaker, in one of the supplementaries the Hon Member said that two of the tenants had already been decanted. Were they accommodated somewhere else because in the Government's opinion the dwellings where they were living were unsafe?

HON MAJOR F J DELLIPIANI:

Yes, Mr Speaker.

HON J L BALDACHINO:

Are there any other tenants at the present moment living in the Police Barracks whose dwellings are in a similar condition such as those who were decanted?

HON MAJOR F J DELLIPIANI:

I don't think so, Mr Speaker, because otherwise the initial report would have warned me about this. There are some of the, as far as I can recollect now from the initial reports that are coming in, some of them needed to be propped up but the tenants were not cooperating in the propping up of some of the areas but if the area in question is propped up I think that a measure of safety will be introduced. I think that the fact that we noticed immediately that two of the tenants were in immediate danger and they were evacuated shows that the other tenants are not so much in danger when the engineers have not come back saying: "You have got to move these people otherwise the whole thing will collapse today".

HON J L BALDACHINO:

Mr Speaker, if between now and the survey being complete so that the Government have a better overall picture on what condition the Police Barracks is, if any other family finds itself in the same situation as the two that were decanted they will be automatically reallocated somewhere else, is that correct?

HON MAJOR F J DELLIPIANI:

I think we are morally bound to safeguard the safety of life and we have at the moment, thanks to the intervention of the Chief Minister, if not the exact number of rooms that they had in the other place at least some place to live in if the case arose.

HON J C PEREZ:

Mr Speaker, is the Hon Member then not aware that the same type of fault that was found in the flat occupied by the Milanta family which was one of the families that was moved out has been found in the flat occupied by the Brancato family and that although the Milanta family and the tenant above the Milanta family were moved out the Department has not seen fit to move out the Brancato family notwithstanding that the same faults in the balconies have been identified and that they have been similarly propped up with wooden beams?

HON MAJOR F J DELLIPIANI:

The report that I got on the Brancato family was that with

propping up, I don't know if it has been carried out, which was refused by the tenant at the time, with propping up the flat was reasonably safe and not as dangerous as the Milanta one.

HON J BOSSANO:

Mr Speaker, who determines how unsafe is unsafe? He is talking about degrees, is it a matter for the people in the Public Works Department? Isn't there under the Public Health Ordinance an obligation on the Health Department when it comes to safety with private property and has the advice or the expert opinion of an Environment Officer been sought in this matter because if we were talking about private property the Environmental Health Department would have to say something about a building being unsafe and being occupied, surely?

HON MAJOR F J DELLIPIANI:

Mr Speaker, in fact, the Environmental Health Officer depends on the expertise of the Public Works Department engineers when they have to deal with matters of safety of this nature.

HON J BOSSANO:

Is the Hon Member then saying that, in fact, Environmental Health Officers who are qualified the same as they are in UK for the purposes of the Housing Acts and the implementation of the Public Health Ordinance are not themselves qualified to determine independently of what the Public Works might think whether a building is safe or not safe for human habitation?

HON MAJOR F J DELLIPIANI:

Public Health Inspectors are involved but they are not structural engineers.

HON J BOSSANO:

I know that they are not structural engineers but the Hon Member is saying that one place is unsafe and the other place is more unsafe than the first place and apparently there is some criteria as to how unsafe a place has to be, what is the percentage of risk before it is considered by the Government sufficiently serious to evacuate the tenants because of the danger to life, presumably. There is, in fact, as I understand it, a clear responsibility on Environmental Health Officers to intervene in such situations where the owner of the property is a private landlord and they don't do it when the owner of the property is the Crown but is, in fact, the Hon Member telling the House that the judgement on which the Government is basing its policy as to whether to protect tenants

in that area or not is the judgement of a structural engineer or has he obtained the expert advice of Environmental Health Officers on the matter?

HON MAJOR F J DELLIPIANI:

I have not obtained the expert advice on this occasion of the Environmental Health Officers. I have obtained their advice in the past in the year 1983, even before I was there, on Jumper's Building where we see even now a greater risk of the whole building collapsing than Police Barracks and there is still, I think, one family who refuses to leave because they want some special quarters.

HON J C PEREZ:

Is the Hon Member aware that the tenants themselves called in the Environmental Health Department and has he any information regarding what the Environmental Health Department saw and reported?

HON MAJOR F J DELLIPIANI:

I was not aware and I haven't received anything personally, if my Director of Public Works has I will ask him.

MR SPEAKER:

Next question.

NO. 221 OF 1986

ORAL

THE HON J C PEREZ

Mr Speaker, can Government state what it plans to do about the state of disrepair of the balconies at Stanley Buildings?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Yes, Sir, a preliminary structural report has been prepared and temporary measures will be taken in the case of three balconies which were surveyed in detail and found to be in a state of disrepair. These will be repaired by fixing approved steel brackets under the balcony slabs. This method was successfully used at Macfarlane House in 1982. A further survey will be carried out to examine the extent of repairs required to the rest of the balconies at this building, as soon as pressure of this type of work eases. At present surveys are being carried out at Castle Road Police Barracks, Jumpers Buildings, Scud Hill Police Barracks, Anderson House, Macfarlane House, MacMillan House and Willis's House. This is likely to be undertaken towards Easter 1987 since surveys have to be produced as well as the design, calculations and working drawings for the eventual execution of work.

SUPPLEMENTARY TO QUESTION NO. 221 OF 1986

HON J C PEREZ:

If I am not incorrect what the Hon Member is saying is that the survey is going to be carried out on the other balconies in Easter 1987 or the works of the three balconies mentioned previously?

HON MAJOR F J DELLIPIANI:

This is likely to be undertaken towards Easter 1987 since surveys have to be produced as well as the design, calculations and working drawings for the eventual execution of work, everything, for all the houses.

HON J C PEREZ:

Mr Speaker, there was a recent incident which highlighted the state of disrepair whereby the ceiling of one of the balconies fell on to the other balcony below and a survey was carried out. Can the Hon Member say on that specific balcony whether the survey carried out thought that the situation could continue as it is until, for example April, 1987?

HON MAJOR F J DELLIPIANI:

You are talking about Anderson House?

HON J C PEREZ:

No, I am talking about Stanley Buildings, the question is about the balconies at Stanley Buildings.

HON MAJOR F J DELLIPIANI:

No, that won't have to wait until 1987.

HON J C PEREZ:

When does the Hon Member expect to effect repairs on those balconies?

HON MAJOR F J DELLIPIANI:

As soon as the calculations are ready we will do them.

HON J C PEREZ:

Is the money expected to come out of the vote for Government Buildings or from the Housing Fund, I presume?

HON MAJOR F J DELLIPIANI:

It doesn't matter, Mr Speaker, if it has to be done we will find the money whether it is from the Maintenance of Government Buildings or from Housing, we will do it.

MR SPEAKER:

Next question.

3 11 86

NO. 222 OF 1986

ORAL

THE HON J C PEREZ

Mr Speaker, how much of the money provided in the Improvement and Development Fund for road resurfacing has been spent in the first six months of the financial year?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

Sir, expenditure to September, 1986, was £23,863.

SUPPLEMENTARY TO QUESTION NO. 222 OF 1986

HON J C PEREZ:

Could the Hon Member say out of the announced programme in Press Release No. 118/86 has that sum of money covered up to now?

HON MAJOR F J DELLIPIANI:

Yes, Sir. The following works have been carried out: Tuckey's Lane, Library Street, part of Cannon Lane, Irish Town from Tuckey's Lane to Cooperage Lane, King's Yard Lane.

HON J C PEREZ:

Does the Hon Member expect to complete the announced programme before the end of the financial year?

HON MAJOR F J DELLIPIANI:

Yes, Mr Speaker.

MR SPEAKER:

Next question.

THE HON J C PEREZ

Mr Speaker, will Government supply this House with a breakdown of the £618,000 voted at the budget for the Maintenance of Government Buildings?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Yes, Sir. The breakdown of the £618,000 voted for the Maintenance of Government Buildings under Head 21 Item 62 is as follows:-

(a) Minor Works	- PWD Depots	£ 36,000	
	- Security	£ 25,000	
Minor Departmental works under £10,000	Audit	£ 1,200	
	Judicial	3,900	
	Law Offices	1,500	
	Police	6,000	
	Prison	8,400	
	Tourism	9,000	
	Gib Museum	2,400	
	John Mac Hall	9,100	
		<u>£ 102,500</u>	= £ 102,500
(b) General Repairs and Maintenance to Offices and Buildings		<u>515,600</u>	= £ 515,600
			TOTAL £ 618,100
			=====

SUPPLEMENTARY TO QUESTION NO. 223 OF 1986

HON J C PEREZ:

Mr Speaker, if you will allow me, I would say that at least part of the £618,000 has been able to be allocated elsewhere. Could the Hon Member say out of the £500,000 that he has left whether there is a breakdown of the Government buildings that have actually been repaired and how much of it is left from here to the end of the financial year of the £500,000 of the general maintenance of Government buildings?

HON MAJOR F J DELLIPIANI:

Sir, the £515,600 are spent on repairs in response to requisitions for work requested by Government Departments which do not fall within the programme of minor works and are normally of a day-to-day nature.

Also included are works of small duration, that is, say three to ten days, arising out of priorities and works of an emergency nature. For example, repairs to leaky roofs and renewals, fixing of tarpaulins and emergency measures, electrical installations and repairs, making safe dangerous structures, for example, recently the demolition and the construction of a dangerous wall at the Secretariat, propping up the out-building of the Technical College, etc and scheduled repairs to masonry, for example, hacking off the plastering to areas affected by cracks, dampness, etc and scheduled repairs to plumbing, for example, replacing the defective services, gutters and drainpipes etc, painting of Government buildings and offices not included in the annual estimates and scheduled refurbishment of Government offices, for example, the ex-Chief Minister's Office in Secretariat and the Attorney-General's extension at Secretary's Lane, work in connection with the Police, Public Health and Fire Brigade Reports for example, the removal of canopy at Police Post Waterport and numerous Public Health reports including dangerous structures and unsatisfactory conditions, etc. Blocking up of all empty public buildings against vandalism, intrusion and squatting, for example, St Jago's, Civil Prison Gatehouse and scheduled repairs to joinery eg windows, doors and frames and replacement of window panes, regular painting of House of Assembly Lobby and City Hall for ceremonial occasions, assisting Government departments transferring furniture from old to new offices, re-siting safes. The projected number of jobs based on last year is around 2,000. This is broken up into 1,150 jobs at approximately £65, that is, two men by one day, that accounts for around £74,000; 400 jobs of approximately £300, three men at three days plus materials £120,000; 300 jobs approximately £400, four men at three days plus materials £120,000; 100 jobs at approximately £1,000 each six men at five days plus materials £100,000; 50 jobs at approximately £2,000 each six men by ten days and materials £100,000. That comes to approximately £514,750.

HON J C PEREZ:

Could the Hon Member say how many of those jobs were programmed to take place at the beginning of the financial year?

HON MAJOR F J DELLIPIANI:

These jobs are not programmed. I said from the very beginning that this is the kind of work we start doing from day one because no one has allowed for them.

HON J C PEREZ:

What the Hon Member is now saying is contrary to what the Hon Mr Featherstone told me two Budgets ago when he said that a lot of that money was allocated to different departments and a breakdown could be given but not all that money because there needed to be some flexibility. What the Hon Member is now telling me is that there needs to be flexibility in the majority of the vote because the department doesn't actually know what it is going to spend the money on when you come here at budget time and you ask us to approve the sum of money. Is that what the Hon Member is saying now?

HON MAJOR F J DELLIPIANI:

That is what this Hon Member is saying.

HON J C PEREZ:

Can the Hon Member tell me how the department evaluates what they are going to need over the year? If they have no forecast on the maintenance of Government buildings on what repair works are going to be effected, how do they come up with a figure of, for example, £618,000 which gives you the impression that it is calculated at least to the last pound because of the £18,000. One would have said £600,000 or £650,000 but £618,000 gives you the impression that some work has been done in calculating how much the department is going to spend over the year. The Hon Member tells me that £500,000 of that sum is spent on a day-to-day basis as from day one.

HON MAJOR F J DELLIPIANI:

I have said from the beginning, Mr Speaker, that this calculation is based on the average number of small jobs per year so we know what the average number is and the type of jobs that we get during the year and we project the cost for the following year.

MR SPEAKER:

Next question.

3 11 86

NO. 224 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government confirm that they have finally taken the decision to construct 45 flats to rent at Engineer House site?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

Sir, Government has given the go-ahead for the construction of 45 flats at Engineer House (15 in number 4RKB and 30 in number 3RKB) and approval has been given in the first instance for site investigations to be carried out by specialist contractors.

SUPPLEMENTARY TO QUESTION NO. 224 OF 1986

HON J L BALDACHINO:

Will the development of Engineer House site take place in this financial year?

HON MAJOR F J DELLIPIANI:

Sir, it is hoped to start the works in this financial year.

MR SPEAKER:

Next question.

HON MAJOR F J DELLIPIANI:

Mr Speaker, with reference to Question No. 224 from the Hon J L Baldachino, with the supplementary questions and answers, after I went home that evening I realised that I might have misled the House in one of my replies with regard to when the Engineer House project would commence and I think the impression I must have given was that the project itself, the actual building of the flats, would start this financial year when what I really meant was that the site investigations will commence this year and I would not like the House to get the impression that I have said that the flats would be commenced this year. Thank you, Mr Speaker.

THE HON J L BALDACHINO

Can Government state when they intend to invite tenders for the construction of the extra flats at Laguna Estate?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Sir, an in-depth study into the scheme has now been carried out and it has revealed certain difficulties which would require modifications to the project and increase the overall estimated cost substantially. The modifications required are largely due to the inclusion of fire escape facilities to meet the requirements of Fire Regulations as required by the Ordinance. Government has therefore decided to abandon this project and concentrate its efforts on the Engineer House scheme.

SUPPLEMENTARY TO QUESTION NO. 225 OF 1986

HON J BOSSANO:

Mr Speaker, can the Hon Member explain why there hasn't been a statement from the Government when this was announced as the major way of tackling the housing problem in the budget? Didn't they know in the budget what the Fire Regulations said?

HON MAJOR F J DELLIPIANI:

No, Sir, otherwise we wouldn't have made that statement. The thing came about when the actual working drawings were presented to the Fire Service and they raised objections.

HON J BOSSANO:

But surely, Mr Speaker, before the Government comes to the House to vote money for a particular project, shouldn't they do their homework thoroughly to know that when they come here and they convince the House to provide the finance on the grounds that this is a good way of providing public housing because I remember the Hon Mr Canepa particularly drawing attention to the unit costs being relatively low and that it made sense to spend money like this. How can the Government explain that they tell us in July that the tenders are going in October so even in July they didn't know they couldn't do it?

HON MAJOR F J DELLIPIANI:

Mr Speaker, the Hon Leader of the Opposition is quite right. Whilst all private projects are circulated to all the departments concerned, unfortunately in this instance the Public Works Department neglected to do so and this is what I am saying, this caused quite a rumpus between myself and other Ministers. We have introduced measures where the Public Works Department projects will be treated the same way as ordinary building applications for other projects and they will have to go through all the departmental clearance in order that this doesn't happen again.

I admit that it was the fault of the Public Works Department and if I am the Minister I admit the fault for misleading my Hon colleagues and Members of the House through my other Hon colleague.

HON J L BALDACHINO:

Mr Speaker, on a point of clarification. Do the Fire Regulations come into play because of the additional storey or does it mean that every new building that will be constructed will require this fire escape?

HON MAJOR F J DELLIPIANI:

No, this is because of the additional storey that was going to be built. The fire risks are greater, the standards of fire prevention have gone up and the Fire Service, quite rightly, demands very high standards and they will not admit an extra block without an extension of a corridor connecting to different stairways, etc. This only applies, in fact, to the Laguna Estate scheme which we thought originally was a good idea because it is much cheaper to build on existing foundations but, unfortunately, as I say, I boobed.

MR SPEAKER:

Next question.

NO. 226 OF 1986

ORAL

THE HON J C PEREZ

Mr Speaker, can Government confirm that a report in their possession prior to 1979 recommends that the best way to make the lower water catchment areas safe is to clear a large area from the top of the catchments so as to have a broad platform onto which rocks would land and remain?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Yes, Sir. It is proposed to implement the recommendations of the above report and £540,000 was earmarked under Head 106, Item 4, for the first phase.

SUPPLEMENTARY TO QUESTION NO. 226 OF 1986

HON J C PEREZ:

Mr Speaker, can the Hon Member state perhaps whether the implementation of this recommendation had nothing to do whatsoever with the setting up of the Gibraltar Quarry Company?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I wasn't around in the Public Works Department at that time, I have no idea. What I do know is that the recommendation is that in order to safeguard the area it would be a good idea to build a catch bench.

HON J.C PEREZ:

What I am asking the Government is whether the setting up of the Gibraltar Quarry Company was not in part to carry out this recommendation thus by quarrying there would be a broad platform being made onto which rocks would land and remain?

HON MAJOR F J DELLIPIANI:

I think, Mr Speaker, it would be logical to assume that when the Gibraltar Quarry Company was set up it was with the idea of reclaiming sand which was at the top and is at the top of the water catchments in such a manner as to produce a catch bench and at the same time give Gibraltar a measure of self sufficiency in sand.

HON J C PEREZ:

Can the Hon Member explain what the other method which is going to be used or is presently being used to create this catch bench is?

HON MAJOR F J DELLIPIANI:

The method of the catch bench will be the same, we have to create catch benches, there is no other way, it is a question of digging up the area underneath the cliffside to a certain depth in order that when

there are rockfalls they are caught in this bench. The only thing is that this must be done in a controlled manner.

HON J C PEREZ:

So if the area in question is composed in its majority of sand, then it would be tantamount to quarrying sand and forming the platform? It would be actually the same as what the Quarry Company is doing today except that instead of selling the sand we would be disposing of it, presumably.

HON MAJOR F J DELLIPIANI:

Not quite, Sir. The problem that has arisen is that because of the pressure on the Gibraltar Sand Quarry to sell sand when sand was not available from the catchment area above either because of mechanical reasons, because the conveyor belt wasn't working, a certain amount of quarrying was done in the lower area of the water catchment which has undermined the stability of the whole of the lower catchment area. The way it is proposed to be done is that there is no pressure in having to sell sand.

MR SPEAKER:

But we are not going to get involved in the sale of sand.

HON J C PEREZ:

Mr Speaker, there is another question under my name on the subject. We can take it that what the Hon Member is saying is that other than digging from below which is what he has said has caused this problem and everything else, the quarrying from the top which is being carried out by the Gibraltar Quarry Company is the method that needs to be used to create this broad platform in the upper catchments or this safety net or whatever the Hon Member wishes to call it?

HON MAJOR F J DELLIPIANI:

Yes, Mr Speaker.

HON J BOSSANO:

Is that completed or is there going to be a sum of money allocated to doing this by Government?

HON MAJOR F J DELLIPIANI:

Mr Speaker, before any more work is carried out at the catchment area the priorities has now become to stabilise the bottom area of the Quarry Company and that will come under the same Head 106, Subhead 4. Before we can do any more operations at the top we have to stabilise the area below.

HON J BOSSANO:

And that will be something that the Government will be undertaking, it won't be the responsibility of the Quarry Company, that is my question?

HON MAJOR F J DELLIPIANI:

Before proceeding to continue to create the catch bench at the top of the catchments work has to be put in hand to put right the instabilities created by the Gibraltar Quarry Company operation at the bottom of the sand slopes also under Head 106, Subhead 4.

MR SPEAKER:

But that work will be done by the Public Works Department, that is what you are being asked.

HON MAJOR F J DELLIPIANI:

That will be done by contract, Sir.

HON J BOSSANO:

Mr Speaker, are we talking about the Government coming here and saying 'We are voting so much money for this purpose' or is it something that the Quarry Company has to put right whether they do it themselves or they get somebody else to do it?

HON MAJOR F J DELLIPIANI:

The Quarry Company is in no financial position to do it.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Mr Speaker, has Government now considered the views of the Consultant that there is a requirement for a Dietician?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, as I stated in answer to Question No. 168 of 1986, the matter has been under consideration. It has been decided to refer this to the Review Team looking into the Medical Services for a definitive view.

SUPPLEMENTARY TO QUESTION NO. 227 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister confirm whether the Consultant has made a case for the post to be filled?

HON M K FEATHERSTONE:

A case has been made but it has been passed to the Establishment who feel that the final decision should be made by the Review Team.

HON MISS M I MONTEGRIFFO:

So the Minister is saying, Mr Speaker, that he is not committed to introducing the post?

HON M K FEATHERSTONE:

Would you repeat that please?

HON MISS M I MONTEGRIFFO:

Is the Minister saying that he is not committed to filling the post until the Review has finalised?

HON M K FEATHERSTONE:

Yes, that is so.

MR SPEAKER:

Next question.

3.11.86

NO. 228 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Mr Speaker, on what basis has the Government come to the conclusion that a further three years are required for Gibraltar Nursing Qualifications to meet UK and Community standards?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

This was based on advice previously given to the Government. The matter is now being considered as part of the Nursing Review.

SUPPLEMENTARY TO QUESTION NO. 228 OF 1986

HON MISS M I MONTEGRIFFO:

But, Mr Speaker, hasn't the Minister said in the House that it was a question of just implementing some changes?

