

GIBRALTAR

HOUSE OF ASSEMBLY



QUESTIONS AND ANSWERS

6TH JULY, 1987

NO. 147 TO NO. 247

NO. 147 OF 1987

ORAL

THE HON J BOSSANO

Can Government state how much money has been provided for the wage review of industrial workers this year?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the provision included in Head 26-Pay Settlements, for the 1987 wages review of industrial workers is £ $\frac{1}{2}$ m.

SUPPLEMENTARY TO QUESTION NO. 147 OF 1987

HON J BOSSANO:

Can the Hon Member inform me now of what I asked him at the time that the estimates were presented, on which of the various figures for the cost in 1986/87 has the calculation for 1987/88 been based?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It is quite true, Mr Speaker, I did promise the Hon Leader of the Opposition to provide this information during the Budget debate. I apologise for not yet having provided it and I intend to write to him very shortly giving that information.

HON J BOSSANO:

Mr Speaker, will the Hon Member also include in there which is, in fact, the accurate of the three separate costs for 1986/87 that he has given me in previous correspondence so that the latest most up-to-date figure that he is using presumably will be the most accurate one of the three. Can he confirm which is the accurate one?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, I will look very closely at what I have said in previous correspondence and, indeed, in the House to the Hon Leader of the Opposition and I will do my best to give him the accuracy he requires.

MR SPEAKER:

Next question.

NO. 148 OF 1987

ORAL

THE HON M A FEETHAM

Can Government state how much money has been disbursed in the first quarter of the current financial year from the I&D Fund and in respect of which Heads of Expenditure?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, Expenditure figures for the Improvement & Development Fund in respect of the 1st Quarter 1987/88 have not yet been finalized. However, I can provide tentative figures produced by the Treasury.

	Locally Funded £'000	ODA Funded £'000	Total £'000
101 - Housing	195	-	195
102 - Schools	-	-	-
103 - Port Development	-	1	1
104 - Misc Projects	74	-	74
105 - General Services	25	5	30
106 - Potable Water Service	7	3	10
107 - Telephone Service	61	-	61
108 - Public Lighting	-	-	-
109 - Electricity Service	10	179	189
110 - Crown Lands	-	-	-
111 - Tourist Development Projects	24	-	24
112 - Medical Services	8	-	8
	<hr/>	<hr/>	<hr/>
Totals	404	188	592
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SUPPLEMENTARY TO QUESTION NO. 148/87

HON M A FEETHAM:

Will Government state if they intend to spend the £8m estimated and projected for 1987/88?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

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

HON M A FEETHAM:

The £8m estimated in the I&D Fund for 1987/88, does Government expect to spend the £8m?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I cannot give an answer to that question, Mr Speaker. I doubt whether we could give an answer to that question in general terms at this stage but I will take note of it. I cannot really give any more information than I have given so far.

HON J BOSSANO:

Is, in fact, the programme slipping, this is what we are asking, Mr Speaker? Is the figure that the Hon Member has given an indication that the projects are behind schedule, as it were?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, not in the sense that I am aware of their being behind schedule but the information at this stage of the financial year is usually insufficiently diagnostic to enable such a prediction to be made.

MR SPEAKER:

Next question.

NO. 149 OF 1987

ORAL

THE HON J BOSSANO

Can Government confirm that they have transferred the £2.5m from the Consolidated Fund to the Improvement and Development Fund as legislated in this year's Budget?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Contributions to the Improvement and Development Fund are made throughout the year as and when required. Expenditure figures for the Improvement and Development Fund in respect of the 1st Quarter 1987/88 have not yet been finalized, as I have just explained to the Hon Member's colleague, but tentative figures produced by the Treasury indicate that no contribution has, as yet, been required.

SUPPLEMENTARY TO QUESTION NO. 149/87HON J BOSSANO:

Mr Speaker, isn't the Government required by the Ordinance, unless the Hon Member thinks it is against the public interest, to transfer the money when the Appropriation Bill becomes law?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the Hon Member raised this point, if I recall correctly, during the Budget debate and I consider it sufficiently important to say something, perhaps, rather more lengthy with your permission on that question. The first point is that under Section 4(1) of the Public Finance (Control and Audit) Ordinance: "On the coming into force of an Appropriation law the Financial and Development Secretary shall authorise payment out of the Consolidated Fund for such sums as may be required to meet expenditure chargeable on the Consolidated Fund under such a law". However, the same section includes a proviso that "it is within the discretion of the Financial and Development Secretary to limit or suspend at any time, any expenditure so chargeable under an Appropriation law if in his opinion the public interest so requires". If I were to authorise the Accountant-General to make payment out of the Consolidated Fund all expenditure voted by this House immediately upon the coming into force of an Appropriation law passed at the Budget session, I would be authorising the Accountant General to pay over immediately a large amount of money before it was required, something like £60m or £70m, from memory. I would be making an ass of the law and acting against the public interest. It is clearly in the public interest that money should only be withdrawn from the Consolidated Fund as and when required. Moreover, section 3 of the

Public Finance (Control and Audit) Ordinance places on the Financial and Development Secretary responsibility for the management of the Consolidated Fund and the Improvement and Development Fund and the control and direction of all matters relating to the financial affairs of the Government. I am quite sure that that section together with the proviso I have mentioned, give the Financial Secretary the necessary authority to take decisions in the interest of sound financial management. That is really all I have to say, Mr Speaker.

HON J BOSSANO:

Until I ask him my next question, presumably, Mr Speaker, having said a lot of things. And that is, is the Financial and Development Secretary not aware that on every previous occasion contributions from the Consolidated Fund to the Improvement and Development Fund have been carried out by Financial Secretaries since this Government was elected in 1972 notwithstanding the fact that the money has not been spent from the Improvement and Development Fund?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I was not, in fact, aware of that, Mr Speaker, nor do I think that it alters greatly the force of what I have, in fact, said.

HON J BOSSANO:

Mr Speaker, is the Hon Member then saying that every previous Financial Secretary made an ass of the law?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No. If the Hon Member had, in fact, heard closely and I accept that he couldn't have heard closely because he couldn't take it all in, I did not say that to do that would be making an ass of the law. What I said was that to pay over all the money as required by law - I was answering his point on the legality of it - would in fact make an ass of the law.

HON J BOSSANO:

Then the Hon Member accepts that what I am asking him to do would not make an ass of the law because the Hon Member is here to give me information in answer to questions and he has by implication suggested that I am asking him to hand over £70m and my question is directed to £2.5m transferred from one Fund to another and I am asking him, does he in fact confirm that to transfer the £2.5m voted by this House into the Improvement and Development Fund which is not to spend the money but to transfer it to the Fund to which the House has decided it should be is not, in fact, to make an ass of the law as he appeared to be suggesting?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Again, Mr Speaker, I think I must repeat that when I used the phrase 'make an ass of the law' it was a specific reference to the legality of not doing what the Hon Leader of the Opposition said I was doing, that is to say, transgressing the law, he made that point in his earlier comments in the Budget session. I think it is a perfectly reasonable interpretation of the law not, in fact, to pass over the money from the Consolidated Fund to the Improvement and Development Fund and I have tried to give an explanation as to what I think that it is reasonable in the interest of sound financial management. I have also explained what I think what my responsibilities are for sound financial management and, indeed, I have quoted a passage in the law which suggests that I am responsible for sound financial management. I appreciate that Hon Members opposite may take a different view both as to what is necessary and also about my competence as a financial manager.

HON J BOSSANO:

Yes, Mr Speaker, I cannot ask any questions about that point from the Hon Member. Can I ask the Hon Member whether it is, in fact, the view of the Government that it was against the public interest to transfer money from the Consolidated Fund to the Improvement and Development Fund in 1983/84 when it wasn't needed because the Opposition would like to know why it is now against the public interest to do it and it was not against the public interest to do it a couple of years ago?

MR SPEAKER:

I think the answer that the Hon Financial and Development Secretary has given is that it is a matter of practical approach by the person who is implementing the Ordinance at the time.

HON J BOSSANO:

Therefore, is it the case, Mr Speaker, that the Government of Gibraltar is indifferent as to this policy and that they don't really mind one way or the other and they leave it up to the official to decide how he interprets the law?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't think it is a matter of policy, Mr Speaker, I think it is a matter of financial management and that is my responsibility.

HON J BOSSANO:

Mr Speaker, can the Hon Member explain why it is contrary to the public interest to carry out a transfer of money from one Fund to another on the premise, presumably, which the Hon Member seems to be trying to draw, that moving the money from the Consolidated Fund to the Improvement and Development Fund is no₆ different from spending the

whole money for the whole year even before you need the people who are providing the Government with services? Does the Hon Member not draw any distinction between the two things?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, I have explained that it is in the public interest not to make payments out of the Consolidated Fund before they are required. I have explained that contributions from the Consolidated Fund to the Improvement and Development for these particular projects are not required, that is really all I have to say.

HON J BOSSANO:

Mr Speaker, can the Hon Member explain to the House in what respect is he spending the money by putting it in the Improvement and Development Fund? Does the Hon Member not accept that it is the appropriation of those sums out of the Improvement and Development Fund to meet expenditure that really falls within the parameters that he is explaining?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

We are talking here, Mr Speaker, about the transfer from the Consolidated Fund to the Improvement and Development Fund of expenditure which may be required to meet capital projects. As I have explained in earlier answers, the expenditure on capital projects so far this year has been less than the balances already available in the Improvement and Development Fund and it has not, therefore, been necessary to transfer funds from the Consolidated Fund to the Improvement and Development Fund. I should, perhaps, explain that this is not just an aberration on my part, I accept that it is my judgement sensible to do this and the reason is that it is easier to manage investments and I also incline to the view that the credit of interest earned on those investments should be retained in the Consolidated Fund.

HON J BOSSANO:

So is it, in fact, Mr Speaker, that the real reason for the introduction of that policy was that the Hon Member was forced to accept after having rejected it some two years ago that once the money was in the Consolidated Fund under the terms of the Public Finance (Control and Audit) Ordinance the interest earned on that money should properly be credited to the Fund and that although he originally rejected that view he was subsequently forced into doing it and did show that interest and that is the real reason why he has introduced a new policy?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, the Hon Member is, of course, quite right and I think with his customary and meticulous attention to the detail of the Government's finances and accounts for which the House is always extremely grateful, he drew my attention to this and certainly I would admit that he gave me pause to think but I wouldn't agree with his construction that I was forced to do anything, I am seldom forced to do anything even by the Hon Leader of the Opposition except to answer questions.

HON J BOSSANO:

But the Hon Member does accept that the change of policy occurred subsequent to that happening?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Let me say, Mr Speaker, that I was made aware of that amongst many issues mysterious or not mysterious such as I have been made aware by the Hon Leader of the Opposition since I became a Member of this House.

MR SPEAKER:

Next question.

NO. 150 OF 1987

THE HON J BOSSANO

Is Government projecting an increase in total liquidity in the current financial year from the £14m estimated at 31 March, 1987?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir. It is too early for me to say what the Government's net cash and liquidity position might be at the end of the financial year.

