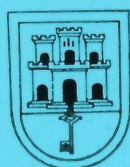


GIBRALTAR

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?

ANSWER

THE 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.

28 1 86

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?

ANSWER

THE 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

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 then 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?

ANSWERTHE 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.

28 1 86

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.

28 1 86

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 Gibraltarian 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.

NO. 29 OF 1986

ORAL

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.

, NO. 30 OF 1986

ORAL

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 Gibraltarian 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 Gibraltarian pensioners'? And haven't we just been told that the terms for the Gibraltarian pensioner is that if an income is below the Old Age Pension full level then the Gibraltarian 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.

NO. 37 OF 1986

ORAL

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.

NO. 38 OF 1986

ORAL

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.

NO. 39 OF 1986

ORAL

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 reprovisioning 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 reprovisioning 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.

NO. 43 OF 1986

ORAL

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.