HON M K FEATHERSTONE:

Yes, but we had the Briggs Report which said that it would be a matter of three years. The now new Nursing Review may speed that up.

HON MISS M I MONTEGRIFFO:

Mr Speaker, the Briggs Report goes back to 1979, does this mean actually that the Government will have to wait for something like eleven years to finalise the matter?

HON M K FEATHERSTONE:

It depends whether we get somebody seconded from the United Kingdom to take over the instruction of our nursing services.

HON J BOSSANO:

May I ask the Minister, is he in fact implying that the only qualifications that will be recognised will be those where the inception of the tuition is started after the changes? What happens to people who are in the middle, people who are in their final year? Is he saying their qualifications will not be recognised because it will only be the people who start and then do three years?

HON M K FEATHERSTONE:

That is the information that has come to me, yes.

HON J BOSSANO:

Surely then, Mr Speaker, if that is the position as it was in 1978 and 1979 and those recommendations have been with the Government since then, how does the Government intend to make up for it to all those people who qualified in the intervening period if they are going to be left out of the net?

HON M K FEATHERSTONE:

Normally they would have gone to the UK to do a three-month course which then entitled them to become an SRN. Whether the new tutorial system will allow that to be incorporated in Gibraltar is something we will have to see, I hope it will.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

When did Government decide that a review of the Medical Services was required?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, in March, this year. The Government decided to undertake a review of the Medical Services in June this year. The consultants were formally approached and appointed in September.

SUPPLEMENTARY TO QUESTION NO. 228 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, doesn't this Review contradict everything that the Minister has been telling me in the House in defence of the healthy state of the Medical Services? In March, for example, Mr Speaker, the Minister was saying that the services were exemplary.

HON M K FEATHERSTONE:

The services are good but there are certain facets which the new look brought in by the coming into the service of Dr Bacarese-Hamilton militated that some of the things should be looked at.

HON MISS M I MONTEGRIFFO:

Mr Speaker, how come that in March the Minister was defending the Medical Services and no indication was given to us that this major review was being commissioned? In fact, in July, Mr Speaker, the Minister gave us no indication at all.

HON M K FEATHERSTONE:

The idea was suggested by Dr Bacarese-Hamilton in March, Government did not consider it until June.

HON MISS M I MONTEGRIFFO:

Has the Minister then changed his mind, Mr Speaker, that the Health Services are not in such a healthy state as he has been maintaining all the time?

HON M K FEATHERSTONE:

No, Sir, the Health Services are in a healthy state but even if something is good it can always be improved and it is suggested that this review will improve the situation especially in certain fields.

HON MISS M I MONTEGRIFFO:

Mr Speaker, will the Minister be making the report of the experts public?

HON M K FEATHERSTONE:

Yes, Sir.

MR SPEAKER:

Next question.

3 11 86

NO. 230 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Has Government now completed its consideration as to the introduction of a Prescriptions Only Medicines List?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the Medical Department has been asked to prepare a Prescriptions Only Medicines List by the end of this month. The Government proposes to introduce the list shortly thereafter.

3 11 86

NO. 231 OF 1986

ORAL

THE HON R MOR

Mr Speaker, have Government amended the regulations to allow rent relief for private tenants in furnished accommodation?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir. However, as I explained in answer to Question No. 165 of 1986, it is proposed to amend the Landlord and Tenant (Rent Relief) (Terms and Conditions) Regulations to include Rent Relief for persons in furnished accommodation. This will be done on the basis that Rent Relief will be assessed as if the premises had been let unfurnished.

SUPPLEMENTARY TO QUESTION NO. 231 OF 1986

HON R MOR:

Would the Hon Member give an indication of how long this is going to take?

HON M K FEATHERSTONE:

I hope to have them in operation by the beginning of next year.

MR SPEAKER:

Next question.

3 11 86

NO. 232 OF 1986

ORAL

THE HON J L BALDACHINO

Mr Speaker, can the Minister for Health and Housing state whether they are still applying the provisions of Clause 1G of the terms of reference of the Housing Allocation Committee?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir. Clause 1G is no longer being applied.

SUPPLEMENTARY TO QUESTION NO. 232 OF 1986

HON J L BALDACHINO:

Under what authority has the Government removed this Clause, Mr Speaker?

HON M K FEATHERSTONE:

Sir, Clause 1G has been technically out of operation since 1980.

HON J L BALDACHINO:

Mr Speaker, I have asked a similar question in this House and it is no way as far back as 1980 and the Hon Member told me that it was then in operation.

HON M K FEATHERSTONE:

Sir, applicants to whom the provision of Clause 1G had already been approved are having their positions safeguarded. The exceptional cases are referred to the Housing Advisory Committee for advice under Clause 2B which refers to cases meriting special consideration mainly on medical and social grounds but in normal cases Clause 1G is not operating.

HON J L BALDACHINO:

I understand that, Mr Speaker. May I ask the Hon Member under what authority has the Government removed Clause 1G from the terms of reference of the Housing Allocation Committee?

HON M K FEATHERSTONE:

The only information that comes to me is that it was out of operation since 1980 which was before my time.

HON J L BALDACHINO:

I don't want to go into that, Mr Speaker.

MR SPEAKER:

What the Minister is saying is that he doesn't know because the thing had not been put into operation since 1980.

HON J L BALDACHINO:

But, Mr Speaker, I asked a similar question in this House after 1980 because I have been here only since 1984 and the Hon Member said that Clause 1G was still in operation but was being reviewed by the Housing Allocation Committee and this arose because I had written prior to that to the Hon Member for the terms of reference of the Housing Allocation Committee and Clause 1G wasn't there and when I pointed out to him in that question that it wasn't there he said they had made a mistake and it was still in operation. What I am asking the Hon Member is how can it be taken off in 1980 when in 1984 it was still in operation? If that is the case, under what authority has the Hon Member taken it off?

HON M K FEATHERSTONE:

I haven't taken it off but I will find out for the Hon Member under what authority it was taken off.

HON J L BALDACHINO:

If I remember correctly, Mr Speaker, the Housing (Special Powers) Ordinance and the Hon Member can look at that, under Clause 13(1) of the Housing (Special Powers) Ordinance I think it is by a resolution of this House because I remember in 1979 reading through Hansard when the Hon Mr Zammit was Minister for Housing he brought this to the House and it was passed in this House. If it was taken out surely he has to bring it to the House before it can be taken off?

HON H J ZAMMITT:

No, Mr Speaker, with the greatest respect, the Housing Scheme doesn't have to come to the House. What was brought to the House was a Special Powers Ordinance. The actual function of the scheme was a matter for the Housing Allocation Committee and the Housing Advisory Committee to get together. I think my Hon Colleague is slightly under a misapprehension, Clause 1G was certainly in existence when I left Housing, which I can never forget, in 1982 after quite a number of years, it was certainly in existence in 1982 but I did not know it was not functioning.

HON J BOSSANO:

You didn't take it with you?

HON H J ZAMMITT:

No, I didn't take it with me, no, I can assure the Hon Member, I took nothing away from Housing.

HON J L BALDACHINO:

May I ask then the Hon Member if he can check if it can be taken off without the authority of the House.

HON M K FEATHERSTONE:

Yes, I will do that.

MR SPEAKER:

Next question.

3 11 86

NO. 233 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government state on what does the Housing Advisory Committee base its decision when making recommendations on social cases?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the Housing Advisory Committee base their decision on the information provided by the applicant, the department and on the Family Care Unit's reports and recommendations.

SUPPLEMENTARY TO QUESTION NO. 233 OF 1986

HON J L BALDACHINO:

Is the Hon Member saying that on all cases referred to the Advisory Committee to be considered as social cases the Family Care Unit intervenes?

HON M K FEATHERSTONE:

They are always asked to report, yes.

HON J L BALDACHINO:

Because I know of cases which after being referred three times to the Housing Advisory Committee, because I have a letter from the Housing Department which states that, that on the third occasion the letter stated that it was going to be referred to the Housing Advisory Committee for it to make a recommendation so that it could be referred to the Family Care Unit.

HON M K FEATHERSTONE:

All I can say is that the information that comes to me is that all social cases are referred to the Family Care Unit.

3 11 86

NO. 234 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government state -

- (a) How many applications they have received after March, 1986, from people claiming to be social cases?
- (b) How many of these have had a yes recommendation?
- (c) How many of the 64 awaiting accommodation since March, 1986, have been accommodated?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

- (a) 14 applications have been received since March, 1986, from persons claiming to be social cases.
- (b) To date, five applicants have been recommended. Reports on the remaining nine cases are awaited from the Family Care Unit who normally investigate and report.
- (c) 21 applicants have been accommodated since March, 1986.

3 11 86

NO. 235 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government state how many of its dwellings have been deleted from Government's rent roll in 1985/86 as a result of no longer being repairable at a reasonable cost?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, one dwelling has been deleted from the rent roll in 1985/86.

3 11 86

NO. 236 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government state if they are satisfied with the conditions of the cubicles situated at 62, Town Range?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir. Government is not satisfied with the conditions of these cubicles and will endeavour to improve them as was the case with the cubicles at 70, Prince Edwards Road.

SUPPLEMENTARY TO QUESTION NO. 236 OF 1986

HON J L BALDACHINO:

Is the Hon Member aware that some of the conditions, as far as I can gather, do not meet the Fire Service Regulations?

HON M K FEATHERSTONE:

I would think that is so, Sir.

HON J L BALDACHINO:

Will the Government be doing anything to remedy that?

HON M K FEATHERSTONE:

As I said, Government is going to do its best to improve the conditions of these cubicles and Fire Regulations will be taken into account.

HON J L BALDACHINO:

Is the Hon Member saying that the Government does not know when they are going to start to carry out the repairs that are needed?

HON M K FEATHERSTONE:

The matter has been passed to Public Works with a sense of urgency.

MR SPEAKER:

Next question.

3 11 86

NO. 237 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government state how many dwellings of its present housing stock would be declared unfit for human habitation by a court of summary jurisdiction in the Chief Environmental Health Officer's opinion?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir; it is estimated that between 60/65 dwellings could be declared unfit for human habitation.

SUPPLEMENTARY TO QUESTION NO. 237 OF 1986

HON J L BALDACHINO:

And these 60 or 65 dwellings do not represent any danger at the present moment to the tenants, does it?

HON M K FEATHERSTONE:

No, they don't present any specific danger apart from the inherent dangers of excess dampness and similar situations to that.

MR SPEAKER:

Next question.

3 11 86

NO. 238 OF 1986

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state if they have now decided what measures they need to introduce to monitor the reserve fund that landlords are required to set up under the Landlord and Tenant Ordinance?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the principal measure to be introduced will be the requirement for Landlords to submit Annual Audited Returns showing details of revenue, expenditure and the cash balance in respect of each building.

SUPPLEMENTARY TO QUESTION NO. 238 OF 1986

HON J L BALDACHINO:

When is this measure going to be introduced?

HON M K FEATHERSTONE:

It is proposed to introduce the monitoring regulations early in 1987.

MR SPEAKER:

Next question.

NO. 239 OF 1986

ORAL

THE HON J C PEREZ

Is it Government's intention to close down the Gibraltar Quarry Company?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Yes, Sir.

SUPPLEMENTARY TO QUESTION NO. 239 OF 1986

HON J C PEREZ:

Can the Hon Member perhaps detail the reasons why?

HON M K FEATHERSTONE:

Sir, after a number of investigations by the Safety Officer, the Department of Environmental Health and the Public Works Department, there are a number of features which have been effected by the Gibraltar Quarry Company which in their opinion makes the operation unsafe. To make the operation safe would be beyond the finances of the Gibraltar Quarry Company and so the only answer that we can see is to close the company down.

HON J C PEREZ:

But would there be any danger to passers by even if the Gibraltar Quarry Company were to be shut? Is there an imminent danger of, for example, the collapse of a wall that would affect vehicles passing by or people passing by?

HON M K FEATHERSTONE:

I don't think so, Sir, but there is, as the Hon Minister for Public Works said, a scheme to make the area safe where there has been undermining by the Quarry Company of the sand slopes.

HON J C PEREZ:

And the Government has committed itself to effect whatever works need to be done to put the area safe?

HON M K FEATHERSTONE:

Yes, Sir.

HON J C PEREZ:

Mr Speaker, can the Hon Member say what he intends to do about the employees of the Gibraltar Quarry Company, if anything?

HON M K FEATHERSTONE:

It is hoped that they will be offered alternative employment in the Public Works Department.

HON J C PEREZ:

Mr Speaker, is it envisaged that all the employees will take up alternative employment with the Public Works Department or will they be given preference to others applying from outside or what does the Government envisage will happen, how will this come about?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I have been charged by the Government to look after the welfare of the employees of the Gibraltar Sand Quarry Company. It is the subject of a Council of Ministers Paper. In the meantime to continue employment in the area, the Government has sub-contracted some remedial work to the Company in order that they can carry on working whilst the Council of Ministers Paper is prepared to offer alternative employment preferably within the Public Works Department because some of the staff are highly qualified to be able to work, for example, in the Highway Section for the servicing programme. I think I can only visualise one problem with the staff and that is there is a part-time clerical/typist assistant and she would have to have qualifications either in typing skills or the qualifications needed which I think is two 'O' levels including English, to apply as a clerical assistant but she is a part-timer. With regard to the manager, he is under contract of three months notice on either side. The industrials do not present a problem except possibly one of them who is a foreman but who was a foreman/labourer and I cannot see him being accepted by other employees of the Public Works Department as a foreman. But certainly employment as much as possible to the equivalent that they now have will be offered and this will form part of the Council of Ministers Paper.

HON J C PEREZ:

Could the Hon Member say for how long the Government has been considering the closure of the Quarry Company?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I think it must be four or five months now. The reason why the Quarry Company was not closed immediately was that there were some remedial works that we hope that the Company can carry out for us so that the men could have employment as they have at present which is of a higher rate because of the overtime they work than in the Public Works Department and also the question of the safety of the men was involved because of the machinery that was used in the area which caused vibrations and endangered the stability of the operations in that area. What we have done is stopped the machinery working in that area in order to make it slightly safer for them and safer for the public.

HON J C PEREZ:

Will Government consider making available even if only to the Opposition if not able to do it public, the reports that they might have on the

question of safety which seem to justify their decision to close the Quarry Company?

HON MAJOR F J DELLIPIANI:

Mr Speaker, there are, in fact, three reports which point to the danger.....

MR SPEAKER:

The question you are being asked is are you prepared to release them?

HON MAJOR F J DELLIPIANI:

Yes, there are three reports and I am quite prepared to do so.

HON J C PEREZ:

Mr Speaker, were any if not all of these reports available to the Government prior to their bringing to this House the subvention in the last budget? Was the Government actually considering at the time of the subvention the closure of the Quarry Company?

HON M K FEATHERSTONE:

No, Sir.

HON J BOSSANO:

The Government, Mr Speaker, at the beginning of this financial year had no idea that they would be closing the company during the year when they came here for £200,000?

HON M K FEATHERSTONE:

No, Sir, they considered that the company should be given two years to make itself viable.

HON J BOSSANO:

Mr Speaker, has the cost of carrying on with the company been offset against the cost of work that will need to be done anyway if the company is closed? How much extra are we talking about if the company is not closed?

HON M K FEATHERSTONE:

Something like a figure of £150,000, I would say.

HON MAJOR F J DELLIPIANI:

Mr Speaker, may I answer one of the questions from the Hon Leader of the Opposition. The latest estimate that we have to build a wall below where the company is quarrying at the moment will cost in excess of £300,000 just to make that safe.

HON J BOSSANO:

Yes, but, Mr Speaker, what I am saying is we have been given a figure

of £150,000, I think it is a major decision to decide to close the Gibraltar Quarry Company with all the controversy that there has been in the past and I don't think it is something we should just have announced in Question Time without an opportunity being given for the House to decide whether it should close or it shouldn't. If there is money that needs to be spent anyway, Quarry Company or no Quarry Company, then we ought to be looking at the additional costs of keeping the Quarry Company because if the Government has got to spend £300,000 to make the place safe even if they close the Quarry Company, then the cost of keeping the company is not £30,000.

HON M K FEATHERSTONE:

On top of that you would need to spend about another £150,000.

HON J BOSSANO:

On top of that so the real cost of continuing with the company is £150,000 because the £300,000 is to be spent anyway whether we close the company or whether we keep it going. In looking at whether it is worth investing that £150,000, has Government been advised that they are not going to get a return on that money if the company were to expand activities as we have urged before from this side of the House when we have said the company has been inhibited from becoming viable by not being allowed to do things like sell cement, for example? Has that been taken into account, the possibility that having put so much money in already the £150,000 might make a difference between increasing viability or not?

HON MAJOR F J DELLIPIANI:

Mr Speaker, since I became Vice-Chairman of the Quarry Company, this was in May of this year, one of my tasks was to see whether I could come up with some project or other to save the Gibraltar Sand Quarry Company. I have tried very, very hard indeed to do that but having read carefully the three reports on the stability of the area where the quarrying is done and where the men are based, I cannot in conscience go home and sleep comfortably knowing that those men are exposed to a danger by the very nature of the work that they are carrying out. This is why the quarrying and selling of sand has stopped.

MR SPEAKER:

If you need any information you are free to ask but we are not going to debate.

HON J C PEREZ:

Mr Speaker, we are not debating it.

MR SPEAKER:

Yes, we are, indeed, with respect. We are debating.

HON J C PEREZ:

Mr Speaker, I think I need to refer to what has been said in the other question to extract information following from what has been said

because we were asking supplementaries in Question No. 226 without regard to the actual decision that has been announced in Question No. 239 which is to close the Quarry Company. If the type of work that needs to be done to create the platform envisaged in the report that the Government had prior to 1979 is similar to that being carried out by the Quarry Company today with the only change being that they will not be selling sand, would that not be unsafe?

MR SPEAKER:

No, you have been told it wouldn't, as a matter of fact, you would have to spend £150,000 more and it would still be unsafe.

HON J BOSSANO:

Mr Speaker, I don't think we can let it go just like that. We have been told that it is unsafe to excavate sand from the bottom. The Quarry Company was set up to excavate sand from the top and we have been told that sand will have to be excavated from the top anyway in order to create a platform. What is to stop the Quarry Company being kept in existence to do what it was originally intended to do, ie excavate sand from the top?

MR SPEAKER:

Let us leave it at that. Can we have an answer to that?

HON MAJOR F J DELLIPIANI:

Yes, Sir, because as I said in answer to Question No. 226 before the catch bench operations are carried out the safety of the lower part must be ensured which at the latest estimate that I have will cost £300,000, it will take a considerable time to do so therefore the men cannot be employed because physically they cannot be in the area.

MR SPEAKER:

Next question.

NO. 240 OF 1986

ORAL

THE HON M A FEETHAM

Has Government authorised the extension of the bus belonging to Portillo SA to terminate its route in Gibraltar instead of La Linea?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, there is no need for Government go authorise any such service. This is governed by EC Regulation 56/83 which implements the Agreement on the international carriage of passengers by road by means of occasional coach and bus services (ASOR). In the same way, no prior Spanish authority is required for local coaches undertaking such occasional (ASOR) services to Spain.

SUPPLEMENTARY TO QUESTION NO. 240 OF 1986

HON M A FEETHAM:

Mr Speaker, I am quite aware of the ASOR agreement and the EEC Regulation to that effect. Would the Minister define whether the operation is a regular or a special regular service between Spain and Gibraltar in that case since he is accepting it?

HON M K FEATHERSTONE:

The definition given to the advent of the Portillo bus is that it is an occasional coach.

HON M A FEETHAM:

Sir, with respect, that is the Spanish version of how they classify their transport.

HON M K FEATHERSTONE:

That has been the category in which the Gibraltar authorities have put this coach as well.

HON M A FEETHAM:

Mr Speaker, the Portillo bus is a regular bus service between specific points on a bus route in Spain and that bus now terminates in Gibraltar. In order to terminate in Gibraltar on a regular bus service route there should be, in my opinion, a reciprocity in the other direction which doesn't exist. If we hadn't come to a

bilateral agreement between Britain and Spain on our behalf to operate such a service then the Portillo bus should stop in La Linea. If you look at EEC Regulation 517/72 where it defines rules for coach services, particularly if we accept as I am supposing that we will accept, that it is a regular bus service, it says: "Decisions on applications to introduce a regular service or a special regular service to vary the conditions subject to which a service is operated or to renew an authorisation shall be taken by agreement between the Member States in those territories where passengers are to be taken up or set down". I am suggesting, Mr Speaker, that in fact it is a regular bus route service which should terminate in La Linea and by coming into Gibraltar it is infringing on local transport requirements which are already available.

HON M K FEATHERSTONE:

Sir, the information that I have is that the question was raised by the Gibraltar Taxi Association with our transport officials who investigated the matter and verified that Portillo were duly licenced to operate occasional services and that the relevant ASOR documentation was also in order.

HON M A FEETHAM:

That is correct, that is why, Mr Speaker, the matter is the subject of discussion in this House because it isn't just a matter that affects a particular sector of the local transport, it is a matter which affects all transport in Gibraltar. That bus should stop in La Linea as it should do because it is a La Linea bus route service termination point, people would be taking transport from the frontier to Gibraltar on their own choice that is why bus route No.9 terminates at the frontier and doesn't terminate in La Linea and doesn't terminate in San Roque and doesn't terminate in Estepona the same way as this bus is coming down in this direction. Not only that but as a matter of information, is the Minister aware that when representations were made to Portillo on this matter the managing director or the director general or whatever his position is, said that he does whatever he feels he should do and as far as Gibraltar is concerned he cares two hoots and that is why this matter has been brought to this House as part of the build-up of the climax which surrounds this particular issue.