SUPPLEMENTARY TO QUESTION NO. 150/87

HON J BOSSANO:

Is then the Hon Member saying that he has no notion at all of whether the total liquidity is likely to go up, down or remain the same?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The liquidity position, Mr Speaker, depends, inter alia, on buoyancy of revenue, the rate of capital spending and receipts - something we have just been discussing - and, of course, the Government's borrowing requirement because clearly any amount of money which might be borrowed especially if they were borrowed in a very large amount would affect the liquidity position and I am not trying to disguise anything from the Hon Member when I say that I cannot forecast the position at the end of the financial year. I shall be telling him in answer to a later question that I think it will be satisfactory.

HON J BOSSANO:

Mr Speaker, does the Hon Member not accept that on the basis of the estimates produced by him in the Budget he is, in fact, forecasting the outcome at the end of the year in terms of the reserves in the Consolidated Fund and the projected deficit for 1987/88?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Certainly, I would accept that, yes, Mr Speaker.

HON J BOSSANO:

Does the Hon Member not accept that that indicates a reduction in total liquidity?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, but the position is not a static one, Mr Speaker. It is, as I have explained, dynamic because of changes which may take place.

HON J BOSSANO:

Can I then ask him, Mr Speaker, on the basis of the estimates produced by him and approved by this House at Budget time, can the Hon Member say whether that indicates a decline in total liquidity in the current financial year?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I would rather not commit myself in the House of Assembly to making such a statement which, for other reasons which the Hon Member might, in fact, not give me credit for subsequently, might turn out otherwise.

HON J BOSSANO:

Mr Speaker, the Hon Member has mentioned borrowing requirement as one of the factors. Does the Hon Member say that it is the policy of the Government to borrow and not spend money and therefore claim that liquidity has improved and the financial position has improved?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Sir.

MR SPEAKER:

Next question.

NO. 151 OF 1987

ORAL

THE HON J BOSSANO

What does Government consider to be a prudential level of total liquidity?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, I would refer the Hon Leader of the Opposition to the reply I gave him in answer to Question No. 263 of 1986. Although that question and the answer I gave referred to the prudential level of reserves I think the argument adduced therein apply generally to the question now asked.

SUPPLEMENTARY TO QUESTION NO. 151/87

HON J BOSSANO:

Is the Hon Member saying that now that we are disregarding the level of reserves we should apply the same criteria to total liquidity that were previously being applied to reserves?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Sir, I will repeat, I think that the arguments which apply to the question of the prudential level of liquidity, apply equally to the question of the level of reserves and while I don't want to go through in full the answer which I gave to the House which was last December, Mr Speaker, I did, on that occasion, assure the Hon Member that the Government's net liquidity position was satisfactory and that I thought that the reserves were adequate given the general state of the Government's finances and the economy.

HON J BOSSANO:

Yes, Mr Speaker, we know that the Hon Member thinks they are adequate and in any case we doubt whether he would tell us different even if he thought different. What we are trying to obtain is information on the criteria that he uses so that we ourselves can judge by his criteria the adequacy otherwise he can say that £14m is adequate today and that £28m is adequate tomorrow and that £7m is adequate the next day. Can the Hon Member inform the House what are the guidelines that he uses, does he relate them to total expenditure or to what?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I am saying, Mr Speaker, that I can conceive of a situation, looking at it historically, in which £8m would be adequate at one time, £14m at another time and £27m at another time. That, of course, I think underlines

my point that this is not a static feature and that one really must adjust one's views on this in the light of economic conditions generally and, indeed, Government policies. What I think is adequate for the needs of the Government at present, given the current policies as I understand them, may not be adequate for the Government because its policies change.

HON J BOSSANO:

Would, in fact, what the Hon Member is saying about adequacy in relation to policies be a reference to those policies as reflected in public expenditure, that is what I am asking?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

In general terms I would think so, yes, Sir.

HON J BOSSANO:

Then the Hon Member is saying that he considers, broadly speaking, that £14m total liquidity is adequate for £70m recurrent annual expenditure, is that what he is saying?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I wouldn't wish to be tied down too closely to figures which the Hon Member insists in doing, I think It is adequate for the Government's policy.

MR SPEAKER:

Next question.

NO. 152 OF 1987

ORAL

THE HON J BOSSANO

Is it still Government's view that the economy is currently growing at an annual rate of 6% to 8%?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, I explained, during my Budget speech, that this was the best estimate that could be made, on the basis of the imperfect data available to the Economic Planning and Statistics Office. There is as yet no reason to change that estimate.

SUPPLEMENTARY TO QUESTION NO. 152/87

HON J BOSSANO:

Mr Speaker, doesn't the Hon Member consider that the more up-to-date information that he has got in any way gives him an opportunity to produce either confirmation of the accuracy of the estimate or any change?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Sir. I would hope, incidentally, that the Input/Output Study which should be commencing very shortly, will improve our capacity to make forecasts, I wouldn't say accurate forecasts but forecasts.

HON J BOSSANO:

Is the Hon Member in a position to say what was the growth in 1986/87 with any more accuracy than he did at Budget time when he was not able to do so?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Sir, not at this stage, I am afraid.

HON J BOSSANO:

Can the Hon Member say on the basis of the estimated current rate of growth which of the various elements that have been mentioned as pillars of the economy, that is to say, tourism, commercial shiprepairing and the finance centre, the contributions to this growth from those elements?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I can certainly say in what I might call impressionistic terms, Mr Speaker, that using both phrases very generally, tourism and financial services are contributing strongly to growth. I regret to say that I cannot say the same for Gibrepair.

NO. 153 OF 1987

THE HON J C PEREZ

ORAL

Is it Government policy to reduce public spending?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

It is Government policy to ensure that the wealth-creating part of the economy is allowed scope for further development. As part of that process a fall in the public sector share of overall employment and domestic product may take place but it is not Government policy to reduce services to the public.

SUPPLEMENTARY TO QUESTION NO. 153/87

HON J C PEREZ:

Can the Hon Member say whether in the last year public spending has declined or risen in real terms?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It has not declined in real terms, no, Mr Speaker, not during the last year. Although there was some reduction in Government spending on goods and services relative to total domestic expenditure and also, I think, in real terms in 1984/85, this was reversed in 1985/86 following the opening of the frontier. Unfortunately, national income expenditure figures for 1986/87 are not yet available so I cannot answer his question with precision but I think I would say that it is likely that private sector expenditure will have increased relative to Government spending during the past year, that is to say, a reversal of the previous year.

HON J C PEREZ:

Is the Hon Member aware that the Minister for Economic Development thinks otherwise and that he said at the Budget session that, in fact, public spending had declined in real terms?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Middle stumped.

HON J C PEREZ:

Mr Speaker, if I may I would like to clarify who it is we have to believe in this House, whether it is the Minister for Economic Development or the Financial and Development Secretary?

MR SPEAKER:

That is a matter of judgment which perhaps you might exercise.

HON J C PEREZ:

If I may rephrase my question then, Mr Speaker, could the Hon Financial and Development Secretary state whether he is talking for the Government or for himself in saying that there has been no decline in public spending or whether he is speaking for the whole Government?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

After having been given out once, Mr Speaker, I should hesitate to act as umpire in case of further run out between the Minister for Economic Development and Trade and myself.

MR SPEAKER:

Next question.

NO. 154 OF 1987

ORAL

THE HON M A FEETHAM

Can Government state the value of imports in the first six months of 1987?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Mr Speaker. Imports and Exports statistics have only recently been completed for 1986. The processing of data on imports for 1987 has only just got under way.

SUPPLEMENTARY TO QUESTION NO.154/87

HON M A FEETHAM:

Can the Hon Member state more or less when we are likely to get some indication of the figures?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The normal situation as far as the preparation of statistics on imports, Mr Speaker, is that they are produced three months in arrears, when I say arrears I mean three months after the end of the period. Of course the figures are not available, they don't arrive at the Economic Planning and Statistics Office because they come from various sources and they involve a great deal of work and, of course, the volume is increasing all the time, the volume of paperwork which is handled by the Customs, in the first instance, all the time. The arrears has been aggravated by the increased volume and the staffing problems in the Economic Planning and Statistics Office to a situation where, I regret to say, we are six months in arrears at the moment. I hope that we will be back to normal by the end of 1987.

MR SPEAKER:

Next question.

NO. 155 OF 1987

ORAL

THE HON J BOSSANO

How many local insurance companies are tax exempt and how many pay normal income tax on their profits?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, I assume that the Hon Leader of the Opposition is referring to locally incorporated companies as distinct from those just carrying on insurance business in Gibraltar. If that assumption is correct there are 31 active locally incorporated tax exempt insurance companies and 3 companies liable to tax. I refer of course to companies authorised under Section 122 of the Insurance Companies Ordinance.

SUPPLEMENTARY TO QUESTION NO. 155/87

HON J BOSSANO:

Mr Speaker, can I ask, in fact, the ones that are trading in Gibraltar and not incorporated under the Gibraltar Companies Ordinance, are they required to pay tax on the profits generated by their business in Gibraltar?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Mr Speaker, I think that is the position in theory. Of course, the tax position of foreign not tax exempt companies carrying on insurance business will vary depending on the business carried out by the company in any fiscal year but, broadly speaking, in the case of a non-resident insurance company the profits are not tax exempt, the profits or gains on which tax is payable are ascertained according to the formula laid down in Section 11(2) of the Income Tax Ordinance .

HON J BOSSANO:

Can I ask the Hon Member, the tax exempt companies that are insurance companies, are they liable to any tax other than the normal sort of £250 levied on other tax exempt companies or are they any different?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The position is much the same as with any other tax exempt company, Mr Speaker.

HON J BOSSANO:

Can the Hon Member say whether any of these companies have, in fact, failed to comply with the requirement of the Companies (Taxation and Concessions) Ordinance, whether any of them have failed to comply in meeting the annual payment which they have to make, I believe it is, in April and October every year and which automatically leads to removal of their exempt status?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I cannot say whether all the tax exempt insurance companies will have complied absolutely and without any interval at any time since their registration with that particular requirement. It is, unfortunately, the case that - and I am not here simply referring to insurance companies which may be tax exempt but other tax exempt companies and there are a great many of them, of course, they do sometimes fails to pay their annual fee and in those circumstances when it is brought to light it is the responsibility of those at the Treasury who look after the tax exempt side of company law to inform the Commissioner of Income Tax accordingly. However, I should say that sometimes the reason why a company has failed to pay its fee is simply that it is no longer active and I am not sure whether the Hon Member may have been thinking of that but it is true that there are a number of registered tax exempt locally incorporated companies in Gibraltar which are no longer active their particular registration has lapsed with the expiry of the period of grace under the new Ordinance because they will cease to be licenced but for the interim under the old Ordinance there is no way we can remove their registration although, of course, we have taken away their tax exempt certificate because they are no longer active. I am sorry for the length of that answer, Mr Speaker.