HON M K FEATHERSTONE:

I can only say that the position continues to be monitored to ensure compliance with EEC Regulations. If at the moment it is still considered as an occasional service they must be complying.

HON M A FEETHAM:

Mr Speaker, Sir, since obviously there are different points of view I don't wish to persist in supplementary questioning as we are not going to come to an agreement. This side of the House maintains that the Portillo bus should stop at La Linea and I think he should investigate this arrangement.

HON M K FEATHERSTONE:

I will ask our officials to look into the matter again.

HON J BOSSANO:

Mr Speaker, I think as a matter of political responsibility independent of what officials may or may not say on the subject, is the Government in favour of Spanish buses being allowed to terminate their routes here and take passengers all along the way and then drop them in Gibraltar, or not?

HON M K FEATHERSTONE:

It isn't a question of whether the Government is in favour or not, it is a question of whether they are within the ASOR Regulations or not. If they are within it we have to accept them.

HON J BOSSANO:

This seems to be a new approach from the Government to EEC Regulations and EEC commitments when we have been told by the other side on more than one occasion that they will have to be adapted to our needs. Is the Government trying to do anything to resist this or is it quite happy to see it happening?

HON M K FEATHERSTONE:

In the same way as no prior Spanish authority is required for local coaches undertaking ASOR trips to Spain, I think it was on the news the other day that there is a big bus which is taking trips to Spain.

HON J BOSSANO:

So is the Hon Member then saying that under this ASOR thing of which I am not as familiar as my Hon Colleague who has put the question, the situation is that a bus in Gibraltar on a route can start off in the Lighthouse and then when it gets to the frontier become an occasional bus and carry on with the passengers to the other side, that is the situation is it, in the opposite direction?

HON M K FEATHERSTONE:

If it does it on occasions, yes.

HON M A FEETHAM:

This is on a regular basis, this is the problem, it is on a regular basis.

HON M K FEATHERSTONE:

We will have it investigated.

HON M A FEETHAM:

A final point on this one. Will the Hon Minister also commit himself to ensure that the malpractices which are going on aboard that bus and of which Portillo is fully aware which has already been reported to the authorities in terms of selling aboard the bus is also investigated because, again, it is depriving local retailers from business in that area, he is abusing his position anyway?

HON M K FEATHERSTONE:

That will be looked at.

HON J E PILCHER:

Mr Speaker, may I ask the Government when they look at this would they bring it back to the House with the information so that we can discuss the political implications of this?

HON M K FEATHERSTONE:

Yes.

NO. 241 OF 1986

ORAL

THE HON M A FEETHAM

Can Government state what the position is with regard to the proposed development of the Rosia Bay site now that the 6-month option for the purpose of carrying out a feasibility study expired on the 25th September, 1986?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, the developer has now concluded a market and feasibility study for the construction of an hotel within the development area and has submitted proposals for Government's consideration. These are currently being considered by the Development and Planning Commission on planning grounds, and if found acceptable, will be referred to the Land Board for consideration of the allocation of the land.

NO. 242 OF 1986

ORAL

THE HON M A FEETHAM

Has Government now decided that a project of the magnitude of Princess Caroline's Battery should not be directly allocated to a specific company and that it should therefore be the subject of normal tender procedures?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

No, Sir, the matter is still under consideration.

SUPPLEMENTARY TO QUESTION NO. 242 OF 1986

HON J BOSSANO:

Mr Speaker, are we likely to find out that a decision has been taken after the event or will the House know?

HON A J CANEPA:

Well, put it this way, yes, you are likely to find out that a decision will be taken after the event in the sense that Council of Ministers will take a decision and obviously I cannot communicate it to Hon Members opposite immediately.

HON J BOSSANO:

I accept that but what I am suggesting, Mr Speaker, is we have obviously brought the matter to the House because we ourselves have strong feelings on the subject and we are trying to get the Government's position clear.

HON A J CANEPA:

Those strong feelings have been taken into account.

MR SPEAKER:

Next question.

NO. 243 OF 1986

ORAL

THE HON M A FEETHAM

Can Government state what progress has been made to allow for participation by the general public, as is done in the UK, in the matter of applications for planning permission?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, a working group - perhaps I should explain because the answer doesn't highlight this, that it was, in fact, a sub-committee of the Development and Planning Commission that constituted this Working Group - was set up to consider this matter together with other amendments to the Town Planning Ordinance recommended by the Commissioner of Inquiry into the Casemates Wall collapse. The Group has submitted a series of proposals which are being considered by the Development and Planning Commission. The Commission is, however, awaiting legal advice on certain aspects of the proposals. Once this advice is received, the Commission expects to conclude its deliberations and make recommendations to Government.

SUPPLEMENTARY TO QUESTION NO. 243 OF 1986

HON M A FEETHAM:

Mr Speaker, can the Hon Member say at this stage what these proposals are?

HON A J CANEPA:

Broadly speaking, that we should accept in principle that there should be a greater element of public participation than there is now whereby people who are aggrieved by the manner in which a building application can affect, for instance, their property if it is on an adjoining site, should be able to make representations on the matter. The aspects on which we are seeking legal advice is the question of how far the right of appeal should extend. For instance, where people object to a building application should the right of appeal be limited to those who can be affected by the proposals or should anybody have the right to appeal. Once we have resolved these matters I hope to be in a position to bring legislation to the House.

MR SPEAKER:

Next question.

NO. 244 OF 1986

ORAL

THE HON J L BALDACHINO

Mr Speaker, can Government state what progress has been made on the sale of flats in Rosia Dale Estate to sitting tenants?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, substantial progress has been made in the preparation of documents necessary for the sale. Final arrangements for the sale are expected to start early this month.

SUPPLEMENTARY TO QUESTION NO. 244 OF 1986

HON J L BALDACHINO:

Can the Hon Member say if the sale is going to be more than 50%?

HON A J CANEPA:

It looks as if it will be in excess of 50%, yes.

MR SPEAKER:

Next question.

3 11 86

NO. 245 OF 1986

ORAL

THE HON J E PILCHER

Has Government now proposed to ODA that any part of the £6m Development Programme 1986/90 should be allocated to tourist development?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir. ODA has been asked for flexibility in the allocation of funds towards infrastructure/tourism. The Forward Planning Committee has met to discuss project priorities and a number of project applications will shortly be submitted. A number of projects directly or indirectly linked to tourism have been identified (ie Piazza, O'Hara's Battery, St Michael's Cave, etc). The Forward Planning Committee will be meeting again to examine detailed costings and decide whether these could be funded locally, or submitted to ODA.

SUPPLEMENTARY TO QUESTION NO. 245 OF 1986

HON J E PILCHER:

Mr Speaker, if they are submitted to ODA this would be in place of other projects already agreed?

HON A J CANEPA:

Yes, because ODA did give an indication of how the £6m in their view should be dispersed. As I recall it there was nothing for tourism there so if we were to approach the ODA for some specific projects it will be at the expense of something else. I think I should make it clear though that in the case of ODA we are dealing with a sum of about £6m whereas the overall Development Programme is intended to be far in excess of that. I think the judgement that the Government must make is which are the projects which are likely to be approved by ODA most expeditiously.

HON J E PILCHER:

Mr Speaker, first of all, the Forward Planning Committee review. What time-scale are we talking about for a decision to be made by this Committee?

HON A J CANEPA:

The Forward Planning Committee has already drawn up a list of projects and identified priorities. In some cases we need detailed costings, we don't have those. It will be meeting on a regular monthly basis but already there are two or three projects generally which are the subject of project applications but I cannot be more specific than that about time-scales, I am afraid.

HON J E PILCHER:

Is the Forward Planning Committee taking over from the Committees that were set up during the Pitaluga Report and all those recommendations are the input into the Forward Planning Committee?

HON A J CANEPA:

The Forward Planning Committee has existed since 1980, I think. It consists of Ministers and Heads of Departments who have a bigger involvement with what goes into the Development Programme. For instance, I Chair the Committee, the Minister for Public Works, his Director and the two Deputies are members, the Minister for Municipal Services and the Chief Electrical Engineer, Economists, the Financial and Development Secretary and we co-opt Ministers and officials as required, for instance, if there is going to be considerable discussion of education, of the requirements of the Education Department, we will co-opt the Minister and the Director for that meeting. I think the Minister for Housing is also a permanent member and the Housing Manager, it is a very big Committee and its function is to put together the Development Programme initially, to allocate priorities and make recommendations to Council of Ministers and then, in this instance, to review the content of the Development Programme in the light of the ODA response and in the light of whatever funds are available either through transfer from the Consolidated Fund or through borrowing.

HON J E PILCHER:

If I can just get it clear in my mind, Mr Speaker, because it is a bit confusing. We have a series of Committees on Tourism after the Pitaluga Report which all brought in different priorities and different things that they wanted to see in different areas of the tourist industry. They all brought the recommendations to one Tourist Consultative Committee which decided and set out priorities as they saw it given the new enhancement of the tourist industry. Will the Forward Planning Committee be taking these priorities as already agreed by the Tourist Consultative Board or will they be changing those priorities to suit the new overall programme?

HON A J CANEPA:

Yes, because the function of the Forward Planning Committee is to allocate funds for tourist projects in the light of the requirements of other departments. It has got to try and exercise a judgement in making its recommendations between the demands of the tourist industry, the requirements of housing, education, the Port and so on.

MR SPEAKER:

Next question.

3 11 86

NO. 246 OF 1986

ORAL

THE HON M A FEETHAM

Has Government now accepted that the total development aid to be granted by UK for the current development programme should be limited to only £6m?

ANSWER

THE HON THE CHIEF MINISTER

Yes, Sir. The Government has reached this conclusion having regard to constraints on the Aid Budget, the additional £2.4m for GSL and the ODA's policy stand of not providing funds for social development. The £6m is a sizeable contribution to the estimated £17.6m programmed for infrastructural projects in the 1986/90 Development Programme.

3 11 86

NO. 247 OF 1986

ORAL

THE HON M A FEETHAM

Can Government state whether HM Government has now made it known that there will be no further development aid for Gibraltar when the current development programme ends?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, there has been no statement on the part of Her Majesty's Government to the effect that there will be no further development aid for Gibraltar when the 1986/90 Development Programme ends.

3 11 86

NO. 248 OF 1986

ORAL

THE HON J C PEREZ

Will Government state what progress, if any, there has been in their negotiations with the Ministry of Defence for the release of one of the Naval Pitches to be used as a car park?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Sir, the Ministry of Defence has been approached on the possible use of Naval Football Ground No.2 as a private car park to decongest City Centre traffic.

They have indicated that this facility is still required but have offered to make available the USOC Hockey Pitch for coach parking from dawn to 5.00 pm Mondays to Fridays only and that it be used as a sports ground at all other times. This would release the existing coach park for use as a private parking area. This proposal is currently under consideration.

THE HON M A FEETHAM

Will Government give a definite date when it intends to implement the Fourth Directive 78/660 of July 1978 on Company Law based on article 54(3)(G) of the Treaty on annual accounts of certain types of companies now that the Minister for Economic Development has indicated in the local press that the Directive can be introduced in a manner that would not stunt Gibraltar's development as a Financial Centre?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

No, Mr Speaker. As already stated in reply to a supplementary question from the Hon Member in July, it is not possible to say when the Directive will be given effect in Gibraltar because its implementation is linked to the current review of the Companies Ordinance.

SUPPLEMENTARY TO QUESTION NO. 249 OF 1986

HON M A FEETHAM:

Mr Speaker, do I take it that the Hon Member is saying that Government is now taking steps to draft the legislation?

HON A J CANEPA:

The Government is taking steps to draft a new Companies Ordinance.

HON M A FEETHAM:

If I recall, Mr Speaker, during the course of my last question the final supplementary that I put to the Hon Member opposite was, was there a difference of view between Her Majesty's Government and the Gibraltar Government on the Fourth Directive and the Hon Member said: "No, we haven't reached that stage". I want to rephrase the question, is there a difference of view between what the EEC are suggesting for the implementation and what the Department of Trade and Industry is saying on the matter?

HON A J CANEPA:

We have got a first draft of the Companies Ordinance. Is the Hon Member asking me about that or the Directive?

HON M A FEETHAM:

Both things, Mr Speaker. The Directive and the draft legislation must go hand in hand since you cannot introduce the draft legislation without taking into account the essence of the Fourth Directive, surely? Otherwise why introduce new legislation unless it is to up-date the existing 1929 Ordinance?

HON A J CANEPA:

The legislation is out of date, the Companies Ordinance needs to be

reviewed comprehensively and this is being done. When the legislation has been drafted, obviously account has got to be taken of the EEC Fourth Directive but we are confident that legislation can be brought to the House that should dispel apprehension that currently exists about the application of the Fourth Directive and therefore what I am saying is that whatever the views of the DTI may be and whatever the Directive of Brussels is as we know it, we are confident that we can bring legislation to the House that will not stunt the growth and the development of Gibraltar as a Finance Centre but that, in fact, many of the aspects of the Directive which would be incorporated in our legislation will, in fact, enhance the legislation and make Gibraltar Companies more attractive to trading and investment opportunities.

HON M A FEETHAM:

Mr Speaker, I follow the line of the answer given by the Hon Member, but isn't it a fact that what Government intends to do is to introduce the 1985 UK Company Act in Gibraltar?

MR SPEAKER:

They haven't said that.

HON M A FEETHAM:

No, but I am asking, is that basically, what Government intends to introduce?

HON A J CANEPA:

The United Kingdom 1985 legislation is taken into consideration but, in fact, it is an amalgam of that and other pieces of legislation. There has only been a first draft produced, I will let the Hon Member into a secret, the Government - if by the Government I mean Ministers - have not seen it so the Hon Member need not worry, they have to see it obviously before we proceed with it and it will not be brought to the House without full consultation, in particular, with the Finance Centre Group.

HON M A FEETHAM:

I understand but if that is the case and they are bringing it into line with the UK 1985 Company Law, a combination of that and bringing up to date the 1929 local Ordinance, I am asking the Minister will this meet, and of course he doesn't know because he hasn't even seen it perhaps the Hon and Learned Attorney-General should answer it, will it meet the requirements of the Fourth Directive? That is what I am asking because if it does in UK will it do in Gibraltar, yes or no?

MR SPEAKER:

The Minister said it would.

HON A J CANEPA:

It will take account of it in such a way that will be beneficial.

THE HON M A FEETHAM

Is Government aware of the very high service charges being levied on owner occupiers of flats at Ocean Heights and is it Government policy to adopt measures to remedy the situation?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, the Government is not aware of the situation regarding the level of service charges at Ocean Heights.

SUPPLEMENTARY TO QUESTION NO. 250 OF 1986

HON M A FEETHAM:

Mr Speaker, I think perhaps it would be for the benefit of the Hon Member and the Government that I should quote some factual figures which I have because I think the situation at Ocean Heights is scandalous. During the period of ten years, rates for services has increased from £50 to £448 per quarter, an increase of 800%. Is the Government aware just following the facts, that this increase is supplementary to an additional levy which the residents had to pay when major works were carried out on the lifts and the swimming pool and is Government aware that this has been paid as a separate cost? Is Government aware that as far as management and audit fees residents for the year 1986 and 1987 have had to pay an increase of 90% on the costings? The total net effect of this is, I am sorry it is a series of questions because obviously Government are not aware and I want them to look at this, that the valuation of the flats which people have bought which will go against their interest unless we do something about it if we are going to encourage home ownership, the valuation has dropped in some cases by 15% of those flats because nobody wants to buy them because of the service charges? Is Government aware of all these facts?

HON A J CANEPA:

No, because they have not been brought to the notice of the Government by anybody.

HON M A FEETHAM:

If it was brought to their notice, would Government be prepared to do something?

HON A J CANEPA:

The Government is prepared to look generally into the matter and if abuses exist to try and put a stop to them. I must make it clear that there do not appear to be any legislative powers at present under which that could be done and therefore what might be necessary might be to enact new legislation.

HON M A FEETHAM:

I welcome what the Hon Member opposite has said. I suggest that there is a precedent under the British Landlord and Tenant Act of 1985. Will Government commit itself that to introduce legislation to cover service charges on the lines which exist in Britain (a) where charges must be reasonable, (b) where, for example, landlords or managing agents carrying out works costing more than £500 or £25 per flat; at least two estimates must be obtained and (c) for example, where audit accounts and information must be made available to the tenants so that the general pattern is that it is a reasonable thing, it is open in tendering and there is something in the lease to give a force to that sort of situation so that the residents have got some backing?

HON A J CANEPA:

Mr Speaker, the matter has been first brought to my notice when I saw the question, obviously, that there were indications of very high service charges. It is only now, in the House this afternoon, that we have heard some details of what these increases are. I think the Hon Member can hardly expect an undertaking to the extent that he is seeking it. What I can say is that we will look into the situation and we will see whether measures are required to remedy the situation but, in the first place, obviously what has to be done is that representations have got to be made to the Government with detailed information before it can take the matter any further.

MR SPEAKER:

Next question.

NO. 251 OF 1986

ORAL

THE HON R MOR

Mr Speaker, what is the situation as regards on-going discussions with the British Government to meet the cost of Spanish pensions beyond 1988?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, following the agreement with HMG announced on 23rd December, 1985, it has been decided to set up a Joint Study Group of officials of both Governments to look at this problem in the longer term. The terms of reference of the Study Group are as follows:

1. to estimate the expenditure required to pay SIF pensions at full rates to eligible beneficiaries (including Spanish contributors) from 1 January, 1986, until the liability for Spanish contributors is extinguished, by time, of course.
2. to assess the capacity of the Gibraltar economy to contribute towards meeting the liability after the end of 1988, taking into account the Gibraltar Government's financial and economic policies.
3. to consider other ways and means of funding the liability, notably European Community Funding.

SUPPLEMENTARY TO QUESTION NO. 251 OF 1986

HON R MOR:

Mr Speaker, has this Study Group actually met recently or is it meeting?

HON CHIEF MINISTER:

The first of the meetings have been held in Gibraltar recently and another one will be held in a short while in London.

HON R MOR:

So, in fact, I would presume that the Government will expect to come up with something by 1988?

HON CHIEF MINISTER:

I should hope long before 1988.

THE HON M A FEETHAM

What action is Government taking to remedy the unjustified delays to which vehicles are being subjected on entering Spain?

ANSWERTHE HON THE CHIEF MINISTER

Representations have been made via the FCO about the delays that have occurred. It is hoped that Spain will address this problem, and introduce Red and Green channel traffic at an early stage.

SUPPLEMENTARY TO QUESTION NO. 252 OF 1986

HON J C PEREZ:

Mr Speaker, could the Hon Member say, as a matter solely of information, whether there is an EEC requirement that at a certain date the red and green channel system should be operational in all EEC countries?

HON CHIEF MINISTER:

There is no EEC provision with regard to red and green channels in land frontiers and, in fact, if as has been originally envisaged by the joint team the green and red channel is introduced at the frontier, it will be the first one that Spain will have so this is not a requirement of the EEC, it is a suggestion to dispose of traffic into Spain and expedite the clearing of the very heavy traffic that takes place.

HON M A FEETHAM:

Mr Speaker, as it isn't a requirement, perhaps the Kingdom of Spain ought to be informed that there is a principle of the Community involved in this and the principle of the Community is that - I have got it in front of me - the principle of the Community is 'of seeking as far as possible a reduction in waiting time for checks and the duration itself of the checks and especially ease, as far as possible, checks on nationals living close to the Member State's internal frontiers' which is in very sharp contrast, of course, to the present insistence to stop and search every vehicle. That is the point I am trying to make.

HON CHIEF MINISTER:

Yes, but unfortunately or fortunately, the system of taxation and economic systems in the rest of the Community as between Members is different to Gibraltar and Spain. VAT, CAP and ETT don't apply and therefore because we are entitled to impose our own taxation here, they are entitled to look at cars and therefore it is not an exact equivalent of the Directive. I am pleased to hear that over the weekends they have changed the incoming traffic to expedite and they have put two queues incoming over the weekends, I have been told, and it has very much

expedited matters. Hon Members who visit Spain frequently will know better than I do.

MR SPEAKER:

Next question.

THE HON M A FEETHAM

Mr Speaker, why does the bilateral agreement existing between Britain and Spain supplementary to EEC Directive No. 1/62 in the area of heavy goods vehicles not apply equally to Gibraltar as a result of which a lorry belonging to Messrs Monteverde was impounded in Spain?

ANSWERTHE HON THE CHIEF MINISTER

Sir, the Bilateral Haulage Agreement between the United Kingdom and Spain has not been extended to Gibraltar. Its provisions do not therefore apply to Gibraltar/Spain traffic.

SUPPLEMENTARY TO QUESTION NO. 253 OF 1986

HON M A FEETHAM:

Mr Speaker, isn't it a fact that such a revision was requested at either Ministerial or Ambassador level over a year ago officially?

HON CHIEF MINISTER:

At the Technical Talks held at La Linea and in Gibraltar in January, 1985, a proposal was put to the Spanish delegation to the effect that such agreement duly amended to ensure reciprocal application be extended to Gibraltar. The Spanish delegation although agreeable to such proposals had no such negotiating brief but agreed that the quickest way of implementing it would be via an exchange of notes through diplomatic channels. A note was subsequently sent by the British Embassy to the Spanish Ministry of Foreign Affairs but to date and despite repeated attempts by the Foreign and Commonwealth Office, the British Embassy, the UK Department of Transport and local officials, the extension of the agreement to Gibraltar and its proposed reciprocal terms has not materialised. In May, 1985, Gibraltar attended as part of the UK delegation the UK/Spain Joint Committee on the bilateral agreement. Spain was asked when a reply to the note would be forthcoming, the answer given by the Spanish Transport Official present was that as far as they were concerned the text was acceptable, however the extension of the agreement was being dealt with at diplomatic level and an answer was due any day now. It was therefore agreed verbally that pending the ratification and in order not to impede the smooth flow of goods traffic, similar-like measures would apply in the interim. Such liberalisation measures have in fact applied since the frontier normalisation until now. We have now heard from the Spanish Government that they propose to apply the bilateral agreement without the proposed amendment. This proposal is acceptable as an interim measure and ratification of the application is being sought.

HON M A FEETHAM:

In fact, what the Hon and Learned Chief Minister is saying is that it will apply to Gibraltar in the same way as it applies between Britain and Spain now?

HON CHIEF MINISTER:

Well, the Spanish Government have said that they propose to apply the bilateral agreement without the proposed amendment which is the amendment that had been suggested at the talks. This proposal, for the moment, is acceptable to us and the matter will be pursued.

HON M A FEETHAM:

So who is going to be responsible for the payment of the fine and everything that has happened which has been a matter of, perhaps, a failure on the part of the British Government or the Technical Talks team or even the Gibraltar Government?

HON CHIEF MINISTER:

The Gibraltar Government has no responsibility for the implementation in another country of laws that are applicable there. The agreement was tacitly accepted by both sides and suddenly there was this incident. I know that it is the subject of diplomatic representation but the Government of Gibraltar cannot accept any responsibility in that respect.

HON M A FEETHAM:

Mr Speaker, I don't wish to sound insistent but what I am saying is that when the frontier opened it opened under certain conditions following technical discussions whereby it was published under what conditions transport could cross the frontier. There is an EEC Directive which refers to a 25 kilometre distance but there is a bilateral agreement which extends it to 35, between Britain and Spain. Gibraltar's position is negotiated by Britain, if Britain fails to cover Gibraltar adequately in this area for one reason or another and an understanding is reached and it is not yet delivered and in the meantime a car from Gibraltar is impounded somebody is responsible for the impounding of that car and the payment of that fine and it cannot be Monteverde and Sons, that is what I am saying.

MR SPEAKER:

You must seek information.

HON M A FEETHAM:

Mr Speaker, I apologise but I am trying to put over the situation as it has materialised.

HON CHIEF MINISTER:

The situation is as I explained in my long supplementary as to how things happened up to the time when the incident occurred and apparently now there is going to be an interim arrangement that will be satisfactory and no doubt the person aggrieved may have the option of asking for the matter to be reviewed, certainly it is not the responsibility of the Gibraltar Government. I imagine it is the responsibility of the British Government to pursue the matter because it broke what had been a tacit agreement though not confirmed and diplomatically between two friendly nations those things can be solved but there is no question of any legal

responsibility on our part.

HON M A FEETHAM:

Would the Hon and Learned Chief Minister agree that there is a level of responsibility somewhere other than at Monteverde Transport and Sons?

HON CHIEF MINISTER:

I think steps are being taken to see whether the matter can be remedied.

HON J E PILCHER:

Mr Speaker, the Hon and Learned Chief Minister has said application has already been made to the UK Government for us to participate in the bilateral agreement between Spain and UK, does that mean that at this moment we do not have an agreement between ourselves and Spain?

HON CHIEF MINISTER:

What I have said was that there has been an indication from the Spanish Government that they propose to apply the bilateral agreement without the proposed amendment which had been suggested. For the moment that is acceptable to us, it would deal with the situation such as the Monteverde case and ratification of the application is being sought in order that it will be brought into effect, it isn't one-sided, they have to obtain our approval as well.

HON J E PILCHER:

That means, if I understand it correctly, that at this moment we do not have an agreement for which we can make exemptions for our vehicles to travel outside the 25 kilometres.

HON CHIEF MINISTER:

Well, we will have very soon another interim measure which will deal with the problem between now and the end of the year. I am not in a position at this stage to give details but the matter is being pursued and it is a matter, perhaps, of days now.

HON J E PILCHER:

From one interim to another, under the bilateral agreement between Britain and Spain obviously the exemption to travel over the 25 kilometres is awarded by Great Britain, would we work under a quota system by which our Licensing Authority can issue the exemptions?

HON CHIEF MINISTER:

For the moment, yes.

HON J E PILCHER:

For the moment but not starting now, starting when the system is agreed.

HON CHIEF MINISTER:

Well, for the moment means for the moment in the course of the next few days.

HON J E PILCHER:

This is an interim temporary agreement, will the Government continue to press for full rights?

HON CHIEF MINISTER:

Absolutely and not only the Government, I think, the British Government is very strong and the Embassy is pursuing it because this is one of the areas where cooperation for mutual benefit is very essential if there is a bona fide approach to the Brussels Agreement.

MR SPEAKER:

Next question.

3 11 86

NO. 254 OF 1986

ORAL

THE HON J E PILCHER

Has Government now accepted that no further aid will be provided to finance GSL beyond the £2.4m already promised?

ANSWER

THE HON THE CHIEF MINISTER

Mr Speaker, the whole question of the future of GSL and its funding needs are the subject of a consultancy study which is expected to be completed by the end of this month. Until the findings of that study are known, the Gibraltar Government would wish to reserve its position on the matter.

SUPPLEMENTARY TO QUESTION NO. 254 OF 1986

HON J E PILCHER:

Mr Speaker, obviously I have another question based on the Study into GSL and I know, Mr Speaker, that we all want to have a cup of tea but notwithstanding that, there is an answer to Question No. 187 in July where the Hon and Learned Chief Minister said that they were not satisfied with the £2.4m, that there was £1m still left and that we would be getting an answer on the merits of that £1m irrespective of the consultancy and, in fact, he went on to say that there had been various problems surrounding this, one was the fact that officials had changed in ODA but that we would be getting an answer on the £1m extra to come to GSL irrespective of the consultancy. What the question is asking is, have we now forgotten that and we are looking at the consultancy to provide that extra capital?

HON CHIEF MINISTER:

No, we haven't forgotten it but the answer so far is no and therefore we don't want to accept that.

MR SPEAKER:

Next question.

NO. 255 OF 1986

ORAL

THE HON J E PILCHER

Can Government confirm that they have now received an Interim Report from the consultants looking into the Gibraltar Ship-repair operation?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, the Government has not received an interim Report from the consultants looking into the GSL operation. There are, of course, regular consultations to discuss progress. A Report is expected towards the end of this month or early December.

SUPPLEMENTARY TO QUESTION NO. 255 OF 1986

HON J E PILCHER:

Mr Speaker, may I ask whether the Report will be made public?

HON CHIEF MINISTER:

I cannot commit myself until I see the Report.

HON J E PILCHER:

Could the Hon and Learned the Chief Minister at least commit himself to give the Opposition a copy of this Report?

HON CHIEF MINISTER:

I commit myself to look at it and consider it.

HON J E PILCHER:

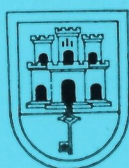
What the Chief Minister is saying is that he wants to look at it before he considers it, before he gives us a copy and before the public know what it is?

HON CHIEF MINISTER:

I will just consider especially the request for the Opposition as a second best.

GIBRALTAR

HOUSE OF ASSEMBLY



QUESTIONS AND ANSWERS

16TH DECEMBER, 1986

256 TO 304

THE HON J E PILCHER

First of all, Mr Speaker, I would like to thank the House for giving me leave to ask my questions now since I was unable to attend earlier due to a problem emanating at work. I thank the House.

Can Government give the number of hourly paid workers at Gib-repair and how does this compare against the figures for December, 1985?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir. The number of hourly paid workers at the beginning of December was 632 compared with 558 at the same time last year.

SUPPLEMENTARY TO QUESTION NO. 256 OF 1986

HON J E PILCHER:

Mr Speaker, in a question earlier this year I asked the Hon Financial and Development Secretary whether it was still the intention of the company to honour their projections to employ 900 workers at the end of the second year. Could he confirm this?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think the Hon Member will not be surprised, Mr Speaker, if I say that the earlier forecasts which the company had made have been subject to a certain amount of fluctuation and revision in the light of changing events and, of course, this was one of the reasons, that is to say, the changing events influenced the Government in inviting Price Waterhouse to undertake a consultancy report and to make recommendations about the future of the company.

HON J E PILCHER:

Mr Speaker, I accept that and, in fact, in his previous answer he said to me that some changes in the original assumptions had occurred because of the passage of time. The reality is that A & P Appledore got the contract to run the yard based on their submission which included a figure of 900 workers at the end of the year. The Government have already received the report and what I am trying to find out, Mr Speaker, is whether or not the company intends to continue to employ 900 workers by the end of this year or are they satisfied that with 632 they can now work comfortably with that number?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon Member has, in fact, asked a question which is down on the Order Paper, Mr Speaker, about the company's plans for 1987 and I propose to say something about this particular aspect when I answer that question.

HON J E PILCHER:

Mr Speaker, I am still referring to 1986 which is this question, 1987 is the next question, I accept that.

MR SPEAKER:

In fairness, the answer to your question will affect the performance and the employment in 1987. He has asked for leave to be able to answer that particular part of the question when he answers the next question.

HON J E PILCHER:

Mr Speaker, thank you very much but I did not understand that, I thought he meant he was going to give me figures for 1987 and what I am asking is if by the end of 1986 the company will not meet its projections in their initial submission of 900 workers.

MR SPEAKER:

I think that was inherent in the very first answer that the Hon Member gave you.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If it wasn't implicit, Mr Speaker, I will certainly make it explicit.

HON J E PILCHER:

Is the Hon Financial and Development Secretary in a position to tell me out of those 632 workers how many are Gibraltarians, Mr Speaker?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I cannot give the figures for December but I do have the information for September and I don't think that it will have greatly altered if the Hon Member will take what I have to say as being an approximation. Of the hourly paid at the end of September, 1986, and there were about 601 I believe at the end of September, there were 319 Gibraltarians, 98 UK nationals, 100 Moroccans, 70 Spaniards and 14 other. These figures exclude apprentices. I have actually got the information for the end of September, 1985, if the Hon Member wishes.

HON J E PILCHER:

Thank you, Mr Speaker, the figures he has given me are quite adequate, I think it is a point that has been subsequently made. The question is it is 319 which was the same figure or very nearly the same figure quoted in the last House, I think it was 317 then, so there has been an increase in the number of industrial workers at GSL from 606 to 632, a minor increase, but there has not been an equivalent increase in the Gibraltarian element which means that the workforce is increasing but not the Gibraltarian element of the workforce. In fact, it is dwindling slowly. Is the Government.....

MR SPEAKER:

With respect, we are making comments.

HON J E PILCHER:

Yes, Mr Speaker, I am sorry. Is the Government happy about the fact that although there is a minor increase in the number of workers at GSL there doesn't seem to be an increase in the Gibraltarian element of the workforce?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I have really no comment to make on the Hon Member's invitation to the Government to comment on that, Mr Speaker. As I think I have said in my earlier comments, there have been changing circumstances affecting the yard, indeed, affecting Gibraltar generally. The employment situation has been, one might almost say revolutionised over the past two years with opportunities elsewhere in the economy and I think it is really part of the present study of Gibrepair, it is an aspect of the present study that one must consider the situation as it has developed and see what the future holds for them.

HON J E PILCHER:

Mr Speaker, it was a question, as I have made the point very often and I don't want to make statements, but it is a question directed at the political side of the Government not at the civil service side of the Government. It is a political question, is the Government happy that the Gibraltarian element in GSL is actually dwindling away?

MR SPEAKER:

The answer has been that they would rather not make a comment on that at this stage. Next question.

16 12 86

NO. 257 OF 1986

ORAL

THE HON J E PILCHER

Can Government confirm that in order to complete the proposed RFA Programme of £7.2m in 1987, there will have to be an increase in the industrial workforce of GSL?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Mr Speaker. The Company does not plan any increase in hourly paid staff beyond current levels.

SUPPLEMENTARY TO QUESTION NO. 257 OF 1986

HON J E PILCHER:

Mr Speaker, is it then the decision of the company to subcontract work out in order to meet certainly the increased workload of the company in 1987?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Perhaps I should elaborate a little bit on my reply. When I said any increase in hourly paid staff beyond current levels I am talking in broad terms. I think there may be some small increase, this depends obviously on the availability of staff but not a significant increase beyond current levels. As far as the future is concerned, obviously the company will have to take various measures if more man hours are needed to complete the programme of work. Of course, as far as the RFA's are concerned, the programme of entry assumes that one RFA will come in after another, that is to say, we won't get all five at once and that, I think, should help. As far as the man hour requirements to cope with additional work which may be undertaken by the company, one would hope profitably, the company will have to take the measures which it has been taking either increase shift working or a certain amount of subcontract work.

HON J E PILCHER:

Mr Speaker, the Financial and Development Secretary hasn't answered the question. He said that there might be a significant change. The information available to this side of the House is that GSL would need somewhere in the region of 100 more workers to be able to complete the 1987 RFA programme and certainly 100 is not an insignificant change. If the total industrial workforce is 632, 100 more is a very significant change. Can the Hon Financial and Development Secretary confirm that or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Sir, I cannot confirm it, I was trying to be helpful to the Hon Member in outlining in very general terms the sort of measures which I would expect the company to take. I think from his comments he may very well be more knowledgeable on the matter than

I am myself and I make no apologies for being in that situation because my responsibilities for GSL are, as Hon Members opposite will know, clearly defined. I try to provide information if I have it available but if I haven't got it available there is not really very much more I can say.

HON J E PILCHER:

Mr Speaker, I accept the position of the Financial and Development Secretary. I have for a very long time accepted his position. I am asking and if he is not in a position to answer me then I suggest some other Member of the Government answers me.

MR SPEAKER:

With respect, I must make a comment here. One must differentiate between the responsibility of the Government and the responsibility of the company. They are not here to answer for the action taken by the company.

HON J E PILCHER:

I accept that, Mr Speaker, but it is a political question that I am trying to get at. If there is, as is the information on this side of the House, going to be an increase in 100 workers in 1987 then it is a political question to ask whether this is not really

MR SPEAKER:

You have been given an answer. You have been told as much as they can tell you and what the Hon Financial and Development Secretary has said to you is 'to the extent that I have knowledge I have given it to you'.

HON J E PILCHER:

Could the Government then try and obtain or otherwise to see whether the information on this side of the House is correct and let me have an answer when available?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think, obviously, Mr Speaker, further information will emerge in due course about the company's plans and insofar as it does emerge I will continue to endeavour to provide the Hon Member with the answers to his questions.

HON J E PILCHER:

Mr Speaker, in due course is not good enough, in due course we are still waiting for the accounts of GSL which is another question. I am trying to ask a question on the RFA programme. If there is going to be an increase in the employment due to that then it would seem to make more sense from this side of the House to extend the programme into 1988 and therefore not have to increase the resources. It is a valid political question.

MR SPEAKER:

With respect, we are belabouring the point. You have been given perhaps an inconclusive answer to the one you expected to be given but to the extent that the Hon Financial and Development Secretary has been able to he has given you the information that he has. It is inconclusive but there we are, we cannot belabour the point.

HON J BOSSANO:

Mr Speaker, does Government have any views as a matter of Government policy about whether it is preferable to do the guaranteed RFA work over a longer period providing continuity of work for a lesser number of people or to do it over a shorter period providing work for a greater number of people which will require the importation of labour? Is there a Government policy on that subject?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think, Mr Speaker, as those questions are hypothetical one would have to explore the basis of the various hypothesis and there are quite a number of hypothesis in the Hon Member's question and amongst other factors which occur to me immediately is the extent to which it may be feasible for the company to extend the programme of work of RFA's into the subsequent year. I don't know sufficient about their plans to know whether that would have, what I take to be, the beneficial effect which the Hon Member was assuming or whether indeed that hypothesis that it would have a beneficial effect is one which is valid but a number of these matters will, I think, emerge, the conclusions will emerge in the not too distant future as a result of the company's formulation and study of their own plans.

MR SPEAKER:

Next question.

NO. 258 OF 1986

ORAL

THE HON J E PILCHER

Can Government state whether the GSL Pension Fund has now been set up with retrospective effect from the 1st January, 1985?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

I understand that most of the formalities involving the setting up of the pension scheme have now been completed and that there should be a first meeting of the Trustees early in the New Year.

NO. 259 OF 1986

ORAL

THE HON J E PILCHER

Can Government state whether GSL is now committed to continue with an Apprentice Intake and at what level?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir. The Company expects to take on apprentices in 1987 at a level similar to 1986.

SUPPLEMENTARY TO QUESTION NO. 259 OF 1986

HON J E PILCHER:

Mr Speaker, since it is true that in their initial submission there were no points raised about the number of apprentices they would take, it was only a figure of £300,000 in the first year and £400,000 in the second year, could the Hon Financial and Development Secretary say whether this figure of £400,000 is going to finance the whole of the intake of apprentices in this year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, we did have an exchange on the subject of the cost of pensions at the last meeting of the House. I don't think I have anything further to say after the very thorough exchange and amplification of what was said in supplementaries on that occasion at this stage.

HON J E PILCHER:

I am talking about apprentices not pensions.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Apprentices, yes.

HON J E PILCHER:

He said pensions, Mr Speaker.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Sorry, but where I said pensions or pensioners in my comments I did mean apprentices. We did have a thorough exchange on the subject of the cost of apprentices and the changes which had been made. I really have nothing more to say about the cost.

HON J E PILCHER:

I accept that we had a very inconclusive, as is the usual argument,

on the apprentices but since we haven't had the accounts for 1985 and the accounts for 1986 we will get probably in early 1988, could we find out whether the submission that was £300,000 spent on the intake of apprentices in 1985 and £400,000 spent in 1986 has been reached?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not quite sure if I understand the Hon Member. Could he perhaps explain what he wants?

HON J E PILCHER:

In the submission by A & P Appledore when they got the tender there was a sum of £300,000 put there for the first year intake of apprentices. In the second year they had £400,000 put down for the intake of apprentices and it was supposed to build up after that but these first year and second year sums were put in the initial tender. What we are trying to find out, Mr Speaker, is whether the company has, in fact, met these expenses or like the pensions, they have not met it because they haven't got the finances to do it?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I will be able to provide the Hon Member with retrospective information in due course, certainly if that is what he requires, but as far as 1987 is concerned I would refer, again, to the exchange we had, I think, in the last meeting of the House and I would certainly expect that the cost of the apprentice training because of the circumstances which were explained at the last meeting to be considerably lower in 1987.

HON J E PILCHER:

If the Financial and Development Secretary is prepared to give me the figures even if it is in due course provided in due course is not like the GSL accounts then it will have to do.

MR SPEAKER:

Next question.

NO. 260 OF 1986

ORAL

THE HON J E PILCHER

Can Government explain why the GSL Accounts for the year ending 31st December, 1985, have not yet been tabled in this House?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

As I explained in my answer to Question No.202 at the last meeting of the House, the final certification of the GSL Accounts was contingent upon assurances about the Company having the financial resources with which to trade over the next twelve months. The Government has been in discussion with the Company about this following the presentation of the Price Waterhouse Report, but the question of financial support has not yet been resolved.

SUPPLEMENTARY TO QUESTION NO. 260 OF 1986

HON J E PILCHER:

Mr Speaker, if I understand that answer correctly, is it that the auditors are questioning the financial capability of the company to run into 1986/87?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, broadly speaking that is true, Mr Speaker.

HON J E PILCHER:

So the auditors will not actually certify the accounts because they are themselves not satisfied that it will run in the future or that it has problems in actually getting the information necessary to audit the accounts for 1985?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, it is not really that and it is not a question of getting the information. It is a requirement on auditors and, indeed, a requirement on the directors of the company themselves that they must be satisfied that the company can continue as a going concern and as the company has a prospective cash shortfall in 1987 these are the assurances which are needed by those concerned before the accounts can be presented to this House and certified by the auditors.

HON J E PILCHER:

Therefore the directors of the company cannot say that it is a going concern and therefore this is why the auditors will not certify the document as being.....

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, they obviously have made representations to the Government over the question of financial support and as the House will be aware the

Government was awaiting the views of the Price Waterhouse Report before reaching its own conclusions on that particular matter.

HON J E PILCHER:

Mr Speaker, when are we likely to get the GSL accounts tabled in this House?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I would hope, Mr Speaker, that it will be at the next meeting of the House and for other reasons I would imagine that the directors of GSL and the auditors also hope so, too.

HON J E PILCHER:

Mr Speaker, the point to make it is not obviously a question but it is not a statement but I think it is conclusive in the question. If you remember the arguments that we had early in 1985 about information we wanted which the Government pushed us into waiting for the report early in 1986, it is now the end of 1986 and it is important to us that those questions that were unanswered and the only possibility to answer them is in the actual accounts we are in no position to answer them. I hear what the Government is saying but we need that report tabled in the House as soon as possible.

MR SPEAKER:

Next question.