HON J BOSSANO:

The Hon Member will never find me complaining about the length, he will find me complaining about the brevity of his answers. Can the Hon Member, if I can bring him back to the point, say whether, in fact, I am correct in thinking that the removal of the tax exemption status is mandatory under the law?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Sir.

HON J BOSSANO:

And that, therefore, in fact, if there is default they lose their tax exempt status automatically?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Sir.

MR SPEAKER:

Perhaps I may add that there is, of course, a period which entitles a company to pay a penalty and to be put into the register. Next question.

NO. 156 OF 1987

ORAL

THE HON M A FEETHAM

Can Government state how many insurers have been licensed under Section 17 of the Insurance Companies Ordinance?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

None so far, Mr Speaker, because the necessary regulations governing the form of applications and other matters had not been issued. These regulations have just been published and I will arrange for them to be tabled at the next meeting of the House.

SUPPLEMENTARY TO QUESTION NO. 156/87

HON M A FEETHAM:

Am I correct that the companies should have been registered within six months of the legislation coming into force and the legislation was passed in February?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Sir, the Hon Member is quite right. Section 122(1) of the Ordinance permits existing insurers to carry on in business for six months from the date of commencement of the Ordinance, that is to say, until the 25th August pending the determination of their application. Given the delay in the publication of the regulations and for other reasons, the period will be extended by a further six months if the House approves Clause 3 of the Insurance Companies (Amendment) Bill to be taken during the proceedings of this House.

HON M A FEETHAM:

I take it that what Government is doing is bringing legislation to extend the period on the basis that the companies have not yet registered?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I wouldn't say that it is on the basis that the companies have not yet registered, it is on the basis that the necessary arrangements for publishing the regulations which will prescribe in detail such things as the solvency margins and the level of guarantee funds to be maintained and how the deposit to be made by insurers who have their Head Offices outside the community will be treated and other information which is to accompany applications have all been laid.

HON M A FEETHAM:

Doesn't Government agree that when it brings legislation which requires regulations to be issued simultaneously so that the legislation can be enacted or adhered to by the people that it is being enforced upon, that all these matters should have been sorted out before legislation is passed in the House?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The period of further extension, Mr Speaker, which is the subject of the Bill will be introduced at this meeting.

MR SPEAKER:

We will discuss that when the Bill comes.

HON J BOSSANO:

Mr Speaker, what we are saying is that we are being presented with a Bill which seeks to change a law that was passed in February. Can the Hon Member explain why when they passed the law in the House of Assembly they put six months if they didn't intend to have the regulations ready in the six months?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I can certainly give one very good answer to that, Mr Speaker, and that is the pressure on a very, very small staff in that part of the Treasury dealing with insurance matters and also a further desire to make the other amendments which are the subject of the Bill which has already been tabled, I will be referring to this in greater detail during my speech.

HON J BOSSANO:

The further amendments which have still got to be decided and may or may not get passed depending on whether we can persuade the Hon Member of the error of his way has nothing to do with whether the regulations are ready or not ready, surely, or is the Hon Member saying that the delay of the regulations is because the regulations will be materially altered by the amendments that he is proposing?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I wouldn't say that the regulations will be materially altered but that the requirement which, again, this will be the subject of what I say later on the Second Reading when the Bill is taken, the requirement with respect to publication of accounts would have, I think, had a material effect on the insurance industry so amongst other things we were anxious for that particular issue to be resolved, and I am saying it will be resolved in the form of a proposal to extend the period of grace by a further six months before the regulations were issued.

HON J BOSSANO:

Mr Speaker, the Hon Member is bringing a Bill which says in the explanatory memorandum that the object is to impose an obligation to publish accounts. Is he saying that there isn't an obligation to publish accounts now?

MR SPEAKER:

I think, in fairness, these are matters which should be dealt with when the Bill comes before the House. We are not going to discuss the Bill at this stage.

HON J BOSSANO:

We want information, Mr Speaker, we are reacting to the answers that we are getting.

MR SPEAKER:

What you are asking now is the sort of thing which you will be entitled to do when we discuss the general principles of the Bill itself.

HON J BOSSANO:

Yes, and it is not unknown in this House, Mr Speaker, for us to ask a lot of things when we are talking on the general principles and not get any answers at all and we are not able to follow it in supplementaries.

MR SPEAKER:

You are not going to get them now, that is the answer.

HON J BOSSANO:

But the Hon Member seems to be willing to give us answers now, we don't want him to change his mind. I would ask the Hon Member has, in fact, the position been that there are draft regulations which if the amending legislation passes will need changing and that if the amending legislation is not passed will not need changing because that seems to be the indication that he has given?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, would the Hon Member repeat that?

HON J BOSSANO:

Presumably, Mr Speaker, when the Hon Member brought the original Bill to the House and it was passed in February it was passed with the intention that within the six months limit there would be regulations telling people how to apply for registration. I am saying the work that has already been done in producing those regulations, he is saying that the regulations will be altered if the amendment is passed that he is proposing in this House?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, the regulations will not be changed. All that the Bill, I think, will change specifically is the period of grace but there are other provisions in the Bill relating to publication of the accounts on which, as I shall be explaining, the Government has given further consideration and until we are in a position to, I might say, satisfy the insurance industry as well as Hon Members in the House, we do have a duty to the insurance industry as well, until we have resolved that and also because of the other pressures of work which I have referred to, we did not publish the regulations.

HON J BOSSANO:

When the HOn Member talks about the insurance industry is he talking about the three that pay income tax or the thirty-one that don't?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Everybody, Sir.

HON J BOSSANO:

In fact, the Hon Member has been talking to tax exempt insurance companies that don't do any business in Gibraltar as well as local companies?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I didn't say who I had been talking to, Mr Speaker, I said I was referring.

HON J BOSSANO:

No, Mr Speaker, the HOn Member has been talking, has there been consultation with the insurance industry which has led to the proposals that are being changed?

MR SPEAKER:

With respect, I think we are going on and on, but anyway if you don't want to give that answer then we will leave the question as it stands.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

We have, of course, consulted the finance centre group, Mr Speaker.

MR SPEAKER:

Next question.

NO. 157 OF 1987

ORAL

THE HON M A FEETHAM

Can Government state what is the minimum issued share capital required of a company licensed to carry out insurance business?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, no minimum issued share capital is specified. The emphasis is on levels of adequate financial reserves backed by suitable assets rather than on minimum issued share capital; hence the references to solvency margins and guarantee funds in the legislation.

Nevertheless the amount of paid up share capital will rank for inclusion in solvency margins and, in that sense, one would expect insurance companies to be adequately capitalised since their reserves should not fall below the amounts prescribed.

SUPPLEMENTARY TO QUESTION NO. 157/87

HON M A FEETHAM:

Mr Speaker, can the Hon Member state what sort of guidelines he would place his judgement on with regard to the financial viability of a company or otherwise?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, the various regulations which have, in fact, been laid do specify here, subsequently of course, it is a responsibility of the Insurance Supervisor, in the first place, to satisfy himself through the prudential supervision of insurance companies that the necessary margins are maintained.

MR SPEAKER:

Next question.

NO. 158 OF 1987

.ORAL

THE HON M A FEETHAM

Has Government appointed an Insurance Commissioner and an Insurance Supervisor?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Mr Speaker. As mentioned in my speech last December when presenting the new insurance legislation to the House, the Financial and Development Secretary will perform the functions of Commissioner for the time being.

The duties of Insurance Supervisor will be performed by the Financial Sector Adviser whose post has accordingly been retitled and upgraded.

NO. 159 OF 1987ORALTHE HON M A FEETHAM

When does Government expect to bring legislation to the House requiring companies to publish their accounts?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

As soon as the Bill which is required is ready, Mr Speaker.

SUPPLEMENTARY TO QUESTION NO. 159/87

HON M A FEETHAM:

In view that that has been the standard reply, can Government give some indication when the Bill is likely to be ready in the light of things which are now happening in the EEC where we are told that we are not complying with Community legislation, which we are.

HON A J CANEPA:

The present position, Mr Speaker, is that there has been a first draft of the legislation, we have made a number of comments on that draft. The last set of comments were transmitted to London at the beginning of June and there is now a second draft being prepared.

HON J BOSSANO:

Mr Speaker, when the Hon Member says there have been a number of comments on the draft, is he saying that the Government is consulting with anybody outside Government on the draft?

HON A J CANEPA:

The Government will consult the Finance Centre Group at an appropriate moment. We haven't reached that stage yet, the comments have been from within the Government.

HON J BOSSANO:

Then the indications are that this is a still a long way off, is that correct?

HON A J CANEPA:

I would say that it is not imminent.

MR SPEAKER:

Next question.

ORAL

NO. 160 OF 1987THE HON J E PILCHER

Can Government state how many expatriate managers are currently employed in GSL and how does this compare against the same period last year?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, GSL currently employs 27 expatriates, including 3 secondees. This compares with a figure of 38 during the same period last year.

SUPPLEMENTARY TO QUESTION NO.160/87

HON J E PILCHER:

Mr Speaker, does the Financial and Development Secretary still maintain what he gave me in his answer to Question No. 74 of 1987, that the expatriate managers would fall to twenty during 1987, is that target still to be met by the company?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Broadly speaking, yes, Sir. GSL expect to reduce to about twenty-one or twenty-three by the end of the year and to eighteen by the end of 1988.

MR SPEAKER:

Next question.

NO. 161 OF 1987

.ORAL

THE HON J E PILCHER

Can Government state whether they are considering any changes in the terms of the Management Agreement between GSL and A & P Appledore?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY+

Mr Speaker, I understand that the Board of GSL are currently considering this matter and that they propose to consult the Government, as and when appropriate.

NO. 162 OF 1987

ORAL

THE HON J E PILCHER

Can Government state when the 1986 Accounts for GSL were completed and audited?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the 1986 GSL Accounts were prepared for audit by the 10 February, 1987. I understand that the company audit was completed by the end of May and the Accounts were then considered by the Principal Auditor, as required by the GSL Ordinance. Hon Members have already received copies.

SUPPLEMENTARY TO QUESTION NO. 162/87

HON J BOSSANO:

Mr Speaker, does the Hon Member still intend to proceed with seeking the suspension of Standing Orders to lay on the table the Accounts?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Sir

HON J BOSSANO:

Can the Hon Member state why having given us notice that he was going to ask for the suspension of Standing Orders he is not now proceeding with it?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am not aware that I gave Hon Members any notice to that effect, Mr Speaker.

HON J BOSSANO:

Mr Speaker, did the Hon Member not give an indication to the Opposition that he was proposing to table the Accounts at this meeting of the House and that Standing Orders would be suspended for that purpose?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I did, in fact, say this informally to yourself, Mr Speaker.

MR SPEAKER:

No, a Supplementary Agenda was most certainly published specifically, as a matter of fact, for the suspension of Standing Orders and the laying of the Accounts.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

So it seems, I haven't seen the Supplementary Agenda.