NO. 261 OF 1986

ORAL

THE HON J BOSSANO

Can Government state whether it has now considered what items of capital expenditure should be financed by the £2.3m borrowed in the 1985/86 financial year?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Government is currently reviewing its capital spending plans in connection with the 1986-1990 Development Programme in the light of the ODA contribution towards this. The resources available to the Government from various sources for the purpose of financing this programme, including reserves, sale of Government property, existing borrowing and the scope for further borrowing, naturally form part of that review. I would hope to be in a position to say something more specific on this subject early in 1987 when the Government has concluded its review and reached a decision on the various matters involved.

SUPPLEMENTARY TO QUESTION NO. 261 OF 1986

HON J BOSSANO:

Can the Financial and Development Secretary, Mr Speaker, confirm that it is the intention as was intimated during the Budget to make use of the money that was borrowed at the time in anticipation of a deficit in the current expenditure that did not arise, to use that money, in fact, for capital expenditure?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The various financial resources available to the Government including the figure which the Hon Member has highlighted will naturally form part of a pool of resources available. Unfortunately, decisions about the capital programme have not yet been finally reached so I therefore do not know how much money will be needed for that purpose. There may be other changes in Government programmes between now and the point in 1987 when I would expect a decision to be taken, I don't know, this will depend on the Government's priorities. I think it is too early for me to make a forecast on that, Mr Speaker.

HON J BOSSANO:

Mr Speaker, I understand perfectly well what the Hon Member is saying about the total expenditure programme but I am not asking that. Can the Hon Member confirm that it is the intention, as was indicated at the Budget, that when the reason given at the time for not being able to give me a statement in this respect was the fact that an answer had not been received from the United Kingdom on a request for aid, that now that the answer has been received it is the intention to use the money which was originally borrowed in anticipation of a deficit that did not materialise, to use that particular sum

independent of what other resources may be available, to use that particular sum for capital spending?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, Mr Speaker, it is too early for me yet to say how the Government proposes to use the resources available to it.

MR SPEAKER:

Next question.

16 12 86

NO. 262 OF 1986

ORAL

THE HON J BOSSANO

Does Government still expect that the outcome for the current financial year will be a deficit of £821,500?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Mr Speaker. Allowing for some improvement on the revenue side of the Government's account, but offset by some increases in expenditure, I would, at this stage, expect the overall result to be fairly close to the budget forecast for the current financial year.

NO. 263 OF 1986

ORAL

THE HON J BOSSANO

Can Government state what it considers to be the prudential ratio of reserves to Government spending at present?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Mr Speaker. I do not think there is a simple answer to such a question. However, having regard to overall economic conditions, the buoyancy of Government revenues and likely claims on Government resources in the foreseeable future I can assure the Honourable Member that the Government's net liquidity position is satisfactory at present.

SUPPLEMENTARY TO QUESTION NO. 263 OF 1986

HON J BOSSANO:

Mr Speaker, would the Hon Member not agree that if in successive budgets the Government seems to be aiming for a given level of reserves it is impossible to deduce what is considered a satisfactory level without being given some indication by Government?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think as an exercise in Cartesian logic what the Hon Member has said may be true, Mr Speaker. I think Governments are faced, however, with practical situations which they have to handle with the resources available at any particular time. Going back over two years I think we were concerned about the level of reserves mainly because they were declining in a declining economic situation, of course. The Hon Leader of the Opposition was one of those who drew attention to this from time to time. That is no longer the case, we have a buoyant economy, we have buoyant Government revenues and quite clearly the whole set of economic circumstances and criteria which one might apply to consideration of the question raised by the Hon Member have changed but I don't think that it follows that we can say: 'Yes, there is a fixed ratio and it should be X or Y'.

HON J BOSSANO:

Would it be true then, Mr Speaker, to say that there is no current Government policy as to what the level of reserves should be in the current state of the economy?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think that in general terms I would agree with that, Mr Speaker.

HON J BOSSANO:

So that, in fact, Mr Speaker, if the reserves were lower than they are at present the Government in its current thinking would not

think that was a cause for concern?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, that, unfortunately, does not follow, Mr Speaker, because I don't accept that the criteria is exclusively one of the level of reserves. There are, as I think I indicated in my question, a variety of indices and circumstances which one must take into account when judging the state of Government finances and what its financial position is relative to that of the economy so I don't agree with the particular point the Hon Member has put.

HON J BOSSANO:

So then, Mr Speaker, does the Hon Member think that the current level of reserves is, in fact, not too high?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I am not going to be tempted by the Hon Leader of the Opposition in saying that it is too this or too that or not too this or not too that.

HON J BOSSANO:

Would it be true, then, Mr Speaker, that the Hon Financial and Development Secretary would be satisfied with whatever the level of reserves was at any given point in time?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon the Chief Minister has just interjected on my behalf and said 'of course, not', Mr Speaker.

MR SPEAKER:

Next question.

NO. 264 OF 1986 .

ORAL

THE HON J BOSSANO

Can Government state the value of imports in the 10 months to October this year and the comparable figure for last year?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

The Imports and Exports Statistics report published in October 1986 showed that the value of non-fuel imports for the period January to October 1985 stood at £58.79 million. I regret that I only have available import figures for the first three months of 1986 at present which show a total of £15.95 million compared to £14.04 million for the corresponding period in 1985.

SUPPLEMENTARY TO QUESTION NO. 264 OF 1986

HON J BOSSANO:

Can Government state whether they have any indication as to whether the trend in the subsequent months after the first quarter figures that the Hon Member has given has been maintained above the level of last year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Impressionistically, yes, Mr Speaker, but I cannot confirm that with figures. I apologise for the fact that we are unable to provide the information which the Hon Member has sought, we have had serious staffing problems in the Economic Planning and Statistics Office, representations on this point have been made by us for some considerable time. We had a Management Services Study on the office which recommended a new structure and also recommended that we should have additional staff for this very purpose actually, for clearing the backlog of work on the imports and exports statistics and I am afraid that we still haven't got the staff and we still have the backlog. I am afraid what has happened rather illustrates the truth of the scriptural text that 'from those that have not it shall be taken away'. Added to my difficulties, of course, is the fact that I have lost one of my three senior economics staff, that was early this year, I am about to lose another one and on present trend it looks as if by the time of the next general election I shall have none, I shall be acting as teaboy myself.

HON J BOSSANO:

Mr Speaker, while it is all very interesting to hear what the Hon Member's Department is suffering in terms of loss of staff, what I would like to have some indication of is the performance of the economy in terms of imports even if there are no figures available. Can the Hon Member indicate whether from what little information he has available to him there is an indication whether the trend is on the increase or levelling down? What is the direction in which imports are moving?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As I have said, Mr Speaker, impressionistically the trend is continuing, that is to say, at an increase over the period for the previous years but I wouldn't like to say more than that that is impressionistic at this stage.

MR SPEAKER:

Next question.

NO. 265 OF 1986

ORAL

THE HON J BOSSANO

Can Government state when it expects to be in a position to publish National Income Statistics for 1984/85 and 1985/86?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Mr Speaker, I can now provide the Hon Member with the National Income figure for 1984-85, which is £87.2 million. The preliminary estimate of National Income for 1985-86 is £99.6 million showing an increase of 14.3 per cent nominal or 10.4 per cent in real terms.

NO. 266 OF 1986

ORAL

THE HON J BOSSANO

Does Government now expect to collect more than the £21.6m in income tax in the current financial year which was estimated at Budget time?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Sir. The latest estimate of income tax for 1986-87 is now £22.25m, representing an increase of £0.65m over the budget forecast. In 1985/86 the actual was £22.4m according to the latest account figures.

SUPPLEMENTARY TO QUESTION NO. 266 OF 1986

HON J BOSSANO:

Could I ask the Hon Member whether this latest estimate takes into account anticipated settlements of wage reviews in the private sector or only in the public sector?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It does insofar as we can, of course, take account of trends in the private sector and anticipated settlements, yes.

MR SPEAKER:

Next question.

NO. 267 OF 1986

ORAL

THE HON M A FEETHAM

When does Government intend to bring to the House the proposed Bill on Health and Safety at Work which they indicated would be brought to the House before the summer recess?

ANSWERTHE HON THE ATTORNEY-GENERAL

Mr Speaker, a draft Bill for a Health and Safety at Work Ordinance which was prepared and submitted to Government in July, 1985, has been held back by me pending the drafting of the Building, Demolition and Excavation legislation recommended by the Commission of Inquiry into the incident at Cooperage Lane.

In September of this year I requested Sir John Spry to make whatever amendments might be needed to the draft Bill in the light of the amendments envisaged by him in his report into the incident at Cooperage Lane.

Sir John has began work on the Building, Demolition and Excavation legislation but at this stage it is impossible for me to give a definite date by which the Health and Safety at Work and the Building, Demolition and Excavation legislation will be ready to be brought to this House.

SUPPLEMENTARY TO QUESTION NO. 267 OF 1986

HON M A FEETHAM:

Can Government state what has one thing got to do with the other? Health and Safety concerns all industries, you are talking about demolition work.

HON ATTORNEY-GENERAL:

Yes, it does because the present Demolition legislation is contained in the Factories Regulations which deal with the safety of men on a demolition site and there is the Building Operations Regulations and several other subsidiary legislation made under the Factories Ordinance which, of course, govern the safety of men at work.

HON M A FEETHAM:

I understand that, I quite understand what the Member opposite is saying. What I am saying is the Health and Safety legislation is a comprehensive piece of legislation presumably based on the UK. Can the Hon Member opposite say how would that stop the Bill being brought to the House because of the Demolition legislation?

HON ATTORNEY-GENERAL:

It is a question of how the two are going to be put together, it might well be that there will be a separate piece of legislation dealing

with Building, Demolition and Excavation and the safety of workers engaged on those projects will be covered in that legislation. My present Bill covers Health and Safety at Work right across the board so I am going to have to juggle between the two and decide what goes into what Bill and what goes into the other Bill.

HON M A FEETHAM:

So what the Hon Member opposite is saying is that it will follow UK practice?

HON ATTORNEY-GENERAL:

Yes, the Health and Safety Bill as drafted follows the UK Bill.

MR SPEAKER:

Next question.

NO. 268 OF 1986

ORAL

THE HON J C PEREZ

Does Government envisage any change in the qualifications required for entry into the P&TO grade as a result of the restructuring being undertaken?

ANSWERTHE HON THE ATTORNEY-GENERAL

Yes, Sir, the criteria for recruitment to the P & TO Grade will have to be brought into line with the changes that have taken place in the United Kingdom.

Discussions are currently being held with the Institution of Professional Civil Servants, the Staff Association holding the negotiating rights for the P & TO Group and it is hoped that agreement will shortly be reached to implement the new basic qualification requirements for entry into the basic P & TO Grade.

SUPPLEMENTARY TO QUESTION NO. 268 OF 1986

HON J C PEREZ:

Can Government state what practical effects it is envisaged that this will have, for example, for craftsmen who are eligible now to enter into the P & TO grade, will they need extra qualifications or will they be eligible to apply for a P & TO post under the new qualifications?

HON ATTORNEY-GENERAL:

I think, Mr Speaker, that people who are presently qualified to enter into the P & TO grade some consideration will have to be given to them. This is obviously the subject matter of these discussions. Some consideration will have to be given to them and to see whether or not there should be some transitional period for the entry of such people who are presently qualified to enter into those grades. This will obviously be a matter of discussion.

HON J C PEREZ:

Could the Government state that if this is going to be an interim period what plans they have to train people to obtain the qualifications required after the interim period has lapsed?

HON ATTORNEY-GENERAL:

I am afraid, Mr Speaker, I am speaking very much to a brief and I wouldn't like to add. I don't know the answer to that question, I am sorry.

HON R MOR:

Mr Speaker, I would like to ask, what is the Government intending to do to provide the necessary training so that people can obtain the qualifications locally?

HON ATTORNEY-GENERAL:

You mean what training scheme? As I said to the last questioner I simply don't know, I am speaking very much to a brief, I don't know if any of my colleagues on the Government side can help but it is not in my brief for this particular question.

MR SPEAKER:

Next question.

NO. 269 OF 1986

ORAL

THE HON J C PEREZ

Is Government intending to lower the rate of postage to the United Kingdom to bring it into line with the lower rate of postage introduced in UK in October?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

No, Sir.

SUPPLEMENTARY TO QUESTION NO. 269 OF 1986

HON J C PEREZ:

Could the Hon Member explain why?

HON G MASCARENHAS:

Mr Speaker, I have some figures here which might be interesting for the Hon Member. In 1984 the United Kingdom despatched 537 million letters to overseas destinations. I hope he bears with me with the figures because they are quite long. 537 million letters to overseas destinations whilst their domestic service dealt with nearly 12 million, this is about 22 times as much. The reduction of four pence in the postage of letters destined for EEC countries should be taken within the context of the increases in charges for other services amongst which there was an increase of one penny in all inland letters. I am not aware of the reasons which have prompted the British Post Office to effect these changes but suffice it to observe that the above figures speak for themselves.

HON J C PEREZ:

Mr Speaker, if the above figures as the Hon Member opposite says speak for themselves, why is it that in 1984 when he announced the increases in charges he tried to justify those increases in Gibraltar by virtue of the fact that they were increasing them to get into line with UK?

HON G MASCARENHAS:

Mr Speaker, I am not responsible for what the British Post Office does subsequent to that. I don't believe that I have said that we are increasing our charges to come into line with the UK, that has never been the intention and it has never happened over the years, in fact, there has never been any cry for the increase in the Gibraltar rate for all the years and this has been up to March, 1986, when the Gibraltar rate was always lower as between Gibraltar and UK and UK to Gibraltar. The occasion has only arisen now because the British Post Office have had a change of emphasis which will allow them, may I say, considerable profits on overall operations.

HON J C PEREZ:

The Hon Member has not answered my question, Mr Speaker. My question was, if Gibraltar raises or lowers its postage regardless of what happens in UK, why is it that the Hon Member opposite has in the past tried to justify increases in Gibraltar by virtue of the fact that in the UK their postage rate was to go up or was higher than in Gibraltar?

MR SPEAKER:

I think the Hon Member has said that the postage rate in Gibraltar was lower for a longer time than necessary compared to the United Kingdom.

HON J C PEREZ:

Mr Speaker, with due respect, it has always been lower but he has justified in the past the fact that the Gibraltar rate is lower than the UK rate and that the UK rate was to increase so that it would continue to be lower in justifying the increases in postal charges and I am asking the Hon Member if there is no connection whatsoever why it is he has in the past used the increases in UK to justify the increases in postal charges in Gibraltar if there is no connection?

HON G MASCARENHAS:

Mr Speaker, I have never justified the increases in Gibraltar because the UK has been higher, there is no reason. We work on a basis and I have here a technical explanation which I will give the Hon Member and that is governed by the postal charges and the limits on the weights and sizes are laid down by Article 19 of the Universal Postal Convention. The basic charge which is based on an item of surface mail worldwide for the first 20 grammes may be reduced by 70% or increased by 100%. The airmail rate is then arrived at by adding the cost of air conveyance to the basic rates. Our policy has always been to accept the UPU recommended rates. In 1979 it was set at 75 gold centimes, this rate at the time converted to 14p for surface mail and 17p for airmail to Europe. In 1984 the equivalent rates were 17p and 20p respectively based on the conversion rates then in force. The basic rate now recommended by the 1984 Convention is 112.50 gold cents. Nevertheless, it was decided to retain the basic rate of 75 gold cents representing a reduction of 33 $\frac{1}{3}$ %. However, the conversion rate in 1986 has deteriorated to such an extent that the 75 gold cents converted to 19p which is the current basic surface rate and 22p for airmail to Europe which is the present rate. These rates came into effect on the 1st March, 1986. To answer the Hon Members point, if the current conversion rate was applied the 75 gold cents would now convert to 21p for surface mail and 24p for airmail. As these are not being reviewed, effectively the reduction from the UPU recommended rate is 40%.

HON J C PEREZ:

I am glad for the Hon Member's explanation to a question I haven't put to him, Mr Speaker. Could we take it that since the Hon Member has not directly answered the question I put to him, that he

will in the future not compare with the UK in trying to justify the increases in postal charges in Gibraltar because there is, in fact, no connection and that what he has done in the past is merely to try and justify it without regard whatsoever to anything that has been happening in the UK?

HON G MASCARENHAS:

Mr Speaker, I have already answered that, I have never justified that the rates from Gibraltar to UK.....

MR SPEAKER:

You have been asked whether you will not justify it in the future?

HON G MASCARENHAS:

I have never justified it in the past, I will not do so in the future, I am stating clearly that the Gibraltar Post Office has an independent policy which we have always acceded to based on UPU recommended rates.

HON JC PEREZ:

If you will permit me I can prove to the Hon Member that he has in his statement which he gave to this House in 1984, and I quote, and in justifying the increases he said: 'It is to be noted that the airmail rate from the United Kingdom to Gibraltar is currently 20½p. It is understood, however, that this rate will be increased in the near future' in relation to the fact that it would keep the ratio as it was.

MR SPEAKER:

In fairness, surely that is by way of comparison not justification.

HON G MASCARENHAS:

Not justification.

HON J L BALDACHINO:

May I ask the Hon Member if every time the postage rates have been increased in Gibraltar he has followed the line for the same increase as in the UK?

HON G MASCARENHAS:

No, Mr Speaker.

MR SPEAKER:

Next question.

HON G MASCARENHAS:

Mr Speaker, before we proceed can I just correct something that I have been advised that I was incorrect in the information that I gave the House this morning. I believe that I quoted 12 million letters for the British domestic service, that should be 12,000 million. I want that clear for the record. It refers to Question No. 269.

NO. 270 OF 1986

ORAL

THE HON M A FEETHAM

Can Government give details of the representations that were made to them by the Moroccan delegation that recently visited Gibraltar?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, no Moroccan delegation as such has recently visited Gibraltar. The Governor of Tangier visited Gibraltar at the invitation of His Excellency the Governor on the 1st and 2nd of December.

In the course of a short courtesy call which he made on me, he expressed his personal interest in the Moroccan community in Gibraltar and mentioned in general terms some of the issues which the Moroccan Government has officially raised in the past.

SUPPLEMENTARY TO QUESTION NO. 270 OF 1986

HON M A FEETHAM:

What the Hon Member opposite is saying is that no representations as such were made officially, is that what the Hon Member is saying?

HON DR R G VALARINO:

No, Mr Speaker, I have not said that, obviously the Hon Member has not listened to the answer properly. I shall repeat the answer if he so wishes.

HON M A FEETHAM:

I will repeat my question, Mr Speaker. Did the Governor of Tangier make any representations to the Gibraltar Government regarding the welfare of their nationals in Gibraltar?

HON DR R G VALARINO:

Mr Speaker, no more than what I have said in my answer.

HON M A FEETHAM:

Can the Hon Member state exactly what areas were covered by the Governor of Tangier? Did he talk about family allowances, did he talk about job security, did he talk about unemployment benefits, did he talk about hospitalisation? This is what was said in the media by the delegation. Did he actually say that officially to the Government?

HON DR R G VALARINO:

Mr Speaker, Sir, the meeting with the Governor of Tangier lasted fifteen minutes. In that amount of time and there was nobody else

present except the Governor of Tangier, there was not a great deal of time to talk about the host of things which the Hon Member is implying. What I am saying is that we talked generally about various things which have been brought up in the past and they were of such a general nature that we did not either agree or disagree or come to any definite conclusion on any of them.

HON M A FEETHAM:

So what the Hon Member opposite is saying is that the statement made to the media which was a front page article in the Chronicle by one of the members that formed the delegation, as I would like to phrase it, were in fact not covered by Government? The Minister opposite is on record as saying to the media that the Government had paid careful attention and shown understanding of the representations. Can he explain to me what the representations were?

HON DR R G VALARINO:

Mr Speaker, first of all, I am not responsible for what the media says. Secondly, the media wrote on what another member of the Moroccan so-called delegation who was in Gibraltar said and I reiterate what I have said in the past that the issues discussed between the Governor of Tangier and myself at a very short meeting were of a very general nature about things which have been dealt many times in the past by the Moroccan Government.

HON M A FEETHAM:

Would the Hon Member clear up because I am not clear in my own mind exactly what happened with this delegation or these visitors who came to Gibraltar, he has just mentioned another member, Mr Benkirani I think his name was, as another so-called member. Did he or did he not form part with the Governor of a representation in Gibraltar regarding the Moroccan nationals or were there two separate delegations visiting Gibraltar?

HON DR R G VALARINO:

Mr Speaker, Sir, no, he did not form part of the delegation with the Governor and the Governor merely paid a courtesy call on myself.

HON M A FEETHAM:

So what the Hon Member is saying is that what has been expressed in the media as such with which I agree with him, could be a matter of media reporting rather than official representations, has not, in fact, been taken up officially by the Governor?

HON DR R G VALARINO:

That is totally right, Sir.

MR SPEAKER:

Next question.

NO. 271 OF 1986

ORAL

THE HON R MOR

Have any applications for Family Allowance been received from Frontier Workers?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

There have been 262 applications for Family Allowance from frontier workers.

SUPPLEMENTARY TO QUESTION NO. 271 OF 1986

HON R MOR:

Mr Speaker, I asked on a previous occasion more or less the same question and at the time the Hon Member told me how many application forms had been given out by the Department. Can he give me the figure now?

HON DR R G VALARINO:

Mr Speaker, I think that this is the sum of the total number of family allowances which have been completed by frontier workers. Obviously, as frontier workers increase they are likely to ask for more application forms but I will find out exactly the number of any outstanding family allowance forms and I will let the Hon Member know.