HON J BOSSANO:

Now that he has seen it can the Hon Member tell us what has made him change his mind?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr. Speaker, we are not ready, I think this is the reason, we are not ready to have a debate on the 1986 Accounts at this stage.

HON J BOSSANO:

Mr Speaker, does the Hon Member not consider that since we are talking about the year ending December, 1986, and since the House has voted money in the last financial year and voted money again in this year's Budget for this matter and since there is a question on the Order Paper about the extent to which the Government is prepared to vote money, that this is too important an item to be left for when the House resumes after the summer recess? It is not that we wish to put the Government in a difficult position but, Mr Speaker, would the Hon Member not agree that if we have had it at least a day or two after he has and we have done enough work on it to want to discuss to the extent that it is possible the matter, that the view of the Opposition ought to be taken into consideration in this matter?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think those points are very much political aspects, Mr Speaker, on which the House would not expect me to comment. I received the Accounts on the 1st July and I was certainly anxious that Hon Members should have them as quickly as possible because there has been criticism in the past of the time it has taken to get the Accounts out. I am glad that the interval is only six months on this occasion which I think is reasonable by commercial accounting standards for a company this size. I am sorry if there has been some misunderstanding on the matter, clearly I must accept responsibility for the issue of the Supplementary Agenda although I was rather surprised when it was handed to me as I had not seen it before, but I think the point is that certainly speaking for myself as I would be the major contributor to the debate, I am not ready to discuss the Accounts. I can see that Hon Members opposite may have identified already certain points from which they would want to ask questions but I think they would be prepared to acknowledge that the Government might not be in a position to answer all those questions having just received the Accounts itself. It is really in the interests of a decent democratic

Government, Mr Speaker, that we circulated copies when we did and nothing I have said precludes in any way the possibility of Hon Members having a debate on the Accounts at a subsequent meeting.

HON J BOSSANO:

Mr Speaker, I am astonished, I am still waiting for the Hon Member to answer anything on the 1985 Accounts of which he had enough time and where I spoke for something like two hours and the Hon Member's position was that questions of that nature couldn't really be dealt with in a debate and perhaps one ought to substitute some kind of committee system to analyse the Accounts. Is the Hon Member now committing himself to being able to giving answers when this is debated in October?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I wouldn't like to do that, Mr Speaker.

HON J BOSSANO:

I am sure.

HON J E PILCHER:

Mr Speaker, can we therefore take it that what the Financial and Development Secretary is saying is that come October we won't have the Accounts laid on the table but what we will have is a fully fledged debate on the 1986 Accounts of GSL?

MR SPEAKER:

No, with respect, the Accounts have to be laid before they can be debated.

HON J E PILCHER:

Together with, Mr Speaker, a motion noting the Accounts. Mr Speaker, can we have answer to that question?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

It is not for me to determine.

MR SPEAKER:

It is up to Members who wish to debate the Accounts once they have been laid to put a motion.

HON J E PILCHER:

Mr Speaker, the fact that the Accounts have not been laid on the table from what we hear from the Financial and Development Secretary is because he is not ready to debate it so I take it that if we are going to wait until October to debate them we will get a debate at that stage.

MR SPEAKER:

I imagine so if someone moves, that is what I am saying.

HON J BOSSANO:

Mr Speaker, the Hon Member having given notice of his intention to table the Accounts has now said that the reason why he is not proceeding with his request to suspend Standing Orders is because he is not ready to debate the Accounts which he knows we wish to do. Is he saying that he is deferring tabling the Accounts until he is ready to debate it and that therefore it is his intention to bring a motion to debate the Accounts?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Well, yes, insofar as I can give that assurance, Mr Speaker, I did say in my comments a short while ago that the House will have an opportunity to debate the affairs of GSL at a subsequent meeting.

HON J BOSSANO:

Mr Speaker, can the Hon Member say whether, in fact, he is in a position to answer questions about these Accounts before the next meeting if we write to him on the subjects?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, I think I would be happy to answer general points, Mr Speaker, if the Hon Member writes to me, obviously I would have to get this information from Gibrepar but yes, I would try and do that.

HON J E PILCHER:

Mr Speaker, can I just add because I am a bit perplexed, until the Accounts were presented to the Financial and Development Secretary and the Government none of the contents of this Report were actually known by the Government of Gibraltar?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is true, yes, Sir.

MR SPEAKER:

Next question.

THE HON J E PILCHER

Can Government state the number of shares issued to Government by GSL stating on what dates and at what prices?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the nominal value of all Ordinary Shares issued by GSL to the Government as at 30th June, 1987, was just over £23m. Shares have all been issued at par, that is £1 per share, as and when funds have been made available to the company. However, as Hon Members will be aware, to ensure that only such funds as are required for the running of the company are made available, the practice of issuing partly paid shares has been adopted. The position at 30th June, 1987, is that 23 million fully paid shares have been issued and 1 million partly paid at 0.347p in the £1, making a total issue to date of £23,003,474.31.

SUPPLEMENTARY TO QUESTION NO. 163 OF 1987

HON J BOSSANO:

Can the Hon Member say when, in fact, the last £2m was subscribed to by the Government and whether that was subscribed to at part or whether it was subscribed to by instalments?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I cannot give the Hon Member the exact date, I am sorry, Mr Speaker, to give the exact dates of all the partly paid or fully paid issues would mean a great deal of research but I can give the Hon Member a breakdown by financial year if he so wishes.

HON J BOSSANO:

I have not asked him about the £23m, Mr Speaker, I have asked him about the £2m which were created in January, 1987, we are only talking about the last six months.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Certainly the issue has been during the past two months and it has been a partly paid issue. As I said during my answer, at the most recent date we have a total number of shares issued at 24 million; 23 million shares have been fully paid and 1 million is only partly paid that is to the extent of £3,474.31. I think that partly answers the Hon Member's question. That is to say, one would expect, I think the inference which can be drawn from that is that the remainder of the Government contribution will take the figure to £24m.

HON J BOSSANO:

Mr Speaker, how can the remainder of the Government contribution take it up to £24m if what the Government has said they are going to contribute is £2m and that took it from £21m to £23m?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I am sorry, perhaps I should have mentioned that of the £2m which we are talking about £1m had already been subscribed by the end of the financial year so we are talking about the remaining £1m.

HON J BOSSANO:

Mr Speaker, the £1m that had been subscribed at the end of the financial year, surely took it from £21m to £22m.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I think it was from £1m to £23m certainly.

MR SPEAKER:

Are we talking about fully paid shares exclusively?

HON J BOSSANO:

Mr Speaker, the Hon Member has said that there is now £23m issued to the Government

HON FINANCIAL AND DEVELOPMENT SECRETARY:

23 million fully paid, Sir.

HON J BOSSANO:

In fact, is it not the case that in March, 1986, there was 21 million issued?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

In March, 1986, there was 21 million; March, 1987, 23 million.

HON J BOSSANO:

Therefore, Mr Speaker, would the Hon Member not agree with me that the difference between 21 and 23 is 2? Does the Hon Member agree that the difference between 21 and 23 is 2, Mr Speaker?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, in much the same way I agree that the difference between 23 and 24 is 1.

HON J BOSSANO:

Can the Hon Member confirm, as he has just done, that if the shares in issue in March, 1986, was 21 million and if in the Audited Accounts which he has not yet tabled it shows that in December at the close of the financial year it was still 21 million, then it must have gone from 21 to 23 between January and March if he says that in March it was 23 million?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, we may be talking slightly at cross purposes because, of course, I am dealing with the Government's financial year and GSL deal in a different, ie calendar financial year, that may account for some of the confusion which is really why I said it is very difficult to explain in answer to a question in the House, Mr Speaker, I would be glad to write to the Hon Member if there is any point outstanding.

HON J BOSSANO:

No, Mr Speaker, there is no confusion. I am asking very specific questions. The Hon Member has got a copy of the Audited Accounts for 1985/86 which he has had for some time now. Can he say whether, in fact, the total shares issued to the Government at the end of the financial year 1986 - he has had time to study that - was 21 million?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Sir. The shares issued as at the 31st March, 1986, were 21 million, yes.

HON J BOSSANO:

And if, in fact, the company says that the investments in shares in Gibreair Limited on the 31st December, 1986, is still 21 million then it must follow that it went up after the 1st January from 21 million?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The 1st January, 1987, yes, Sir.

HON J BOSSANO:

Mr Speaker, can the Hon Member say whether we are correct in that the amount voted by the House in the 1986/87 financial year was £1m for GSL so how can he explain to me that if we voted £1m for GSL and if in January we had £21m, in March he had £23m, he could not have £23m, Mr Speaker, in fully paid shares which he says he has.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am sorry, I just do not understand the Hon Member's question. Let me sort of help him to help me. The position at the 31st December, 1986, as I understand, I haven't got the accounts in front of me, is we had an issue of 21 million and between then and the 31st March which is the end of the Government's financial year it becomes £23m, an addition of £2m. Included in that £2m is £1m which this House voted.

HON J BOSSANO:

Mr Speaker, my question then is, if the Government had in issue £23m on the 31st March this year was the £23m on the 31st March fully paid?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Certainly fully paid at the 30th June which is the latest figure. I am fairly sure that it would have been fully paid but I would have to check on that, my notes do not actually provide an answer to that particular question.

HON J BOSSANO:

Would the Financial and Development Secretary not agree with me that if, in fact, the Government held £21m in GSL on the 1st January this year fully paid and £23m on the 31st March this year fully paid, in the three months between January and March they must have paid £2m which is the question I have been trying to get an answer from him all the time?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, it doesn't mean that the Government must have paid, Mr Speaker, because the alternative source of funding is and has been ODA.

HON J BOSSANO:

Then can the Government tell me whether, in fact, ODA funds have been used in addition to the £1m voted by this House to buy shares in those three months?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

My assumption is yes, Mr Speaker, but as I said, now that I know the particular question which the Hon Member seeks I will certainly give him confirmation of that subsequently.

HON J BOSSANO:

Would the Hon Member further agree with me that if the information that he is giving is correct and there was £23m fully paid shares in issue on the 31st March and £23m in issue on the 30th June it means that, in fact, no shares were paid for in the period from April to June this year by the Government either using their own funds or ODA funds if that statement is correct?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Apart from the partly paid issued, Mr Speaker, that is to say, £1m which I have already referred to which, of course, have only been partly paid to the extent of the £3,474. What I am not quite clear myself because I do not have the information is what the exact position was at the 31st March, 1986, as far as the Government's own financial accounts are concerned. I am reasonably confident the information I have given the Hon Member as regards the current share issue as at the 30th June, £24m of what £23m is fully paid and only a small proportion but I think the rather extraordinary figure which I have mentioned, £3,474 may well have been a balancing figure to ensure compliance with requirements of the audit, tedious but then as Hon Members have often said to me, whether it is tedious or not I am made to provide the information.