MR SPEAKER:

Next question.

NO. 272 OF 1986

ORAL

THE HON R MOR

Can Government confirm that workers temporarily living on the other side of the frontier but without official permits of residence in Spain are not debarred from claiming Unemployment Benefit in Gibraltar?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Yes, Sir. I can confirm that workers living temporarily in Spain are not debarred from claiming Unemployment Benefit in Gibraltar.

SUPPLEMENTARY TO QUESTION NO. 272 OF 1986

HON R MOR:

Mr Speaker, is this policy being applied as from the 1st January, 1986?

HON DR R G VALARINO:

Mr Speaker, as far as I know this policy has been applied as from the date that the Hon Member mentioned. If he has got any individual case which has not been dealt with properly I would be grateful if he could bring this to my attention and I will examine the case.

HON J BOSSANO:

Can I just ask the Hon Member, in order to be considered to be living temporarily on the other side is it necessary for such a worker to have additionally an address in Gibraltar or can he, in fact, register with the temporary address that he may have in the surrounding area?

HON DR R G VALARINO:

Mr Speaker, I do not think he needs an address in Gibraltar as the Hon Member has suggested.

MR SPEAKER:

Next question.

NO. 273 OF 1986

ORAL

THE HON R MOR

How many Spaniards are presently receiving full pensions and what is the total amount paid in this respect?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

A total of 770 Spanish nationals, including 32 widows, are at present receiving full pensions. The total amount paid in this respect is £1,667,676 pa.

SUPPLEMENTARY TO QUESTION NO. 273 OF 1986

HON R MOR:

Mr Speaker, is it still the Government's intention or do they still feel a commitment to continue paying this amount irrespective of whether they get aid or not when they finally deal with the matter beyond 1988?

HON DR. R G VALARINO:

Mr Speaker, that is a matter of discussion between Her Majesty's Government and the Government of Gibraltar and I don't think this arises out of the question.

HON R MOR:

Yes, Mr Speaker, I am quite aware of that but when the Hon Minister for Economic Development and Trade made a contribution in this House he did say that the Government felt morally obliged that these cases they would consider that they had a moral obligation to pay this amount? Is that still the position?

HON DR R G VALARINO:

Mr Speaker, I thank the Hon Member for his comments. A Study Group has been set up now and they will look at the whole question.

MR SPEAKER:

Next question.

NO. 274 OF 1986

ORAL

THE HON R MOR

What has been the total amount of pensions paid to Spaniards up to 30 November, 1986?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

The total amount of pensions paid to Spanish nationals up to 30 November 1986, was £6,149,793.68.

SUPPLEMENTARY TO QUESTION NO. 274 OF 1986

HON R MOR:

Mr Speaker, should there be any shortfall at the end of the year in providing funds will this be met by the Gibraltar Government or by the UK Government?

HON DR R G VALARINO:

Mr Speaker, judging by this if he divides this by eleven and multiplies by twelve he will realise that there will be no shortfall this year.

MR SPEAKER:

Next question.

NO. 275 OF 1986

ORAL

THE HON R MOR

Are Government introducing legislation in this House to allow persons medically retired to claim Unemployment Benefit even if their last contributions as employed persons were made over six months previously?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, it has not been possible to bring the necessary legislation to this meeting of the House due to delays in printing. It should appear in the Agenda for the next meeting of the House.

SUPPLEMENTARY TO QUESTION NO. 275 OF 1986

HON R MOR:

Mr Speaker, would Government be prepared to consider retrorspection in this case?

HON DR R G VALARINO:

Mr Speaker, if I remember correctly I mentioned the word retrospection in the last answer I gave to the Hon Member when he asked this at the last meeting of the House.

HON R MOR:

Mr Speaker, would the Hon Member confirm then that he is prepared to give retrospection to this legislation?

HON DR R G VALARINO:

It would certainly be my wish, I cannot commit myself at the moment because I would have to look at the past records but should there be any change I will let the Hon Member know.

MR SPEAKER:

Next question.

16 12 86

NO. 276 OF 1986

ORAL

THE HON R MOR

Can Government state what is the result of the review of the Single Parents Allowance and what other steps are Government taking to alleviate their problems?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

The Single Parents Allowance paid under the Supplementary Benefit Scheme will be increased to £8 per week as from the end of the year. Following a meeting held last week with members of the Women's Association who are now representing the interests of Single Parents, consideration is being given to a number of points raised by them.

NO. 277 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

In the light of the recent problems faced by residents of Mount Alvernia over the breakdown of the lift, will Government undertake to provide the necessary support to ensure that similar situations are avoided in future?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Sir, the Government has no obligation to undertake routine or breakdown maintenance on these lifts. However, depending on the merits of the case the Government would consider instructing the Public Works Department to provide assistance, if so requested.

SUPPLEMENTARY TO QUESTION NO. 277 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, if the Minister is saying 'if so requested' then it is up to the authorities of Mount Alvernia to actually contact the Government. Does the Minister not consider that the Government have the resources available and that they should offer these resources to their senior citizens as a moral obligation?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I did not catch the first part of the question. Would the Hon Member please repeat it?

HON MISS M I MONTEGRIFFO:

Mr Speaker, I have said that the Government have the resources available to offer the residents of Mount Alvernia. Do they not consider that it is their moral obligation to offer these resources to them?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I was not aware of the problems with the lifts until I heard it over television when the matter was almost resolved. As I have said in my answer, if the Board of Management of Mount Alvernia after approaching any individual company and the company itself hasn't got the resources available in Gibraltar and the Public Works Department has, we will make a special case and we will gauge and measure the request to see if it is a genuine request or not.

NO. 278 OF 1986

ORAL

THE HON J C PEREZ

Can Government state whether the ash chute at Europa Point is currently being used for refuse disposal?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

No, Sir.

SUPPLEMENTARY TO QUESTION NO. 278 OF 1986

HON J C PEREZ:

Mr Speaker, can Government state whether it has been used recently and why?

HON MAJOR F J DELLIPIANI:

Mr Speaker, there was a certain amount of disposal of refuse at the ash chute at Europa Point during the maintenance period of the refuse incinerator during the month of November. The maintenance has been completed and the refuse incinerator is now working. The question from the Hon Member seems to imply that this is the first time that this has happened. I would like to make it known to the Hon Member that we only have one refuse incinerator which has been working for many, many years and every year since it started there has been a period of maintenance when refuse has had to be dumped at the ash chute at Europa Point. No machine can work forever without any maintenance.

HON J C PEREZ:

Mr Speaker, I am glad for the Hon Member's comments about the fact that we have one refuse incinerator. Could he confirm that it is not Government policy to use the chute except in exceptional circumstances?

HON MAJOR F J DELLIPIANI:

Apart from the maintenance problems we also had to use it during the recent strike by the refuse incinerator personnel.

HON J C PEREZ:

Mr Speaker, is the Hon Member aware that the last time that

they used it this resulted in the surrounding area of the chute being littered with refuse and papers and so on?

HON MAJOR F J DELLIPIANI:

Mr Speaker, of course I was aware and made it a point of visiting the area. It so happened that during the time we were disposing refuse at the chute in Europa there was a very heavy levant which was bringing most of the light refuse back onto the road.

HON J C PEREZ:

Has Government taken any steps to clean up the area in question?

HON MAJOR F J DELLIPIANI:

The Government immediately the wind changed to a westerly wind because it was impossible for the men to work under the conditions prevailing with the easterly wind, undertook a major operation which cleared up all the area.

MR SPEAKER:

Next question.

16 12 86

NO. 279 OF 1986

ORAL

THE HON J C PEREZ

Can Government state when they intend to commence road resurfacing works in Main Street?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

This year's programme provides for the resurfacing, in early 1987, of the south section of Main Street ie from the Convent to Referendum Gate. The Main Street section from Engineer Lane to City Mill Lane will be resurfaced in the next Road Programme, when the building developments are nearer completion.

NO. 280 OF 1986

ORAL

THE HON J C PEREZ

Can Government state whether it has given written permission to Gunac Limited to sub-let, transfer or assign directly or indirectly any part of the work on the Tower Blocks to any other company, and if so, what work and to which company?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Under Clause 17 of the Joint Contract Tribunal Standard Form of Contract, Government empowered Gunac Ltd, by letter dated 13 November, 1984, to employ sub-contractors as necessary to execute work in accordance with the contract documents.

Subsequently, Gunac Ltd assigned the balcony windows sub-contract for Constitution House to their sister company Concrete Proofing Co in the UK. As the latter did not have a trade licence in Gibraltar, the supply and fixing of the balcony windows was handled in Gibraltar by the Das Aluminium and General Welding Co Ltd.

In the case of Referendum House, Gunac Ltd requested and obtained written permission to subcontract the supply and fixing of the balcony windows, to the Bahia Glass Co Ltd of 31/2 Irish Town, Gibraltar. This firm has a valid Trade Licence.

SUPPLEMENTARY TO QUESTION NO. 280 OF 1986

HON J C PEREZ:

Mr Speaker, since the Hon Member has now accepted that sub-contract work was actually given to the Concrete Proofing Co Ltd, can the Hon Member state whether Clause 17 which he has quoted substitutes for the requirements of Clause 7A, paragraph 4(a) where they need to be given permission?

HON MAJOR F J DELLIPIANI:

Mr Speaker, as I see it all the clauses under the terms of contract were laid aside by the letter from the Director of Public Works empowering the main contractor to employ sub-contractors as necessary to execute work in accordance with the contract documents. The fact that one particular company

did not have the licence and immediately subcontracted it to another shows that the spirit of both the contract and the letter was kept.

HON J BOSSANO:

Mr Speaker, does the Hon Member then say that by virtue of that letter there was no further requirement on the part of Gunac to clear the subcontractor that was going to do the work with the Public Works Department as is normal practice?

HON MAJOR F J DELLIPIANI:

As I read the letter, yes, but as the spirit of how the work was carried out it has clearly shown that once the main company, Gunac, were aware that the Concrete Proofing Company in UK did not have a licence for Gibraltar the contract was subcontracted to a local company.

HON J BOSSANO:

Mr Speaker, isn't this answer in conflict with the answer the Hon Member gave in the last House of Assembly where he said that, in fact, there had been no subcontract to the UK firm and therefore the question of the trade licence did not arise because the UK firm was a subsidiary of Gunac and consequently there was no transfer or assignment of the contract?

HON MAJOR F J DELLIPIANI:

I don't think so, Mr Speaker, because first of all the company in question, if I remember rightly, was Concrete Roofing which did not exist in my books, the company in question is called Concrete Proofing. I did say that whether it existed or not, as it formed part of the main company I had no objections to the matter. I thought it was just a question more or less of in-house paperwork for the purposes of taxes but not for the purposes of working in Gibraltar without a trading licence and the fact that as soon as they realised that they didn't have a trade licence and subsequently gave the work to a local company showed the company's good intentions.

HON J BOSSANO:

Mr Speaker, was the Hon Member in possession of the information that he is now giving the House at the last meeting of the House?

HON MAJOR F J DELLIPIANI:

Sir, no, obviously not. At the last meeting of the House the question referred to Referendum House and to a company by the name of Concrete Roofing which was not known to me.

HON J BOSSANO:

So, in fact, the Hon Member was not aware until now that Gunac had subcontracted the work to this other company who in turn had passed it on to the local company and was not able to obtain that information when the matter was raised the last time, is that what we are being told?

HON MAJOR F J DELLIPIANI:

That is exactly what I am saying, this is why I am giving the information now.

HON J C PEREZ:

Mr Speaker, could the Hon Member clarify whether now that he is satisfied that the subcontract was actually passed on to the Concrete Roofing Company and he has, in fact, been playing with words but he did on the 13th November write to me about the Concrete Roofing Company notwithstanding that the question I put originally referred to the Roofing Company, could he confirm that the legal liability for any problems related to the work carried out rests with Gunac and not with Concrete Roofing Company?

HON MAJOR F J DELLIPIANI:

Mr Speaker, the Hon Member's questions are not in fact related to any involvement by Gunac Limited into any unauthorised works carried out. I am very much aware that the Hon Member's questions are related to a dispute between the subcontractor and the main contractor, Gunac Limited, and I am not prepared to admit to any liability either morally or legally where the Government is involved in a Court action between two different companies.

HON J C PEREZ:

Mr Speaker, I am not asking the Hon Member that the Government should accept liability but since he has accepted that Concrete Roofing Company Limited which is a firm not registered in Gibraltar but registered in UK and as he has admitted rightly not holding a trade licence, since he accepts that the subcontract work was passed on from Gunac to the Concrete Roofing Company Limited who in turn passed

it on to Das Aluminium, Mr Speaker, can he state who has the legal liability for that contract if anything goes wrong with it?

MR SPEAKER:

With respect, it is not for the Minister to apportion blame for legal liabilities in any case.

HON J C PEREZ:

I am not asking the Hon Member to apportion blame or otherwise, I am not asking that. I am asking him that within the contract of the Tower Blocks, if anything were to go wrong whose liability is it?

MR SPEAKER:

That is a matter of interpretation which is not for the Minister to give an opinion on.

HON J C PEREZ:

But perhaps for the Government, Mr Speaker, they do have an Attorney-General.

MR SPEAKER:

On advice but this is not the proper time to ask for it.

HON J BOSSANO:

Mr Speaker, we are talking about public money having been spent and going from the Government to a company that was awarded a contract and in turn part of that work being assigned to a company in UK as a result of a letter from the Public Works. Is the Government not obliged to make sure that the money is going to the people who did the work and is it not concerned that there should be any complications in that area?

MR SPEAKER:

That is another question that can be asked.

HON MAJOR F J DELLIPIANI:

Sir, the Hon Member, Mr Perez, phoned me some time ago saying that he had evidence to show that there was another

company involved in subcontracting which differed from the information I gave to him and he asked that he should meet me to discuss the matter. I answered that if he had any information which was of interest to the Government he should write to me or to any Member of the Government and pass that information to show cause whether there was any illegality in the contract. I am still waiting for that letter and I think the whole matter could have been better served in the privacy of correspondence rather than airing this matter which I think is of a delicate nature and could influence things in the Court.

HON J C PEREZ:

Mr Speaker, what I wanted to clarify to the Hon Member with regard to his letter to me of the 13th November was that the Concrete Proofing Company Limited was, in fact, involved because until today he hasn't admitted that the Concrete Proofing Company Limited was involved and on the 13th November he told me and if I may quote his letter: 'I reiterate that my reply was absolutely correct and that Gunac Limited has confirmed that Concrete Proofing Limited is in no way engaged. Consequently, the question of Concrete Proofing Company Limited not having a trade licence does not arise'. This is in complete contrast with what the Hon Member has told us today and the evidence that I had to offer the Hon Member is the contract itself which I have here in.....

MR SPEAKER:

Order, order, we are making statements now. We have got to the stage when I don't think any further purpose will be served by pursuing the matter.

HON J C PEREZ:

Could the Hon Member answer the last question from my colleague, the Leader of the Opposition?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I have already said so. When the Proofing Company realised that they didn't have a licence the contract was awarded to a local company so they didn't actually work in Gibraltar.

MR SPEAKER:

We will leave it at that. Next question.

NO. 281 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government state when they expect completion of the Alameda Bedsitters?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

Yes, Sir. The completion date is late February 1987. I should however, point out that the units in question are not bedsitters but 2 RKB.

NO. 282 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government state how many flats will 19, Willis's Passage be composed of after the completion of the rehabilitation programme?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

Yes, Sir. The scheme will provide for 2 units of 4 RKB and 1 unit of 3 RKB.

SUPPLEMENTARY TO QUESTION NO. 282 OF 1986

HON J L BALDACHINO:

Mr Speaker, is there any variation from this composition since the original tender was put out?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I am not aware of any variation. The information I have is that before this building was composed of eight by one room units.

HON J L BALDACHINO:

Mr Speaker, can the Hon Member then explain why it is costing £37,000 more than when it was originally put out to tender?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I have no idea but if the Hon Member wishes I will write to him on the matter.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Has Government got any policy in relation to the potential threat posed by Acquired Immune Deficiency Syndrome (AIDS)?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

The policy for local implementation in dealing with Acquired Immune Deficiency Syndrome (AIDS) is that UK procedures will be followed.

SUPPLEMENTARY TO QUESTION NO. 283 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister confirm whether we have equipment here for screen testing?

HON M K FEATHERSTONE:

No, we haven't got the equipment at the moment, we are considering bringing it.

HON MISS M I MONTEGRIFFO:

When does the Minister expect the equipment to arrive in Gibraltar, Mr Speaker?

HON M K FEATHERSTONE:

I would think it should arrive within eight weeks. It is rather expensive equipment and it has rather a limited life.

HON MISS M I MONTEGRIFFO:

Mr Speaker, has the Government implemented any procedures in relation to our nursing staff and the emergency services?

HON M K FEATHERSTONE:

Unless the nursing staff are actually intimately connected with the blood of a person who is suffering from AIDS there is not very much danger to them.

HON MISS M I MONTEGRIFFO:

Mr Speaker, is the Minister aware that we have special equipment today like, for example, syringes which reduce the dangers of contamination and is the Minister prepared to order this equipment for our medical services?

HON M K FEATHERSTONE:

Yes, Sir.

HON M A FEETHAM:

Mr Speaker, the Hon Member has said that he will be following UK practice. Is Government considering distributing to Gibraltar households the leaflet which in Britain is going to be distributed to every household over there?

HON M K FEATHERSTONE:

We are considering setting up a Committee to look into all aspects of AIDS including the screening test most applicable as well as running an educational campaign.

HON R MOR:

Mr Speaker, having been recently to UK, there is a massive campaign there on the question of AIDS, is Government intending to do any similar thing here?

HON M K FEATHERSTONE:

We will have an educational campaign here, yes.

HON M A FEETHAM:

Mr Speaker, I don't want to labour too much on this but the British Government has gone to a great deal of expense and obviously worthy expense of providing a leaflet and a brochure which is going to be distributed to every household in Great Britain. It would not be beyond the realms of possibility that that particular brochure or leaflet could be purchased by the Gibraltar Government and distributed to every household in Gibraltar which is something that could be put into immediate effect.

HON M K FEATHERSTONE:

That is a possibility we will investigate, yes.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Can Government state how many private patients have made use of St Bernard's Hospital in the last 12 months?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, five hundred and fifty-four private patients made use of St Bernard's Hospital over the last twelve months.

SUPPLEMENTARY TO QUESTION NO. 284 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, does the Minister accept that there have been cases of people having serious illnesses diagnosed in time because they have decided to go privately and others who have gone publicly and it has been nearly too late for them for the doctors to do anything for them?

HON M K FEATHERSTONE:

I don't think that occurs very frequently. I don't know of any cases when this has happened.

HON MISS M I MONTEGRIFFO:

Mr Speaker, is he prepared to investigate these allegations?

HON M K FEATHERSTONE:

Yes, of course, if you will give them to me I will investigate them with pleasure.

HON MISS M I MONTEGRIFFO:

Mr Speaker, is the Minister prepared to put a limit on the number of private patients so that the public patients do not have to wait an average of what is happening today like six months for them to see a consultant?

HON M K FEATHERSTONE:

The number of private patients does not basically interfere with the public patients to any extent.

HON MISS M I MONTEGRIFFO:

Mr Speaker, the reports that I have is that the public patients are having to wait many months in order to be able to see a consultant. Is the Minister not aware of this situation?

HON M K FEATHERSTONE:

The question of an operation for a public patient may sometimes take a matter of weeks, I wouldn't say it is a matter of many months, unless it is an emergency operation when they are dealt with immediately but if you would like to give me details I will investigate it.

HON MISS M I MONTEGRIFFO:

No, Mr Speaker, I am not talking about an operation, I am talking about the fact that if a citizen wishes to go to St Bernard's to see a consultant if they go publicly they have to wait something like four or five months. Is the Minister not aware of this situation?

HON M K FEATHERSTONE:

I don't really see what that has to do with private patients in the Hospital. I was assuming when you said private patients you meant in the private corridor. If you meant private patients, people who have seen consultants privately, then I am afraid I haven't given you the right answer. I have given you the answer of the number of people who have used the beds in the private corridor.

HON MISS M I MONTEGRIFFO:

No, Mr Speaker, I am talking about the other situation where people want to see a consultant publicly and they are told that it takes months for them to see them and then people decide to go privately. That is the situation at the moment, Mr Speaker, and I would urge the Minister, is he prepared to investigate this and can he give a commitment to the House that he will place a limit on the number of private patients so that the number of public patients do not suffer as a consequence?

HON M K FEATHERSTONE:

The position is that the consultants are permitted to see a percentage of private patients, a percentage of the number of public patients they see, as private patients. That percentage has been slightly increased recently because the number of clinics they are doing for public patients has also been increased. But that is part of the terms of their contract. I will try and find out for the Hon Questioner the number of patients who have seen the consultants as a private patient rather than the figures I have given you which refer to the private corridor.

HON MISS M I MONTEGRIFFO:

Mr Speaker, if the Minister investigates and he finds out that it is the case that public patients are being told that they have to wait many months before they can see a consultant, is he prepared to put a limit on the number of private patients?

MR SPEAKER:

We are extending the ambit of the question but, anyway, if the Minister is prepared to answer the question, fair enough.

HON M K FEATHERSTONE:

I can only say that the terms of contract of the consultants is that they are allowed a percentage of their time to see private patients.

HON J L BALDACHINO:

Can the Hon Member state what is the percentage?

HON M K FEATHERSTONE:

It is supposed to be 10%.

HON J C PEREZ:

Would the Hon Member agree that if a person needs to see a consultant, waiting two to three months for an appointment with the consultant is not satisfactory?

HON M K FEATHERSTONE:

This has been looked at by the team that has come to visit Gibraltar recently. I won't say it is satisfactory that a person should have to wait two or three months but it is in a far better state than in the United Kingdom where you often have to wait two or three years.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Can Government state what fees are being charged to dependents of frontier workers in respect of Medical Services?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Mr Speaker, no fees are charged to dependents of frontier workers in respect of Medical Services.

SUPPLEMENTARY TO QUESTION NO. 285 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, are there not people who are dependants of frontier workers who have received bills because they have gone to St. Bernard's Hospital?

HON M K FEATHERSTONE:

No, Sir, frontier workers if they are attended in Gibraltar should be completely free. As far as the dependants of frontier workers are concerned they are treated in Spanish hospitals and the bills will be paid for by Gibraltar in due course through an international agreement.

HON MISS M I MONTEGRIFFO:

But, Mr Speaker, has the Minister not, in fact, received letters from me in relation to dependants of frontier workers who have been billed in Gibraltar because they have come to our Hospital?

HON M K FEATHERSTONE:

They shouldn't have been billed.

HON MISS M I MONTEGRIFFO:

Mr Speaker, the fact is that they have been billed. Is the Minister prepared to reconsider the decision where they have been told that they have to pay in instalments?

HON M K FEATHERSTONE:

Yes, of course.

NO. 286 OF 1986

ORAL

THE HON MISS M I MONTEGRIFFO

Will Government consider extending the provision of free prescriptions to senior citizens and chronic patients, such as diabetics, who require constant medication?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Government has been considering the question of providing additional relief to persons on low income who are exempted from the payment of contributions to the Group Practice Medical Scheme. This was raised by the representative of the Gibraltar Trades Council at a recent meeting of the Board of Management for the Medical and Health Services.

There are currently 1174 persons registered with the Group Practice Medical Scheme whose total income from all sources is equal to, or below, the rate of Old Age Pension payable under the Social Security Ordinance. These persons are exempted from the payment of the registration fee but have hitherto been required to pay doctors fees for house calls and the fee on items of medicines prescribed.

Government has now decided that such persons should be exempted both from the payment of doctors' fees for house calls and the payment of prescription fees.

There are no plans at present to extend the provision of free prescriptions beyond this.

SUPPLEMENTARY TO QUESTION NO. 286 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, so after that long answer the answer is no, is that correct?

HON M K FEATHERSTONE:

It is not, no, it is a qualified answer that certain persons who have been paying before are now going to get away with it free but we are not extending it to diabetics as perhaps the Hon Member would wish.

HON MISS M I MONTEGRIFFO:

So the answer is no, Mr Speaker?

HON M K FEATHERSTONE:

A qualified no.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

What plans does Government have for extending geriatric care within the community?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

The current Review of the Medical Services and the Review of the Nursing Grades are expected to carry recommendations on the extension of care within the community, including geriatric care.

When the reports are submitted and studied, Government will finalise its plans on the extension of care within the community.

SUPPLEMENTARY TO QUESTION NO. 287 OF 1986

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister give a commitment to the House that if the review team make recommendations in this area he will not be telling me what he has been telling me since 1984 that no finances are available for this?

HON M K FEATHERSTONE:

Without pre-empting what the review team say, they say that our geriatric care is greater than they would, I think, recommend. They would recommend a geriatrician and that more people should be dealt within the homes than are at the moment done and less people in the Hospital.

HON MISS M I MONTEGRIFFO:

I am glad for that answer, Mr Speaker, because does the Minister accept that he has been telling the House that he is committed to expanding the nursing domiciliary service?

HON M K FEATHERSTONE:

That is one of the points that will be put to us by the review team.

HON MISS M I MONTEGRIFFO:

Is he committed to expanding it, Mr Speaker?

HON M K FEATHERSTONE:

No, I am not committed, I will have to wait and see what is recommended.

HON MISS M I MONTEGRIFFO:

But then, Mr Speaker, he has changed his mind because in 1985 he told me he was committed to expanding it.

HON M K FEATHERSTONE:

We have taken this review with the intention of seeing what is best for the Medical Services in Gibraltar. If they say it should be expanded then I will continue with the committal, if they feel that we should not expand then I will have to seriously consider their recommendations.

HON J C PEREZ:

Mr Speaker, hasn't the Hon Member just said that that is one of the points that the team is to recommend? Does he know what the team is going to recommend or is he awaiting their recommendations because it seemed to me he had knowledge of everything the team is going to recommend?

HON M K FEATHERSTONE:

Of course we are awaiting the recommendations. They have only given me a quick rundown of some of their suggestions, that is the one I gave the Hon Questioner.

NO. 288 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government state whether they are now in a position to state under what authority was Clause 1G, which allows the transfer of points between persons residing in the same house, removed from the terms of reference of the Housing Allocation Committee?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, Clause 1G has not been removed from the terms of reference of the Housing Allocation Committee, as indicated in my reply to the Honourable member to his question No. 249 of 1985. However, the Housing Allocation Committee, on the advice of the Housing Manager, are no longer applying it, on the grounds that the transfer of pointage from one applicant to another was rendering the pointage scheme open to manipulation on the part of the applicants.

SUPPLEMENTARY TO QUESTION NO. 288 OF 1986

HON J L BALDACHINO:

Is the Hon Member satisfied that the alterations to Clause 1G or the way it is being applied now is within the terms of reference of the Housing Allocation Committee, Clause 1G of 1972, is the same requirement or is there a variation and therefore needs altering and therefore he has to come to this House?

HON M K FEATHERSTONE:

I think, Sir, the situation with Clause 1G is a very difficult situation, it gives rise to a number of anomalies in which severe criticism is levied against the Housing Allocation Committee and the Housing Section as such where Clause 1G has been applied and that is the main reason why the Housing Allocation Committee feels that it should no longer be applicable.

HON J L BALDACHINO:

I understand the problem they have with Clause 1G but what I am asking is that the Housing Allocation Committee is formed because it comes under the Housing (Special Powers) Ordinance Clause 3(1) and therefore it also comes under Section 30(1)(c). The terms of reference were brought to this House, surely if they want to change the terms of reference of the Housing Allocation Committee then they should come to this House and not do it themselves?

HON M K FEATHERSTONE:

We are at the moment looking into a completely new scheme for the allocation of housing points which will come to the House and this will be one of the points with it.

HON J L BALDACHINO:

Mr Speaker, I understand what the Hon Member is saying but the Hon Member is not answering my question. I am asking if they have changed the terms of reference which in this case is Clause 1G. Surely they cannot do it themselves, they have to come to this House for the resolution as is stated in Section 30(2).

HON M K FEATHERSTONE:

They have not changed the terms of reference, Sir, but they are not applying them.

HON J L BALDACHINO:

Mr Speaker, you cannot have something in the terms of reference which is there for people if they want to use it and not apply it just like that, surely if it is there they have to apply it, if they do not want to apply it they should come here and ask for the change.

HON M K FEATHERSTONE:

I think under the terms of reference of the Housing Allocation Committee they have a certain discretion of what is applicable and what is not applicable.

HON J L BALDACHINO:

Mr Speaker, if it is brought to the notice of the Hon Member in further correspondence that this is not under the terms of reference, will he think of bringing it to the House if it has to be brought to the House to change it?

HON M K FEATHERSTONE:

Yes, Sir.

MR SPEAKER:

Next question.

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NO. 289 OF 1986

ORAL

THE HON R MOR

Have Government now amended the regulations to allow Rent Relief for private tenants in furnished accommodation?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir, not yet. The necessary amendments to the Landlord and Tenant (Rent Relief) (Terms and Conditions) Regulations are currently being drafted and it is anticipated that it will be implemented at the beginning of the Financial Year 1987/88.

NO. 290 OF 1986

ORAL

THE HON J C PEREZ

Have Government now considered the offer by the MOD to make available the USOC Hockey pitch for coach parking?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir, the offer has now been considered. Because of the incompatibility of the proposed shared use, the Government is looking for a better alternative to ameliorate the problem of parking near the City Centre.

SUPPLEMENTARY TO QUESTION NO. 290 OF 1986

HON J C PEREZ:

Could the Hon Member confirm whether the joint use has to do with the fact that it is being used by sporting organisation?

HON A J CANEPA:

The proposed shared use is that it be used as a coach park during weekdays up to 5 pm only and then in the evenings and at weekends it would revert to a recreational or sporting use and the concern that we have in this respect is that the oil or fuel spillage which the coaches are likely to cause will result in damage to the playing surface.

HON J C PEREZ:

If alternative sites or alternative allocations were to be found to those sporting organisations using it, couldn't the Government convince the MOD to release it altogether?

HON A J CANEPA:

They allege at the moment that the use for recreational and sporting purposes that is being made is quite considerable particularly by the schools up until 4.15 in the afternoon and I think that alternative allocations for schoolchildren particularly in respect of schools situated in the town area might be difficult.

HON J C PEREZ:

Mr Speaker, since in the last question on the subject of parking

the Hon Member said that one of the Naval Ground pitches had already been turned down and now it appears that the USOC pitch will not become available either, could the Hon Member perhaps give an indication of what alternative sites the Government is thinking of for the MOD to release in this respect?

HON A J CANEPA:

Insofar as Naval Ground No.2 is concerned, the Ministry of Defence say that at the moment the Royal Navy in particular make considerable use of it when the ships call in at Gibraltar and we are investigating the possibility of re-providing Naval Ground No.2. This would entail reclamation on the foreshore of HMS Rooke and because of this aspect of reclamation and other reclamation proposals that are being considered in the commercial port including, for instance, Montagu Basin, there is a working party of officials and technical people of the Ministry of Defence and the Public Works which has recently been set up in order to determine the extent of reclamation that there can be in the harbour without causing silting up of the harbour which would make it difficult for the Navy to carry out their operational requirements. It is against that background that the use of No.2 Naval Pitch for parking purposes is being considered.

HON J C PEREZ:

Mr Speaker, doesn't the Hon Member agree that the arguments of the Ministry of Defence are a bit flimsy in respect of the fact that they need all the pitches that they have available for the use of sport when in fact in most cases No.2 Ground is used by the Navy which is not here on a permanent basis? I presume that the Hon Member or the MOD is talking about the use that the Navy makes of the pitch when ships are in port and couldn't they make use of the Europa Point pitches that they have and of Naval Ground No.1 and leave Naval Ground No.2 for the use of the people of Gibraltar?

HON A J CANEPA:

Insofar as the Europa pitches are concerned they say that they have a problem of transportation. I find that difficult to believe because I see, in particular, that the Royal Navy have got very many large buses but, put it this way, at the moment the line that they take is that they have a continuing use for Naval Ground No.1 and that therefore they cannot release it and that they would only be able to release it on a re-provisioning basis.

MR SPEAKER:

Next question.

NO. 291 OF 1986

ORAL

THE HON M A FEETHAM

Will Government reaffirm its intentions of ensuring that the Multi Storey Car Park complex to be built at the Casemates Triangle has parking spaces for 400 vehicles for the general use of the public?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir. The Government's intentions remain as stated by me in the House on previous occasions.

SUPPLEMENTARY TO QUESTION NO. 291 OF 1986

HON M A FEETHAM:

Will the Hon Member also give a commitment to this House that none of the parking spaces will be sold off privately which would defeat the whole object of the Multi-Storey Car Park?

HON A J CANEPA:

That none of the parking spaces will be sold off privately? I think the intention is to have a car park there where people will be able to come in and go out, this is the intention, to have mobility. I think this was always the intention. I will check into the conditions to ensure that that is the case but that has been my understanding.

HON M A FEETHAM:

Both sides of the House are fully aware of what the understanding is. All I want is a commitment that, in fact, there will be no changes and none of the car parking spaces will be sold off privately.

HON A J CANEPA:

What I have to do is to check that the terms and conditions haven't got any loopholes. If there is no loophole that is the policy.

MR SPEAKER:

Next question.

NO. 292 OF 1986

ORAL

THE HON M A FEETHAM

Will Government state what is the present position regarding the dispute between the Government and IES regarding the development of the old Petrol Station site at Corral Road?

ANSWERTHE HON THE ATTORNEY-GENERAL

All outstanding issues have now been resolved and a new licence agreement is about to be executed requiring the Company to complete the development within 24 months. Planning approval has also been obtained and the works are programmed to commence in May, 1987 and are due to be completed by February, 1988.

SUPPLEMENTARY TO QUESTION NO. 292 OF 1986

HON M A FEETHAM:

Could the Hon and Learned Member opposite say what outstanding amounts of money were, in fact, paid off by the company in accordance with the settlement letter of the 24th March, 1985?

HON ATTORNEY-GENERAL:

I cannot off the cuff but I can let him have that information outside the House.

HON M A FEETHAM:

Could he also confirm, for the benefit of the House, that IES have changed shareholders and you were not dealing with the company that was originally given the development seven years ago which hasn't got off the ground but you were dealing with entirely new people in the late stages of the settlement with the Government?

HON ATTORNEY-GENERAL:

Yes, I believe on the last occasion this matter was raised in the House I said that the shareholders of the company had changed but we are dealing with International Engineering Services (Gibraltar) Limited.

HON M A FEETHAM:

But with entirely new shareholders?

HON ATTORNEY-GENERAL:

I believe so, I can again look at my files but I believe that the shareholding of the directors have changed, yes, I think that is so.

HON M A FEETHAM:

We can now take it that the new shareholders of the company which did not develop the area allocated to them have now because the development has changed hands, that Government has finally settled the dispute it had with the old shareholders of the company?

HON ATTORNEY-GENERAL:

On the 12th December my Chambers wrote to the arbitrator who was Mr Samuel Benady fixing an appointment to sign the heads of settlement and do all the formalities completing the arbitration proceedings which were brought by IES with the old directors and it will be settled with IES and the new directors so that the whole package, I hope, will be tied up very nicely in an arbitration meeting before the arbitrator when the various documents will be exchanged, the heads of settlement will be signed and the matter will be completed with IES (Gibraltar) Limited).

HON M A FEETHAM:

As a matter of information, is the Hon and Learned Member aware who the new shareholders are? Can he confirm what I said in the House last time that it is, in fact, a company called Comteco. Sociedad Anonima?

HON ATTORNEY-GENERAL:

I couldn't confirm it off the cuff but I will let him have that information, it is somewhere in the file as to who the directors are but, of course, we are not interested, Mr Speaker, in the directors, we are interested in IES (Gibraltar) Limited.

HON M A FEETHAM:

Mr Speaker, I know that we are interested in IES but it is the double dealing which has gone on. Will the Hon and Learned Member opposite not agree that a development which was awarded in 1979 which has not got off the ground, which has been sold off on speculation and the new shareholders have settled the dispute and the development will now hopefully see the light in two years time, that this is a matter of public interest and that we would like to know who the new shareholders are who have actually paid off the monies owed to the Government.

HON ATTORNEY-GENERAL:

That is a matter of public record. If I have the information in my files I will certainly have the Hon Member have it, Mr Speaker.

HON J C PEREZ:

Mr Speaker, could the Hon Member give this House a commitment that if there is any further breach of the contract between the Government and IES that the Government will take firm action in dealing with the matter and not drag the issue as they have done with the previous shareholders of the company?

HON CHIEF MINISTER:

The first part of the question is acceptable, the second one has an implication and therefore both of them are unacceptable unless the second one is removed.

HON ATTORNEY-GENERAL:

I will certainly give a commitment that I will act expeditiously on my instructions.

MR SPEAKER:

Next question.

NO. 293 OF 1986

ORAL

THE HON M A FEETHAM

What are the plans for the future use of the area of reclaimed land next to the Viaduct Causeway North side once this has been completed?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Final plans for the long term use of the area have not yet been formulated. In the short term consideration is being given for use as a temporary coach park.

NO. 294 OF 1986

ORAL

THE HON M A FEETHAM

Can Government confirm that it does not intend to proceed with the direct allocation of the Princess Caroline's Battery site?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir. The Government has now fully considered the proposals and has agreed that if, and when, it decides to proceed with the development of Princess Caroline's Battery selective tenders will be invited.

NO. 295 OF 1986

ORAL

THE HON J L BALDACHINO

Can Government confirm that the flats which are going to be constructed at Engineer House are for Government rental?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

The flats planned to be constructed at Engineer House are intended for sale to Government tenants thereby affording Government the opportunity to test the viability of the new approach to housing which is being pursued by the Crown Lands Home Ownership Unit. An explanatory leaflet on Government's new approach has been produced and will soon be made available to the general public. I am circulating a copy to Honourable Members in advance.

SUPPLEMENTARY TO QUESTION NO. 295 OF 1986

HON J L BALDACHINO:

Mr Speaker, doesn't the Hon Member agree that the 600 flats which are going to be built at Montagu Basin more than caters for people who can buy and therefore, shouldn't the Government be concentrating in building flats for rental rather than for sale?

HON A J CANEPA:

These are for rental, not directly. The intention is that if there is a demand from people who are already in occupation of similar accommodation in other Government Estates, people who are willing to purchase these flats at Engineer House, then provided they release to the Government similar accommodation, the Government could then use that accommodation to allocate it to people on the waiting list so you would achieve the same result in the sense that if 45 units are built at Engineer House and they are sold, 45 units or more could be released elsewhere in Government Estates and allocated to people on the Housing Waiting List. Additionally, the Government will obtain funds from the sale of that accommodation and having regard to the fact that we are no longer assisted by ODA in building public housing, the recycling of these funds will enable the Government to keep up the momentum of a programme of flats built by Government and ultimately directly or indirectly intended for people on the waiting list.

HON J L BALDACHINO:

Can the Hon Member then state how much they are going to cost?

HON A J CANEPA:

I cannot say how much they are going to cost because we have to go out to tender but we are working on a figure which is lower than what the last Housing Estates at St Joseph's and St Jago's used to cost. They used to cost in excess of £40,000, we are hoping to be able to build 45 units at Engineer House below that. I say we are hoping, when we get the tender prices we might get a shock.

HON J L BALDACHINO:

So actually the Government themselves are not going to build them, they are going to put it out to tender and it will be a private contractor that will develop.

HON A J CANEPA:

That is what always happens. The Government never builds blocks of flats in Housing Estates by direct labour; they go out to tender.

HON J L BALDACHINO:

But in the last House, in answer to a question, the Minister for Public Works said that the money that was going to be used for the extra storeys at Laguna Estate was going to be used for Engineer House. Is that the position?

HON A J CANEPA:

There are site investigations which need to be carried out at Engineer House as a start to the project and I think the intention of the Public Works Department is to use the funds that have been voted in this House for the extra storey at Laguna to carry out these investigations.

HON J L BALDACHINO:

Mr Speaker, wasn't an investigation of the site already carried out? In the estimates of 1983/84, £2,900 for the use of site investigations. Is this a different type of investigation?

HON A J CANEPA:

I don't think that the figure mentioned by the Hon Member covers that, I don't think so. That may have been the funds that were, in fact, used to demolish the old Engineer House and perhaps clear the site for a temporary car park.

HON J L BALDACHINO:

The demolition cost £90,000. There was another figure of £2,900 for site investigations, is the Minister saying that that investigation is not the one that is going to be carried out?

HON A J CANEPA:

I think that what has to be done now is more thorough. I think that holes have to be bored and so on.

HON J BOSSANO:

Could I ask the Hon Member, Mr Speaker, is he saying that the intention of the Government is to offer those flats when they are constructed at the full cost of construction?

HON A J CANEPA:

Yes, I would say at the full cost to Government of construction.

HON J BOSSANO:

And if, in fact, the Government finds insufficient takers would they then be considering renting the flats?

HON A J CANEPA:

I think so, I think we would aim to be able to sell all of them or virtually all of them but I think if we had the kind of response that we have been prepared to contemplate for the sale of blocks of flats in other Housing estates by that I mean if we only had a response whereby only 50% were prepared to buy, I doubt whether we would go forward.

HON J L BALDACHINO:

May I ask one final question? The Government is still committed to build Government houses for rental or is that not the case anymore?

HON A J CANEPA:

The Government is building at the moment and we do hope to maintain a programme of houses for renting.

HON J BOSSANO:

Could I ask also, Mr Speaker, is it the case that in the project which is currently the subject of a feasibility study by the private sector there is, in fact, a situation where the flats if eventually built there would also be in the first instance offered to people who are existing Government tenants?

MR SPEAKER:

You can answer the question if you want to but it is a separate matter.

HON A J CANEPA:

It is a separate matter, I don't mind answering that, Mr Speaker, but not getting too involved on that separate issue. Yes, the intention is to give priority to people on the Housing Waiting List.

MR SPEAKER:

Next question.

THE HON J L BALDACHINO

Can Government state who can apply for pre-war dwellings that they are putting to tender for home owner occupation under the Rehabilitation Scheme?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Only persons eligible to apply for Government housing under the Housing Allocation Rules can apply for properties put out to tender under the redevelopment of Crown Properties Scheme.

SUPPLEMENTARY TO QUESTION NO. 296 OF 1986

HON J L BALDACHINO:

Mr Speaker, why is it then that in the tender form it states that British subjects or people qualified under Part IX of the Immigration Control Ordinance can apply including nationals of the Kingdom of Spain?