HON J BOSSANO:

Can the Hon Member tell me whether, in fact, in order to finance the remainder of the £1m partly paid issued shares to the Government the funds provided in this year's Budget are sufficient or whether it requires additional funds?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think that question, Mr Speaker, opens up endless vistas which I would not wish to explore. I think I would refer the Hon Member to statements which have been made in the House by the Hon the Chief Minister earlier this year when he explained the status of the Government's contribution and what this was intended for. I have nothing further to say, obviously, on that particular point at this stage.

HON J BOSSANO:

Can the Hon Member say whether, in fact, the £1m voted at the Budget has, in fact, been transferred by him into the Special Fund which is the Gibraltar Shiprepair Limited Fund or whether he has exercised his discretionary powers in that respect as he has done in the Improvement and Development Fund and not put the money in?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

What an awful question. I am fairly confident that the answer to that is that the money has not been transferred to the Special Fund, as the Hon Member puts it, because the Special Fund is simply a vehicle, an accounting convention to enable a satisfactory record to be made of the expenditure. If money is not required then it would not have been transferred because it has not been transferred to GSL. There is nothing particularly clever about changing one entry in the ledger and transferring the sums into another ledger until the particular transaction has some meaning.

HON J BOSSANO:

Mr Speaker, I don't know whether it is clever or not clever, I am only here to establish whether it is right or wrong. Is the Hon Member then saying that under the terms of the Public Finance (Control and Audit) Ordinance he is not required to make effective contributions to Special Funds voted by this House in an Appropriation Bill?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, I hesitate to go back to the exchange which I had with the Hon Member earlier during these proceedings but I think I made it clear that funds are transferred as and when required and as I think will be apparent from the exchanges which we have already had on this particular subject, namely, GSL's needs for finance, the £1m which has been voted has not yet been handed over to the managers in the yard.

HON J BOSSANO:

No, Mr Speaker, I am not asking about that. The Hon Member does not have to answer in this House in respect of the money going to the managers of the yard, surely, because the House has voted for the money to be put into the Special Fund and there is a law that says that once that money is in the Special Fund he can only use it to buy shares or for the refurbishment of the assets owned by the Government, am I not correct in thinking that?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Hon Member is certainly correct in the latter part of his question but as he will recall from the earlier part of the discussion, I challenged his interpretation as I have done on all items of expenditure that simply because, or rather I challenged his inference that as soon as this House has voted the money for whatever purpose and I think the point is it would be either indivisible or not valid, the money is transferred as voted by the House. As I said, money is transferred appropriately as and when required. That is an aspect of financial management.

HON J BOSSANO:

Mr Speaker, but the Hon Member accepts then that unless and until the Government gives effect to the decision taken by the House in the Appropriation Ordinance to transfer money into the Gibraltar Shiprepair Limited Special Fund, the Special Fund cannot financially finance the purchase of shares because it hasn't got any money?

MR SPEAKER:

We are beginning to debate. You are getting confirmation of what should be done.

HON J BOSSANO:

I am trying to establish, in fact, whether the Government is doing what I understand the law requires them to do, Mr Speaker, that is the information I am seeking.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

But I have explained what the law requires the Government to do, Mr Speaker, and I don't think that there is really any further question to be answered on it. Such money as has been handed over to Gibrepair in exchange for the issue of shares will be money which has come out of the GSL Special Fund of that I am quite sure.

MR SPEAKER:

You are not going to get any further on this one. We will call the next question.

HON J BOSSANO:

Mr Speaker, if the Hon Member says he is not able to give us an answer in the House as to the shares that have been issued to the Gibraltar Shiprepair Limited Fund and I am right in thinking that since the Government brought a change in the law these shares are now assets held in that Fund, if that is the case, Mr Speaker, what we would like to know is, in fact, the actual movement that has taken place. Will the Hon Member write giving us the dates of the shares and the amounts that have been paid at different periods in time so that we can check ourselves whether we are satisfied that what has been done has been done correctly?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think the Public Auditor is the Officer charged with satisfying himself and, indeed, the community in general that everything is being done properly.

MR SPEAKER:

What you are being asked is simple. Would you please ensure that they get the necessary information in writing as to what has been done. You are being asked for an assurance.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, I have given the Hon Leader of the Opposition an undertaking to write to him about the position as at the 31st March, 1987, which, of course, I am not familiar with because the Government Accounts for the year ending 31st March, 1987, have not been published, I have to make enquiries about that, I certainly will. I am not sure whether the Hon Member wanted me to give him or, indeed, his colleague wanted me to give him the dates of each

MR SPEAKER:

In other words, you are prepared to give him the information?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I am prepared to look at it, Mr Speaker, and see what amount of research is necessary to provide an answer to that question.

HON J BOSSANO:

Mr Speaker, the position is the Hon Member made a passing reference to the Auditor, is he saying then that provided he satisfies the Auditor he doesn't feel that he has got a constitutional obligation to satisfy the House?

MR SPEAKER:

Let us not put conditions. What he is saying is that if the information is available and if he gets it you are going to get it, I think that is what he said.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, I will provide the information if it is readily available, Mr Speaker. I imagine it will take a great deal of research to provide it.

HON J BOSSANO:

I suggest, Mr Speaker, he pays £1 and goes to the Company Registry, he will get half the information there.

MR SPEAKER:

Next question.

NO. 164 OF 1987

ORAL

THE HON J E PILCHER

Can Government state whether a decision has been taken on the way ahead on the computer system at GSL?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, this is entirely a matter for the Board of GSL. The shortcomings of the computerised accounting system was the subject of the GSL Board's Notice of Default served on A&P Appledore last year. There is reference to this in the Chairman's Statement on the Accounts which I have not just laid before the House. I understand that most of the deficiencies in this area have now been satisfactorily resolved.

SUPPLEMENTARY TO QUESTION NO. 164/87

HON J E PILCHER:

Again, Mr Speaker, the Hon Member said that this is a matter related to the Board of the company. I would just like to state that from the concept and, in fact, from the running of GSL we have not been in agreement with the fact that the Board is answerable to the Opposition as far as we are concerned for policy decisions on GSL. As far as the computer system is concerned we have, in the past, had fully fledged debates on.....

MR SPEAKER:

With respect, what are you asking?

HON J E PILCHER:

I am asking, Mr Speaker, is the Government which through 1986 the company have continued to pay GSL for the computer system, are they not taking a direct intervention as far as the computer system is concerned?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't see that insofar as I have understood the Hon Member's question, I don't think that follows necessarily.

HON J E PILCHER:

Mr Speaker, the last time I raised the question I was told that the Board was looking at the system of the computer operation. In fact, there is now a default notice because of the computer operation put by the Board on the company. The question last time was, was the Government going to take A & P Appledore to Court in order to get back all the money that GSL had spent because of faulty computers?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

As I explained, Mr Speaker, this is a matter for the Board.

MR SPEAKER:

It is not for the Government to take them to Court but for the company.

HON J E PILCHER:

Is not the Government giving a direction as far as that is concerned to the Board, Mr Speaker?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Sir.

HON J BOSSANO:

Does the Government not accept that its requirements as a shareholder in the company are materially affected by extra payments having to be diverted to meet faults with the computer which were originally intended for other matters when the Government subscribed for the shares?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think I have explained the position as far as the Government's responsibilities for GSL, Mr Speaker, as far as what I would call matters of day-to-day management on many occasions in this House and I don't wish to prolong a discussion about that. I appreciate the Hon Members opposite take a different view and I think there the matter rests.

HON J E PILCHER:

Mr Speaker, does not the Hon Member agree with me that this is not a day-to-day matter on the running of the company?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Sir, I do not agree with the Hon Member. I am assured that the Board have taken the matter up. If something of this nature which had been highlighted and, indeed, I think is fairly general knowledge, had not been taken up by the Board, I think one would be surprised and at that stage the Government might have to consider other matters, namely, the composition of the Board but that, I am happy to say, is not the case.

HON J BOSSANO:

Mr Speaker, can I ask the Government in the light of the answers that the Hon Member has given and the statement that has been made by the Hon and Learned the Chief Minister as to the purpose to which money subscribed by the Government, for example, the £2m for the last issue of shares, does the Government put as a condition to the Board once it subscribes to those shares that the money that they have provided in subscribing for the shares cannot be used for anything other than what they have stated in the House as subscribing the money for?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The Government in its dealings with the Chairman of the Board, Mr Speaker, has naturally in the light of the Price Waterhouse Report and other constructive findings to GSL's business, made certain representations but I wouldn't answer the question in precisely the terms that the Hon Leader of the Opposition is clearly inviting me to do.

HON J BOSSANO:

Am I correct in thinking, Mr Speaker, that in fact the implication of the Hon Member's answer is that notwithstanding the statement that has been made as to why the Government was subscribing £2m subsequent to the Price Waterhouse Report, the Board is free to use the money, once it has been subscribed, to meet costs on malfunctioning of computers or anything else, is that the situation?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I don't think that was implicit in my answer either, Sir.

HON J BOSSANO:

Can the Hon Member then say that none of the £2m that have been subscribed are being used to meet the costs arising from faults with the computer?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have said that I am not prepared to answer any further questions about the computer.

HON J E PILCHER:

I dare say that the Hon Financial and Development Secretary can if he so wishes stop answering questions but our questions are aimed at the Government not at the Financial and Development Secretary.

HON CHIEF MINISTER:

If the Hon Member will give way. The question of the computers can well be discussed at length in the motion on the Accounts when it comes before the House.

MR SPEAKER:

Next question.

NO. 165 OF 1987

ORAL

THE HON J E PILCHER

Can Government state whether the GSL Pension Scheme has been approved to provide 100% commutation?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

No, Sir. GSL's Management has confirmed that the Scheme approved by the Commissioner of Income Tax provides for a commutation of not more than 25% of the capital value of the pension.

SUPPLEMENTARY TO QUESTION NO. 165/87HON J E PILCHER:

Mr Speaker, is the Hon Member not aware that the original agreement offered was for 100% commutation in 1985?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Sir.

HON J BOSSANO:

Will the Hon Member, first of all, inform himself that this is indeed the case?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I was replying to the Hon Mr Pilcher's question and he said am I aware that it was agreed in 1985. I answered that and said, 'no'. My understanding is that it was not agreed in 1985 but proposals were, in fact, put to the Commissioner of Income Tax in 1986 and they did at that stage include the proposal for 100% commutation and GSL Management were informed that this was not allowed for under the Commissioner's guidelines. That is to say, the exemption from tax as far as contributions are concerned would not be allowed by the Commissioner. Of course, the circumstances and the background to this were explained fully during the Budget speech, Mr Speaker, following the change in the law.

HON J E PILCHER:

Mr Speaker, I think the Hon Member has misunderstood. My question was, was he not aware that this was agreed in 1985 between the company and the workforce that there would be 100% commutation and therefore that brought into it the backdated effect of the Pension Scheme?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker, neither am I aware, as the Hon Member puts it, that it was agreed between the company and the workforce in 1985. I know that there have been many drafts of the Pension Fund and, indeed, the delay in setting it up has been subject to a frequent debate in this House, there have been a number of questions asked by the Hon Member. The most recent one was, in fact, on the 10th February and I explained there that there had been some delay over the question of nominations to the Board of Trustees. I then expressed the hope that the Trustees would be meeting shortly to formalise matters and I think that the position, as I then explained it, Mr Speaker, is certainly not consistent with the Hon Member's suggestion that it was agreed in 1985.