HON A J CANEPA:

Because, Mr Speaker, it is a requirement that applicants must additionally be entitled to hold land in Gibraltar and in order to satisfy this requirement that they be entitled to hold land they have to be either British Subjects or nationals or a Member State of the European Economic Community who have valid resident permits issued under Part IX of the Immigration Control Ordinance.

HON J L BALDACHINO:

Mr Speaker, but these people that the Hon Member has mentioned do not qualify for the Housing Allocation Scheme, how can this be implemented?

HON A J CANEPA:

It is an additional requirement. They must be eligible to apply for housing under the Housing Allocation Scheme, that is an all embracing requirement. In addition to that they must also be entitled to hold land.

HON J L BALDACHINO:

Mr Speaker, if a person is eligible for Government housing, isn't that a greater restriction than what the Hon Member is putting? Isn't it the intention that this should be for Gibraltarians more than anything else?

HON A J CANEPA:

No, I don't know what would happen with a Moroccan national, I imagine that if he is married to a Gibraltarian the wife is

entitled. There can be other nationalities who might be eligible to apply for housing, don't forget that the distinction is that someone who is registered as a Gibraltarian under the Gibraltarian Status Ordinance gets an additional number of points, that is all, but there are other nationalities who are entitled to apply for housing but unless they are British Subjects or members of the EEC they would not be entitled to apply under the Scheme.

HON J L BALDACHINO:

We are talking here of a valid residence permit which is a permit that you give to EEC nationals which is renewable every five years. In the Housing Allocation Scheme and this is where the qualification comes.....

MR SPEAKER:

I am afraid we are not going to try and explain regulations because we are debating now. Ask a question by all means.

HON J L BALDACHINO:

The difference between what is in this paragraph which is Section 12, the difference between that and the Allocation Scheme is that in one you have to have a resident permanent permit and in this one you don't. The difference is, for example, the Hon Attorney-General is not eligible for Government housing. Will he be eligible under this to buy or to put a tender for a pre-war dwelling?

HON A J CANEPA:

Well, if he doesn't come into the Scheme he is excluded. The all embracing requirement is that they must be eligible to be an applicant under the Housing Allocation Scheme, that is all embracing. There is an additional requirement but if the former is not met, if people are not eligible to be on the Housing Waiting List then they cannot participate in the Scheme.

MR SPEAKER:

You have been given an explanation and you can make of it whatever use you wish but we are not going to argue the point.

HON A J CANEPA:

The way that mathematicians would put it is that it is a not just a sufficient reason, it is a necessary reason, a necessary requirement.

NO. 297 OF 1986

ORAL

THE HON J L BALDACHINO

What is Government policy in respect of leases that expire in cases where property is rented as a dwelling house?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

With the aim of reducing Government's burden of repair and administration the policy is one of renewing the leases of private residences for 21 years provided that:-

- (a) the property is not affected by Town Planning (ie redevelopment, modernisation or urban renewal) or housing proposals,
- (b) the property has been well maintained during the previous lease and there is reasonable expectation that the lessee will be able to comply with his obligations under the new lease,
- (c) the property is required by the lessee for his own personal occupation and/or that of his married son or daughter,
- (d) the lessee is not allowed to assign the lease or sublet it wholly or in part, furnished or unfurnished,
- (e) the accommodation is reasonably suitable for the needs of the lessee and his family.

SUPPLEMENTARY TO QUESTION NO. 297 OF 1986

HON J L BALDACHINO:

In the case where the dwellings have been rented to other people in Gibraltar and it is not maintained in good condition, will the Government then put it out to tender?

HON A J CANEPA:

It could revert back to the Government whereupon the Government could decide if it could either retain it as a quarter for senior civil servants or consultants rather than have to rent expensive accommodation in the private sector, it could decide to use it for that purpose, or it might invite tenders afresh in order to let it out on the same basis as it has been previously.

THE HON J E PILCHER

Can Government state whether the Forward Planning Committee has decided on which Tourist Development will form part of the 1986/90 Development Programme for submission to ODA and which are going to be proceeded with but funded locally?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

The question of the unallocated balance of ODA funds, as indeed the whole funding of the programme, is the subject of final considerations by the Forward Planning Committee and therefore perhaps I should add that the details I am going to furnish the Hon Member with are still subject to change. To date, however, the following tourist development projects have been agreed on:

	£
(i) Nature Reserve	500,000
(ii) Improved access and toilet facilities to Upper Galleries	130,000
(iii) Improvements to St Michael's Cave Site	50,000
(iv) Embellishments at Europa Point (To take effect after Royal Engineers finish the opening of Nun's Well)	50,000
(v) Improvements to Air Terminal	50,000
(vi) Wellington Front Promenade (Phase I)	50,000
	<u>£830,000</u>

The extent to which the unallocated ODA funds will be used for these is as yet undecided and is, in any case, subject to forthcoming discussions with ODA officials in January/February 1987.

SUPPLEMENTARY TO QUESTION NO. 298 OF 1986

HON J E PILCHER:

Mr Speaker, that is, I think, if I am not mistaken, the answer to the first part of the question on the projects which is still for final approval by the Forward Planning Committee but will be transmitted to ODA for funding by the unallocated funds of ODA. What about the projects which will be funded locally or are they both together?

HON A J CANEPA:

The exact funding of these projects has not been decided. It doesn't follow that we are going to submit all of these to ODA. The programme is being looked at comprehensively, there are three sources of funding: ODA, borrowing or transfer from the Consolidated Fund. How exactly the application of that will affect each individual project is not a matter that has yet been determined.

HON J E PILCHER:

But I can take it then, Mr Speaker, that all the decisions arrived at by the previous Committees on Tourism which were all brought into one single document, they have now been taken up by the Forward Planning Committee and these are the projects which they think should be proceeded with?

HON H J ZAMMITT:

Mr Speaker, if I may interject here. In addition to this there is an acceptance in principle by my colleagues to see what amount of money could be spent within this financial year and unfortunately it is impossible to spend what we were anticipating because of the planning and drawings and tender procedure which would not give us sufficient time but there are certain things that we can buy which is in the form of equipment for certain areas which we can purchase between now and the new financial year and that is going ahead though I cannot give a sum at this stage. I can say that Government had agreed in principle to a sum of something like £330,000. I should also say that some of the projects which my colleague has read out are, of course, in line with the recommendations of the Consultative Board.

HON J E PILCHER:

Let me get this straight, Mr Speaker. The £330,000 as explained by the Hon Minister for Tourism is unrelated to the £830,000 which is the decision of the Forward Planning Committee. What I am interested in obtaining is the information of how that £330,000 is going to be spent, in what projects, so that the Opposition can make an assumption to see whether we agree that the priorities which the Government has given are the same priorities that we would have given and, if not, obviously question the Government on their decision when, obviously, the Forward Planning Committee takes a decision.

HON A J CANEPA:

I think, as my colleague has said, in respect of the £330,000 earlier in this year set aside by the Government, I think the Hon Member can take it that because of the time left till the end of the financial year, it is not likely that any funds will be allocated to specific projects other than the ordering of equipment, so he will not see any physical work in respect of that sum of money and therefore for intents and purposes I think that we should proceed in the future on the basis of these projects that I have indicated.

HON J E PILCHER:

Am I correct in assuming therefore that the £330,000 which the Hon Minister for Tourism was referring to is for signposts and things like that which have already been spent during this financial year, general embellishment projects, things like that?

HON H J ZAMMITT:

No, Sir, the £330,000 did not include the improved signposting which has taken place already and little signs for the airport and the like is not part of the £330,000.

MR SPEAKER:

Next question.

NO. 299 OF 1986

ORAL

THE HON J. C PEREZ

Has the Forward Planning Committee made any recommendations regarding the future of the Piazza?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir. The Forward Planning Committee has recommended that the PWD proposed design, which has already been completed, should be put on public exhibition and comments invited.

SUPPLEMENTARY TO QUESTION NO. 299 OF 1986

HON J C PEREZ:

Is the Hon Member aware whether this plan envisages pulling down the surrounding walls of the Piazza?

HON A J CANEPA:

The proposals provide for the following alterations and improvements: (a) the total demolition of the concrete canopies, toilets, parapet walls around the perimeter of the Piazza and the existing bar facilities; (b) the reprovisioning of toilets and bar facilities in a new building which would be erected against the Western facade of the House of Assembly to match its style; (c) the resurfacing of the Piazza which will provide for retaining the Regimental badges; (d) general landscaping improvements including the planting of trees and hedges around the perimeter; (e) the alteration of the Western end of the Piazza to introduce wider flights of steps; and (f) the repositioning of the John Mackintosh statue and flagpoles. These proposals will be exhibited for the public and representations and comments will be invited.

HON J C PEREZ:

Mr Speaker, once representations and comments have been received and I presume that Mr Seruya, the President of the Chamber of Commerce, will have something to say on that, after all, it was his idea to build the Piazza in the first place, but once these comments have been received can the Hon Member explain the process that the whole thing needs to go through before a final decision is taken on whether something is actually going to be done about these beautiful plans or not?

HON A J CANEPA:

I don't know what the connection of Mr Seruya is with the coffin march, I think the Hon Member opposite must have been still in short pants at the time.

HON J C PEREZ:

If the Hon Member will give way, I did take part in the demonstration.

HON A J CANEPA:

The process that will be followed then will be that the comments received will be evaluated, discussed and I would imagine that both the Forward Planning Committee and the Development and Planning Commission will then be asked for their views on the matter and the final product will have to be costed, naturally, prior to implementation.

MR SPEAKER:

Next question.

NO. 300 OF 1986

ORAL

THE HON J E PILCHER

Can Government now state whether the report which looked into the Gibraltar Shiprepair operation will be made public?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, as is already public knowledge, the report commissioned by the Government has not been completed: only a draft report has been received.

Once the report has been fully studied and discussed the Government will be in a position to decide if it is prudent to make it public or not.

SUPPLEMENTARY TO QUESTION NO. 300 OF 1986

HON J E PILCHER:

Mr Speaker, it wasn't public knowledge that only a part of the report had been received, the Opposition thought that the whole of the report had been received. Can we obtain from the Hon and Learned Chief Minister information on the time-scale for the Government to receive the whole of the Price Waterhouse Report?

HON CHIEF MINISTER:

The information I have is that the Report itself will be available early in the new year.

HON J E PILCHER:

Just for clarification, is it a part of the Report which has been received or is it a draft summary of the Report?

HON CHIEF MINISTER:

I don't think it is a draft summary of the Report, it is a draft Report that could well be either shorter or longer than the one that will be finally produced.

HON J E PILCHER:

Perhaps I have used the wrong wording, Mr Speaker. Is it a summary of the main Report?

HON CHIEF MINISTER:

No, I think it is a draft of a report.

HON J E PILCHER:

So therefore as a consequence of that the Government are still giving the answer that they gave me at the last House which was that the Government would study it first and then consider whether they would make it public, that still applies?

HON CHIEF MINISTER:

That is exactly what I said in my reply. Once the report has been fully studied and discussed the Government will be in a position to decide if it is prudent to make it public or not.

HON J E PILCHER:

I must ask again whether there has been any change in the fact that the Government would release a copy to me as the Opposition spokesman on GSL on the matter?

HON CHIEF MINISTER:

Well, as is usual with reports of this nature which contain sensitive commercial information, the Government will have to judge, if it is possible to edit this information out of the report without making it a meaningless document. If the latter were to be the case there would be no point in making the edited version public. Following similar guidelines it might be possible that once the report has been studied Opposition Members would be given sight of it. It is too early to commit the Government on a particular course of action but the approach is exactly the same as before.

HON J E PILCHER:

Mr Speaker, may I remind the Hon and Learned Chief Minister that the contract between the Government and GSL which was also of a confidential nature according to them, I was allowed to see that report at the Secretariat.

HON CHIEF MINISTER:

I am not making any further limitations that I made last time, I have been trying to be more helpful, in fact.

HON J E PILCHER:

I think the point is the same as the Hon and Learned Chief Minister has made his point I think our point is that we do not accept that the Government has a right to issue a report paid by public funds and then keep it confidential from the people of Gibraltar and the Opposition.

HON CHIEF MINISTER:

I would like to take this opportunity of saying something which I have heard many times. It is, if I may say so with respect, nonsense to say that because the report is produced as a result of public funds that it has to be published. Governments have got reports of all kinds on all matters, for all that matter you might say all reports on defence and so on are paid out of public funds and are not made public. The principle is not the question whether they are paid out of public funds or not, the question is the public interest. But let me say that that in no way limits our desire to make as much information as possible available, if not to the public at large, certainly to the Opposition.

HON J BOSSANO:

Mr Speaker, I would like the Hon and Learned Member to clarify for me exactly what are the implications of the report that is currently in their possession being a draft and the final. Is it that the final will differ from the draft because it will take into account the Government's reaction to the draft?

HON CHIEF MINISTER:

No, not at all. I think, if anything, it will be for accuracy with regard to discussions with the company.

MR SPEAKER:

Next question.

NO. 301 OF 1986

ORAL

THE HON J BOSSANO

Will Government take steps to provide the necessary funds for an index to Hansard?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, the Government's views have not changed on this matter since it was last raised in the Budget Session of 1981. The Government still feels that there is no need to provide a comprehensive index but is willing to provide funds if the House decides that such an index is necessary.

As Mr Speaker said to the Hon Major R J Peliza on Friday 24 April 1981, (page 283 Volume 2 of the Budget Hansard commencing 11 March 1981), quote, 'this is not a matter to raise with the Chief Minister, you should raise it with the Speaker.' I would suggest that you write a letter setting out what you feel should be done.' end of quote.

SUPPLEMENTARY TO QUESTION NO. 301 OF 1986

MR SPEAKER:

Perhaps I will intervene here and say to the present Leader of the Opposition what I said to Major Peliza. Could you perhaps write a letter suggesting what the requirements of the Opposition are and perhaps a sub-committee would be appointed to consider that. It is not easy to provide an index for Hansard, as you can well imagine, but there is no reason why an attempt should not be made.

HON J BOSSANO:

Can I ask the Government, Mr Speaker, whether I am correct in assuming that if it is, in fact, as a result of such discussion established that it is possible at a reasonable cost to provide for a system which will make access to records of recent debates or questions easier to get hold of and consequently the workings of the House better, for that purpose the Government will be prepared to support that?

HON CHIEF MINISTER:

Yes, I wasn't being facetious about the answer, I was just trying to be correct to what is a procedural matter of the

whole House as against a proposal of the Government to come here with funds if the whole House has decided that and with the help, of course, of Mr Speaker. There could be a simple index of subject matters, you could have all sorts of indexing. In those days for a matter like this it took five pages of Hansard to convince Major Peliza of what the Hon Leader of the Opposition has immediately caught up and that is the spirit of the fact that we ought to have a committee to look at it. I personally feel that it would be desirable to have a general index. If we go into a very detailed index then we are never going to be up-to-date and you are going to have an expert to provide it, the question of staffing and all that but, generally, in respect of subject matters and so on, yes, but we cannot have an exhaustive index which would cost a lot of money and would not be used. Generally, my own view is, yes, but let us look at it and perhaps the Hon Leader of the Opposition takes a hint of 1981 and writes to the Speaker about it. His predecessor who asked the question never did.

NO. 302 OF 1986

ORAL

THE HON M A FEETHAM

Is it still Government's policy that passports be required to be produced at the frontier?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, the policy of this Government is to implement the normal requirements for personal and national identification as is required in every country. Basically, this can be satisfied by the tendering of a valid passport to the immigration authorities.

There are in existence, however, a number of bilateral or multilateral agreements to provide for other means of identification but I assume that the Honourable Member was thinking of the European Community and, in particular, Spanish Nationals, when he posed the question.

Member States of the European Community agreed that its citizens would be allowed to cross Community frontiers on production of a valid national identity document. As is well known, Great Britain does not issue such a document and its citizens travel on a passport although other Community Nationals may enter Britain with their national identity document.

When Spain was preparing to open the La Linea frontier to pedestrians a decree was promulgated allowing access through that frontier to British Passport holders residing in Gibraltar and to Spanish Nationals on production of a valid passport. Although the regime was liberalised subsequently for other nationalities, it was considered that the use of passports by British and Spanish nationals should continue. This was restated in the bilateral talks held in January 1985.

The Government considers that the added security afforded by the passport-issuing process is still the single most important consideration in examining this matter and does not propose to initiate a move away from the Agreement for the present.

SUPPLEMENTARY TO QUESTION NO. 302 OF 1986

HON M A FEETHAM:

I take it that what the Hon and Learned the Chief Minister is

saying is that it is Government's policy to continue with the present arrangement which was agreed between Britain and Spain at the time of the advancement of implementation of EEC rights?

HON CHIEF MINISTER:

That is so.

HON M A FEETHAM:

So that in itself confirms then that it is not Government's intention to follow the policy which Mr Seruya, on behalf of the Gibraltar Chamber of Commerce, has put to the Spanish Chamber of Commerce as a means of liberalisation of persons moving across the frontier that identity cards should be used. This is not something which the Government is going to adopt?

HON CHIEF MINISTER:

The Government has its own policy. What Chambers of Commerce talk about amongst themselves on matters which is not really their direct function in putting into effect is a matter for the media and for other purposes but we do not intend to depart from that practice.

MR SPEAKER:

Next question.

NO. 303 OF 1986

ORAL

THE HON M A FEETHAM

Will Government set up a programme of visits of European Members of Parliament to Gibraltar to acquaint them with Gibraltar's aspirations and problems in order to widen as far as possible support for Gibraltar in this forum?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, Lord Bethel, the Leader of the British Gibraltar-in-Europe Representation Group, has already been consulted on this matter. It is intended that the matter should be raised with the Group when the delegation of this House visits Strasbourg in February next year.

SUPPLEMENTARY TO QUESTION NO. 303 OF 1986

HON M A FEETHAM:

What we are actually being told is that it would be considered by Government but initial contacts will be made in due course as a result of a delegation visit in February?

HON CHIEF MINISTER:

I don't know why the Hon Member tries to interpret my simple replies in a different way. The Government is in favour of visits by Members of the European Parliament who are not British Members of the European Parliament. I am personally in touch with Lord Bethel, the Leader of the Gibraltar Representation Group in Europe, on this matter and I have spoken to him on several occasions and we have considered that a good opportunity to test the extent of interest that there might be is to issue invitations to Members when we go to Strasbourg in February and meet them all in their own Parliament.

HON M A FEETHAM:

Would the Hon and Learned Chief Minister accept a list which has been submitted to me by Members of the European Parliament of different political persuasions, from conservatives to socialists to social democrats, who have already indicated an interest to visit Gibraltar and will that be taken into account? This is a definite interest which would save time.

HON CHIEF MINISTER:

Yes, but I think what has happened is that Lord Bethel has been in touch with a number of Members who have shown interest and I have left it to him to give us a guide of appropriate candidates who we can see when we go there in order that we make sure that we get a cross section of representation of Members of the European Parliament here as a delegation of six or eight representing the various groups who show an interest in Gibraltar. There has been

a lot of homework done on that by the Gibraltar in Europe Representation Group and I have got the feedback from Lord Bethel that there is an element of interest and the Government is prepared, is ready and willing to provide the funds required for that.

HON M A FEETHAM:

So there is no harm done in Government actually accepting the list which has been submitted to me?

HON CHIEF MINISTER:

I have not seen any list.

HON M A FEETHAM:

What I am saying is I am prepared to submit the list.

HON CHIEF MINISTER:

Candidates will be considered from a cross section and if the Hon Member has got a list suggested by somebody in Parliament we will look at it with great interest, of course.

MR SPEAKER: .

Next question.

NO. 304 OF 1986

ORAL

THE HON M A FEETHAM

When does Government intend to bring to the House for final approval the Sex Discrimination Bill which received its First Reading on the 13th March, 1984?

ANSWERTHE HON THE ATTORNEY-GENERAL

As the House is aware the Committee and Final stages of the Sex Discrimination Bill have been held up pending the enactment of amending legislation in the United Kingdom to comply with a Judgment of the European Court.

On the 24th September last I was informed as follows:

"The Bill has had its First and Second Readings in the House of Commons, and has completed its Committee Stage. The Department of Employment expect that the Third Reading will be completed in the current Parliamentary session, and that the Bill will have completed its passage by mid November. London have undertaken to advise us when this occurs". Since then I have heard nothing but on receiving notice of this Question I have written asking to be informed of the latest position.

As soon as I have had the opportunity of studying the United Kingdom amending Act I will consider what Committee Stage amendments need to be made to the Bill presently before this House.

HON M A FEETHAM:

So we haven't got a definite date. What we are expecting is that when it is passed in the UK it will be brought to the House in line with the British version of the Sex Discrimination Act. Mr Speaker, when we discussed it here the position was that you wanted to make it tailor-made for Gibraltar's requirements and therefore as a result of that Government wanted further time to look at the Bill itself.

HON ATTORNEY-GENERAL:

Yes, but, Mr Speaker, if you remember, our Bill was based on the United Kingdom legislation and the United Kingdom legislation was deficient in three particular respects. We held our Bill back because we didn't want to enact defective legislation and so we held ours back until the United Kingdom amended

their legislation. When we see their legislation we will consider what Committee Stage amendments we have to make to our legislation. I am not going to say we are going to follow it exactly but we will certainly see what clauses of ours have to be amended in view of the United Kingdom amendments.