HON J E PILCHER:

Hence the Leader of the Opposition's statement that he should first become aware that there was an agreement between the workforce and the company in 1985.

HON J BOSSANO:

Mr Speaker, is it not the case that there was a debate in May, 1986, when there was a three weeks strike in GSL which centred around whether there was an agreement on the pension for 1985 or not and that, in fact, a public statement was made accepting that there was such an agreement and that therefore the money would be provided backdated to 1985?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

That is correct, Mr Speaker. There was an agreement, the Hon Member is quite correct in saying that there was a commitment on the part of the company and, indeed, there had always been a commitment to contribute to a Pension Fund for the employees. The financial contribution had not at that stage been made, I am not sure that it has even now been made but the financial provision is certainly being made whereas in May, 1986, I think it would be true to say that it hadn't and that is a big difference but, as I understand it, there has been and there was until 1986, certainly, delay in setting up the Fund because of the question of employee nominations to the Board of Trustees amongst other things. I gather that agreement has not been reached with the Transport and General Workers Union, for example, about their nominees to the Board of Trustees when I answered the question in February. I hope that such agreement has now been reached.

HON J BOSSANO:

The Government is saying, Mr Speaker, that it is not aware that its wholly owned company accepts that it has an agreement which it is seeking to change which provided initially for 100% commutation and that it is seeking to change it because subsequently they have failed to obtain approval?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Is the Hon Member referring to a decision by the Trustees to seek 100% commutation, perhaps he could enlighten me on that.

HON J BOSSANO:

What I am saying, Mr Speaker, is is the Government not aware that the situation in respect of this Pension Scheme is identical to the situation in respect of another Pension Scheme in that the company accepts that it entered into an agreement with its workforce which subsequently it has had disallowed, as it were, by the requirement that in order for the Scheme to be approved it had to be altered and the 100% commutation replaced by 25% commutation and that therefore the Hon Member will recall that he talked about exceptional circumstances in the introduction in the Budget of the new rules for approval of the commutation of Pension Schemes. Is he not aware that, in fact, the situation is very similar in this case to the one to which he referred in his Budget statement?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Sir, I can see very great differences. The one primary is that certainly I do not agree with the Hon Member that the company reached agreement with its workforce and then presented a request for 100% commutation. I know, as I have explained, that there was correspondence in 1986 with the Commissioner of Income Tax by a representative of the company and during that correspondence the representative of the company was informed of the fact.

MR SPEAKER:

We are getting to the stage where we are debating, with respect, let us ask for information.

HON J BOSSANO:

Yes, I am seeking information.

MR SPEAKER:

With respect, let me finish, we are getting to the stage when answers are not satisfactory and then we want to improve on those answers. We cannot go beyond that. In other words, the answer to your question has been simple, no, the commutation is not 100% it is 25%, it is as simple as that.

HON J BOSSANO:

No, it isn't as simple as that, Mr Speaker. Can the Hon Member say that there is an agreed Pension Scheme in GSL which provides for 25% commutation? What is the answer to that one?

MR SPEAKER:

Fair enough, that is a simple question.

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I assume therefore, from the inference I draw from the Hon Member's question that agreement has not yet been reached. Whether that is as a result of the factors which I mentioned at the last meeting of the House or in February when we discussed this, namely, that the question of employee nominations for the Board of Trustees had not been settled, I do not know. I wasn't asked that particular question, Mr Speaker, I was asked the question about the 100% commutation to which I have given an answer.

HON J BOSSANO:

We are still asking about 100% commutation, Mr Speaker, he is the one who is bringing the Trustees into it, we are not interested in the Trustees. We are asking the Hon Member is he telling the House that there is an agreement in the Government owned GSL between the company and its employees for a Pension Scheme that provides for 100% commutation or for 25% commutation? What is he saying?

MR SPEAKER:

The Financial and Development Secretary has said that he is not aware that there is such an agreement for 100% commutation, is that correct?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Certainly, Sir. As far as I know GSL has accepted, has indeed recently, I think I could almost give the Hon Member the date. The Scheme as presented to the Commissioner was formally approved on the 23rd April, 1987, so that is the Scheme which was presented to the Commissioner for approval.

HON J BOSSANO:

And the Hon Member is saying that the Scheme was presented to the Commissioner on the 23rd April, 1987, which provides for 25% commutation?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Yes, Sir.

HON J BOSSANO:

I am now asking him is he aware that the company has got an agreement with its workforce for a scheme which provides 100% commutation and has had such an agreement since July, 1985, and accepts that it has such an agreement?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have said, no, Sir, and I am rather surprised at the Hon Member making the comment, inasmuch as the Scheme had not been set up at that stage.

HON J BOSSANO:

Mr Speaker, if the Hon Member's answer is that he is not aware then I come to the question that I asked him four questions back, will he take it upon himself to make himself aware? If he is not aware, fine, he is not aware. I am asking him will he now take steps to make himself aware of whether the question that I am asking him is, in fact, factually correct or not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Sir.

HON J BOSSANO:

Then, Mr Speaker, is anybody in the Government prepared to answer questions in respect of the Pension Scheme of GSL?

HON CHIEF MINISTER:

I think the answer that has been given to the question on the Order Paper has been given. If there are other questions that are required and notice is given and they are different they will be answered.

HON J BOSSANO:

Mr Speaker, if the answer to the question on the Order Paper is that, in fact, it has not been approved, is the Government interested at all in the fact that they have not approved 100% commutation notwithstanding that there is an agreement that provides for it?

MR SPEAKER:

No, with respect, Government has not accepted that there is such an agreement.

HON J BOSSANO:

Then my question is, if they don't accept that that is factually correct will they take steps to make themselves aware and they say they don't, they don't want to know if it is true or not.

HON CHIEF MINISTER:

I think the Government cannot be expected to answer every hypothetical question or every question of which the Hon Member has got knowledge and we haven't got knowledge if he hasn't put it in the Order Paper. Because he may be intimately connected in his other capacity with this matter, he may have much more knowledge than we have at the time of making the supplementaries but he cannot assume that we can answer all the questions or the facts on all the facts of which he knows that he hasn't given us notice of.

HON J BOSSANO:

Mr Speaker, I am not asking the Government to display the same amount of knowledge. I have asked the Government when they have said they are not aware whether they will take steps to make themselves aware and I have been told, no, by the Financial Secretary. Then it is a perfectly legitimate supplementary to ask why don't they want to know? If they don't know, fine, they don't know. I am asking them to take the steps to find out, they say they don't want to find out, why not?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Because, one reason is that the Hon Member is, in fact, asking me to go back to the company and say: "The information you gave me is incorrect because the Hon Joe Bossano said so". That is not a position which it is reasonable to expect me to take up. I have given the information which was provided to me by the company and what I am saying is that GSL had sought, they did, I accept that in 1986 they sought approval from the Commissioner of Income Tax for a Scheme which provided for 100% commutation. He did not give it and they came back to the Commissioner in April, 1987, and asked for approval for a Scheme which provided for 25%.

HON J BOSSANO:

Can I ask one more question, Mr Speaker? Will the Financial Secretary come back and tell the House that the information that he has got and has given was incorrect if it is brought to his notice and demonstrated that it is incorrect since he won't take the initiative of finding out the correct information?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

If the Hon Member can produce the facts, yes, Sir.

MR SPEAKER:

Next question.

NO. 166 OF 1987

ORAL

THE HON J E PILCHER

Is the Government now prepared to provide additional funds to meet the cost of pay settlements at GSL in whole or in part?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, as the Chief Minister explained in his statement to this House on 10 February this year regarding additional finance for GSL, the Government is not prepared to meet the cost of pay settlements at GSL, in whole or in part.

SUPPLEMENTARY TO QUESTION NO. 166/87

HON J E PILCHER:

Would the Hon Member, Mr Speaker, not agree with me that as a result of overspending on assets and it is quite clear in the 1986 Accounts that moneys have been used for other matters, that the Government has a responsibility to help the company out in pay settlement because the money is no longer there since it has been used for other matters?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't see how the 1986 Accounts can, in fact, alter the position of the Government's contribution which has been made in 1987, Mr Speaker, and that was the contribution I was referring to in my reference to the Chief Minister's statement.

HON J E PILCHER:

I will give the Hon Member an example. If the company have had to spend an extra - the figure is from the top of my head - £100,000 to pay in problems relating with the computer system that £100,000 the company does not have to meet the pay settlement this year. Would the Government not agree with me that if that is the fact then the Government has a responsibility to help the company out in meeting pay settlements in whole or in part?

HON CHIEF MINISTER:

I think the Government has got a responsibility to see that the management is properly carried out. I am satisfied that the Board of Directors have got this in hand and if any money is short on the computer system it will be made up in terms on which the Board of Directors are demanding and that has really nothing to do with the principle that the Government will not provide funds for wages reviews in GSL.

HON J BOSSANO:

Mr Speaker, does, in fact, the Government have any say on the level of wage settlements in GSL?

HON CHIEF MINISTER:

Not in general terms, no it hasn't and it shouldn't. It is a company which has to find its way out as has been said many times and has to make itself viable and in special circumstances we have provided funds but we are certainly not prepared to provide funds for settlements which are outside the scope either of the company or of the norm that is kept in the private sector or the public sector. It is not the function of the Government to supply GSL with money to meet claims that the company doesn't become a viable proposition.

HON J BOSSANO:

Would, in fact, the norm that the Hon Member is speaking about be the norm that the Government used as a matter of policy to limit the pay increase of shop assistants so that they would be the same as shop assistants in UK, ie is the Government saying that their view of the norm is that if shop assistants should get paid what shop assistants get in UK, people in shiprepairing should get paid what people in shiprepairing get in UK?

HON CHIEF MINISTER:

I have nothing to say on shop assistants at all.

HON J BOSSANO:

What does the Government mean by the norm then?

HON CHIEF MINISTER:

I just said the ordinary norm and I will not be brought into a particular one in which there is a regulation of wages. The average norm of the Government is well known to the Hon Member.

HON J BOSSANO:

Can the Hon and Learned the Chief Minister say whether the Government has got any say in the emoluments of the directors?

HON CHIEF MINISTER:

Yes, very much so.

HON J BOSSANO:

And can he confirm that, in fact, in 1986 whereas the wage bill of the workers went up by 17.6% the emoluments of the directors went up by 34.6% and that that was approved by Government?

HON CHIEF MINISTER:

I cannot say that but if the Hon Member has figures to substantiate it I suppose it is correct.

HON J BOSSANO:

Yes, Mr Speaker, the figures are on page 12 of the Audited Accounts which the Government has got. Can he say since the Government has a say in the directors' emoluments that this was, in fact, done with Government approval?

HON CHIEF MINISTER:

What we have a say is on the increase of emoluments not the actual emoluments as it originally started.

HON J BOSSANO:

So therefore the 34% increase in the emoluments of directors was approved by the Government as shareholders?

HON CHIEF MINISTER:

I couldn't say.

HON J BOSSANO:

Do they have to approve it or not, Mr Speaker?

HON CHIEF MINISTER:

I know that we have had to look at salary scales recently but I cannot say whether that particular one was approved by the Government or not and that emphasises the fact that it is impossible here in this House, across the House, to be able to answer off the cuff questions which have nothing to do with the questions in the Order Paper.

HON J BOSSANO:

Mr Speaker, can I ask the Hon Member, would I be correct in thinking that directors of companies are not free to increase their own salaries without it being approved by shareholders?

MR SPEAKER:

No, there is no reason why you should answer that question. That is information you can obtain yourself anywhere.

HON A J CANEPA:

Perhaps I might clarify that if by the Government is meant some of my colleagues here sitting with me and myself the answer is no. I think they will confirm that they do not recall ever approving whatever increase there was for the directors or for anybody, we are not in the business of doing that.

HON J BOSSANO:

Mr Speaker, can the Government then say whether, in fact, there are shareholders' meetings of GSL as required by company law?

HON CHIEF MINISTER:

Of course there are, there are meetings and that is in accordance with the statute.

HON J BOSSANO:

Am I correct in saying that whoever represents the Government at such a meeting has to refer for policy decisions to the elected Government or not?

HON CHIEF MINISTER:

It all depends what decision.

MR SPEAKER:

Next question.

NO. 167 OF 1987

ORAL

THE HON J E PILCHER

Can Government state up to what size of ship could be repaired in No. 1 Dock prior to its refurbishment and what size it has been possible to repair as a result of the refurbishment and the cost of providing this additional capacity at GSL?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the size of ship which can be repaired at No. 1 Dock was increased from 38,000 tons dwt to 65,000 tons dwt. The cost of providing this additional capacity was approximately £4.8m.

SUPPLEMENTARY TO QUESTION NO. 167/87

HON J BOSSANO:

Mr Speaker, can the Hon Member say the ships between those sizes that have been repaired in No.1 Dock which previously could not be repaired?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Mr Speaker, in my supplementary notes here I have got the comment, first of all, about £4.8m. As Ken Anthony would say: "That's a lot of money, isn't it?" And also I have a note to find out how many bigger size ships have, in fact, been accommodated as a result. I am afraid I haven't been able to obtain that information in the time since the Hon Member put down his question but I am very interested in it myself and I will let the Hon Member know as soon as I can.

HON J BOSSANO:

So, in fact, Question No. 75 of 1987 where the Hon Member said that in 1985 there were three ships repaired in No. 1 Dock with a total value of £1.83m was not, in fact, an accurate answer to a question which said whether, in fact, the ships were once requiring a Panamac size dock which is the 65,000 tons that he has given?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

Could the Hon Member say what the reference was, Question No. 75?

HON J E PILCHER:

Question No. 75, Mr Speaker, I asked what work on No. 1 Dock was completed and how many ships requiring Panamac size Docks - Panamac size being the 65,000 tons dwt - were repaired in No. 1 Dock in 1985 and what was the value of the work? The answer was £1.83m and three vessels required Panamac size docks. Was that an accurate answer at that time or do we have to wait for the information for 1985 as well?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I don't think that anything I said in any way degrades the answer which I gave, it is simply that I haven't got the most up-to-date information which is what I undertook to obtain because I am interested in the point myself and also to pass on to the Hon Member. Simply because there have only been three or four ships or whatever the figure is, it does not mean, of course, that the investment was necessarily unjustified. I think one would obviously have to take a long term view of such an investment but I will certainly undertake to provide the information.

HON J E PILCHER:

Will the Hon Member also undertake to check the figures for 1985 which he gave us in March?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

To make sure that I didn't give him duff gen, yes, certainly Sir.

MR SPEAKER:

Next question.

NO. 168 OF 1987

ORAL

THE HON J E PILCHER

Can Government state how much money was paid to subcontractors by GSL in 1986?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the total sum paid to subcontractors by GSL in 1986 was £2.98m.

NO. 169 OF 1987

ORAL

THE HON J E PILCHER

Can Government state the value of the work completed in the first six months of 1987 by GSL stating the amount of naval and commercial work?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, GSL's turnover for the first six months of this year was close to £10m, of which £6½m was naval work and £3½m commercial work.

NO. 170 OF 1987

ORAL

THE HON J E PILCHER

Can Government confirm that the RFA work currently being undertaken by GSL is at a price which permits a profit to be made?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Mr Speaker, I am informed that RFA work undertaken by GSL is at a price which permits a profit.

SUPPLEMENTARY TO QUESTION NO. 170/87

HON J BOSSANO:

Would the Hon Member then agree that if the company is saying that it is breaking even on the first six months it must necessarily follow that, in fact, it has made a loss on the £3½m which has been sufficient to absorb the profit made on the £6½m?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I wouldn't necessarily agree with that, Mr Speaker, as we are talking about the half year, I would need to know a great deal more about the details of the company's management accounts and the contribution to overheads and so on. I wouldn't agree with him on that particular point at this stage.

HON J BOSSANO:

Mr Speaker, can the Hon Member then explain how it is possible to make a profit on £6½m and break even on £10m?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I have no figures, Mr Speaker, and I don't think that, if I understand the Hon Member, if I follow his logic, I don't think that the two are entirely incompatible. It may be that the commercial work, I am stating a hypothesis here simply as the reason why I don't agree with him. I am not saying that these are necessarily the facts but it may be that the commercial work is making a contribution but in terms of overheads in the company not as much as the RFA work. On the other hand it may be that to meet the RFA work although it is being priced profitably there are other hidden costs which if the RFA work were not there, would not be there and the company would then be able to make.....

MR SPEAKER:

In other words, the answer is that you are not aware of the working.....

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, but I wouldn't like the House, as it were, to go away with the seeds of what I might call the dire inferences that the Hon Member has asked them to draw.

MR SPEAKER:

Next question.

NO. 171 OF 1987

ORAL

THE HON J E PILCHER

Has Government made representations to HMG to provide further RFA work to GSL?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the MOD have told the company that any further RFA work beyond the guaranteed £14m at 1983 prices will have to be won by the company in competition with other yards. If the Government sees scope for political intervention it will certainly consider such action, but the primary requirement is competitiveness on grounds of cost and quality.

SUPPLEMENTARY TO QUESTION NO. 171/87

HON J E PILCHER:

So the answer in actual words is no, the Government has not made any representations to HMG at this stage?

HON CHIEF MINISTER:

That is right but we are making an assessment now of the real value of the £14m RFA work at 1983 prices for the yard and not for some contractors.

HON J BOSSANO:

So, in fact, the position is that a decision on whether to make the representations has not yet been finally taken?

HON CHIEF MINISTER:

No. The figures are being looked into in order that if we can make a case we make a good case.

MR SPEAKER:

Next question.

NO. 172 OF 1987

ORAL

THE HON J E PILCHER

Is Government aware of any plans by GSL to generate its own electricity to provide a shore supply for ships?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, I understand that the company recently acquired a portable generator to provide shore supply to ships and reduce electricity running costs.

SUPPLEMENTARY TO QUESTION NO. 172/87

HON J E PILCHER:

Mr Speaker, am I right in thinking, is the company, as far as electricity is concerned, a free agent and not require the approval of the Government to buy a generator in that sense?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I think the distinction here is between the public supply and the supply which they make from ship to shore connections. The alternative would have been in this particular case obtaining supplies from the MOD and not from the Gibraltar Government at this stage but I understand that the MOD charges for hooking up supplies to ships in these particular circumstances is very high and GSL decided to save on costs by acquiring a generator second-hand.

HON J E PILCHER:

Mr Speaker, does the law permit a commercial company not to have to buy from public supply?

MR SPEAKER:

There is no reason why you should answer the question. I think any private individual can generate his own electricity if he wants to.

HON J E PILCHER:

That is what we want to know, Mr Speaker. Is the Government able to tell us that that is the position that any private or commercial entity can generate his own electricity?

HON CHIEF MINISTER:

I think for a change you should commend Gibrepair for having an initiative with a very small investment saving unnecessary cost and I understand that the generator will pay for itself in savings in less than a year.

HON J C PEREZ:

Mr Speaker, could the Government state whether this initiative by GSL was as a result of the MOD refusing to supply more electricity than it is already supplying because of the shortage of capacity on their part?

HON CHIEF MINISTER:

No, it has nothing to do with that, it is entirely an operation of hooking in which is very costly and which in this way can be done cheaper and I think we should commend them. There have been all sorts of statements about money being spent improperly and once money is spent properly we should welcome it and we should encourage them to do that much more, across the whole spectrum of the yard.

HON J BOSSANO:

Mr Speaker, if the Hon and Learned the Chief Minister is so keen that we should either welcome or criticise then I suggest he should have gone ahead and allowed us to debate the Accounts. We are here asking questions on information and you stop us making statements and I suggest you stop him.

MR SPEAKER:

With respect, it doesn't have to be suggested by any Member of this House as to who I should or should not stop in any manner or form. Next question.

NO. 173 OF 1987

ORAL

THE HON M A FEETHAM

Has Government now abandoned its proposals for a Unified Civil Service Pension Scheme.

ANSWERTHE HON THE ATTORNEY-GENERAL

No, Sir. The outline Unified Pensions Scheme was presented to the Staff Side in July, 1986. The Staff Side were asked to submit their comments on the Scheme and to initiate discussions. So far the Staff Side have not accepted the Scheme.

Government will be considering the matter in the near future with a view to deciding the course of action to be taken.

NO. 174 OF 1987

ORAL

THE HON J C PEREZ

Can Government state how many posts of PTO IV have been upgraded to basic PTO and how many downgraded to TGI as a result of the restructuring of technical grades?

ANSWERTHE HON THE ATTORNEY-GENERAL

Of the 56 PTO IV posts under the previous structure 50 have been regraded to the basic PTO grade and 6 have been regraded to the TGI grade.

SUPPLEMENTARY TO QUESTION NO. 174/87

HON J C PEREZ:

So the Hon Member can confirm that the lowest supervisory grade in the PTO structure is now the equivalent of a PTO III which is the basic PTO?

HON ATTORNEY-GENERAL:

The old PTO III and PTO IV are now united in the PTO grade and that is the lowest grade.

HON J C PEREZ:

In fact, what has actually occurred is that the PTO IV has become a PTO III in terms of salary.

HON ATTORNEY-GENERAL:

They are all PTO's as I understand it, the grades III and IV were put into one PTO grade.

HON J C PEREZ:

Yes, which is the old PTO III.

HON ATTORNEY-GENERAL:

That I don't know, whether it is the old PTO III or the old PTO IV. I know that III and IV are now united as PTO.

HON J C PEREZ:

Can Government state what the cost of this exercise has been?

HON ATTORNEY-GENERAL:

No, I haven't got that information. I don't think it would be available at the moment because I believe the position, the six that have been regraded to the TGI grade is still being looked at by the Management Services Unit and also there is another problem, the conditions of service of the six is being maintained at the old PTO IV level for at least a period of ten years. I don't think at this stage while it is being looked at we can give you the cost.

HON J C PEREZ:

Will the Hon Member commit himself to inform me of that once the information is available to him?

HON ATTORNEY-GENERAL:

Yes, if you would give me a reminder because this is not information which normally comes my way.

MR SPEAKER:

Next question.

NO. 175 OF 1987

ORAL

THE HON MISS M I MONTEGRIFFO

What is Government's policy in respect of nurses wishing to convert from full-time to part-time employment?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, requests by Nurses for transfer from full-time service to part-time service are granted subject to the exigencies of the Service and the wellbeing of the patients at the hospitals.

SUPPLEMENTARY TO QUESTION NO. 175/87

HON MISS M I MONTEGRIFFO:

Mr Speaker, is the Minister saying then that the policy is to take into account the difficulties that are encountered by the nurses because of domestic commitments and that it is better to have nurses part-time than lose trained nurses which would aggravate the question of the shortage of nurses?

HON M K FEATHERSTONE:

Sir, such requests are easier to grant when it involves a direct changeover between full-time and part-time nurses. In those cases where full-time staff wish to convert to part-time but there are no corresponding part-timers wishing to convert to full-time applicants are asked to wait until their numbers are such that the total hours worked on a part-time basis add up to the full-time conditioned hours. The ratio usually is seven part-timers to four full-time posts.

MR SPEAKER:

Next question.

NO. 176 OF 1987

ORAL

THE HON J C PEREZ

Can Government confirm that it has instructed the Wireless Officer to refuse all licences for the receiving of Satellite television?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

The Government has not instructed the Wireless Officer to refuse all licences for the receiving of Satellite Television.

SUPPLEMENTARY TO QUESTION NO. 176/87

HON J C PEREZ:

Does that mean that anybody that applies for such a licence could be issued one by the Wireless Officer at the moment?

HON G MASCARENHAS:

Mr Speaker, perhaps I should explain, the equipment that is required in order to be able to receive satellite television consists of a dish antenna, a disc, installed in a suitable location externally and corresponding receiving equipment inside the house. The provisions of the Wireless Telegraphy Ordinance, amongst other things, prohibit the use of any type of receiving equipment unless a licence therefore has been issued or a particular type of equipment has been accepted. Satellite receiving equipment therefore requires a licence, the Wireless Officer acting under the provisions of the Ordinance is not issuing licences for the present.

HON J C PEREZ:

Can the Hon Member explain why not?

HON G MASCARENHAS:

Mr Speaker, I think if we take Question No. 177, perhaps it would have been better to have taken both questions together.

HON J L BALDACHINO:

The receiver is the television, I presume, and not the dish. Therefore, Mr Speaker, today in Gibraltar the televisions that are being sold have provision for satellite television. Is the Hon Member saying that those televisions are illegal?

HON G MASCARENHAS:

Mr Speaker, what I am saying is what I have answered.

MR SPEAKER:

Next question.

NO. 177 OF 1987

ORAL

THE HON J C PEREZ

Can Government state what its policy is in respect of the installation of discs for the purpose of receiving Satellite television?

ANSWERTHE HON THE MINISTER FOR EDUCATION, SPORT AND POSTAL SERVICES

Mr Speaker, at present no licences for satellite television are being issued as there are a number of questions which the Government is in the process of considering as a matter of policy.

SUPPLEMENTARY TO QUESTION NO. 177/87

HON J C PEREZ:

Does that mean then that because the Government is considering matters as a matter of policy that the Wireless Officer has been instructed not to issue them?

HON G MASCARENHAS:

Mr Speaker, I answered in Question No. 176 that the Government had not instructed the Wireless Officer.

HON J C PEREZ:

If the Government has not instructed the Wireless Officer to issue them and the Wireless Officer under the Ordinance at his discretion can issue them, why is it that he is refusing to do so?

HON G MASCARENHAS:

No, Mr Speaker, the Wireless Officer acting under the provisions of the Ordinance is not issuing licences in this respect.

HON J C PEREZ:

Mr Speaker, if he is not issuing licences for this purpose and the Hon Member is saying that these licences are not being issued because there is a policy matter being discussed by the Government then has the Government not instructed the Wireless Officer not to issue these licences whilst they decide on their policy?

HON G MASCARENHAS:

Mr Speaker, the Government is considering in general terms the matters relating to the issuing of licences. It does not mean that we have instructed the Wireless Officer not to issue licences. We are considering the whole policy as regards satellite television.

HON J C PEREZ:

So you could conceivably have a situation where although the Government is considering a matter of general policy the Wireless Officer comes up and issues licences notwithstanding that the Government is not yet satisfied that those licences should be issued? Is that what the Hon Member is saying? Is that the position?

HON G MASCARENHAS:

No, Mr Speaker, the Wireless Officer has to interpret the provisions of the Ordinance as they stand today.

HON J C PEREZ:

Is it not the case that the provisions of the Ordinance as they stand today is that he can actually issue a licence of that nature at his discretion?

HON G MASCARENHAS:

No, Sir.

HON J C PEREZ:

What are they then?

HON G MASCARENHAS:

That he cannot.

HON J C PEREZ:

Why not? Under what section in the Ordinance is the Hon Member saying that the Wireless Officer cannot issue a licence for the receipt of satellite television?

HON G MASCARENHAS:

Mr Speaker, I don't know under what section of the Ordinance he does not licence the receiving equipment, I cannot tell him that. What I am telling him is it is a matter of interpretation and the Wireless Officer acting under his own interpretation and on the advice of the Attorney-General is not issuing licences.

HON J C PEREZ:

So we have a situation now that it is not that the Government has instructed him but on the advice of the Attorney-General that he is not issuing the licences? Is that the situation?

HON G MASCARENHAS:

Mr Speaker, the Wireless Officer would issue the licences and as a matter of interpretation he would consult the Attorney-General, it is not the Attorney-General who would grant the licence.

HON J C PEREZ:

Can the Hon and Learned the Attorney-General state whether there is a matter of interpretation under the Ordinance which prohibits the Wireless Officer from issuing a licence for satellite television?

HON ATTORNEY-GENERAL:

I think he could issue such a licence under the existing ordinance. The position is, since I have been brought into it, I think the position is the Wireless Officer wanted to hold the situation until it has been considered as a matter of policy whether or not satellite television should be permitted in Gibraltar and it was in the exercise of his discretion that he decided after consultation not with the Attorney-General but with my Chambers, "Can I put a condition in the licence, every licence I issue but not for satellite reception", and if that was in accordance with the terms of the Ordinance. He was advised by my Chambers that such a condition could go in the licence and such a condition was put in the licence. It was no question of the Government or anybody else, it was the Wireless Officer himself who consulted my Chambers to how can I hold the situation and not permit licences for satellite reception because if I do give those and it is decided as a matter of policy not to have satellite reception what do I do with the licences I have already issued. He consulted my Chambers 'can I enclose such a condition? My Chambers said 'Yes, you can'.

HON J C PEREZ:

Is it not a requirement for the regulations to be amended for the Wireless Officer to be able to do this? The regulations specify what the licences cover. If the regulations do not actually exclude satellite television from being included in the licence then is that not a requirement and is not the Wireless Officer acting against the Ordinance by precluding satellite television as he is doing at the moment specifically?

HON ATTORNEY-GENERAL:

I think he has got under the Ordinance a discretion whether or not to grant a licence and having decided whether to grant a licence he can impose conditions. There is a section, I am sure, in the Ordinance which allows him to impose conditions. So he says: 'Yes, you can have a receivers' licence but not for satellite television, that is a condition which I impose'.

HON J C PEREZ:

Mr Speaker, could the Government state on what basis are they considering the whole concept of satellite television? What is it that the Government is studying?

HON G MASCARENHAS:

Yes, Mr Speaker. In general terms whether or not the direct reception of satellite television should be authorised, first and foremost; the licence consideration, for example, the duration of the licence and the fees; the effect on the environment as a result of the installation of great numbers of dish antennae and planning considerations in this respect, and lastly but not least, certainly, the implications for GBC in relation to the provisions of the GBC Ordinance.

HON J L BALDACHINO:

May I ask the Hon Attorney-General, you don't need a licence to instal an antenna which is what the disc is, do you, under the law?

HON ATTORNEY-GENERAL:

You get a licence to establish or use any station for wireless telegraphy or keep or instal or use apparatus for wireless telegraphy or any apparatus that can be readily made usable for such purpose except under the authority of a licence granted by the Wireless Officer. And then it goes on in subsection (2): "A licence granted under this section may be issued subject to such terms, provisions and limitations as the Wireless Officer may think fit".

HON J L BALDACHINO:

Is the Hon Member saying that the receiver which is the wireless or the television which are now currently being sold in Gibraltar which have the provision to get satellite television, are they illegal or are they legal to be sold?

HON ATTORNEY-GENERAL:

As I understand it, I am no technical expert, but as I understand it, it is an ordinary television set and you have a dish and a wire comes from that dish into a box and that box goes into the television. I don't understand the technical aspects.

HON J L BALDACHINO:

There are televisions in Gibraltar at the moment which have incorporated provision for channels which can get satellite television and that is the television I am asking about. If you need a licence to have them at your home and at the moment they are not being granted, are these televisions legal or illegal to be sold by the shops? This is my question.

HON ATTORNEY-GENERAL:

The television set is a normal television set which receives more channels, as I understand it, and it needs a special box to receive satellite reception. I think the television set is just an apparatus for the receipt of wireless telegraphy.

HON J BOSSANO:

Mr Speaker, I think the question the Hon. Member is being asked is that if, in fact, what is being done is that there is a refusal to grant a licence to convert a normal television set by adding to it equipment which will enable satellite reception, what is the situation with the latest television sets which incorporate, they are more expensive pieces of equipment, which incorporate already a facility for satellite reception as part of the normal set. Would that need a special licence or would a set licensed like that be okay?

HON ATTORNEY-GENERAL:

I would have to think about it but I think a set that was licensed like that would be alright because I think it is a normal television set. As I say, I know nothing about it, I think it is a normal television set which has the ability to receive other channels but you need something else to make it receive those channels.

HON CHIEF MINISTER:

I would like, Mr Speaker, with your permission, to remind the House that public officers who have discretion granted to them by statute have to exercise them themselves judicially and may I remind Members of the lengthy proceedings some years ago about the refusal or non-refusal of the Licensing Officer to grant taxi drivers wireless licences. I think Members should know the difference between the exercise of the discretion the Wireless Officer in his capacity as such and the question of policy being looked after by the Government. It is perfectly proper that the Wireless Officer, the Licensing Officer, should have his reservations about what is happening and at the same time the Government still considering whether they alter the law giving other directives. There is no incompatibility in the fact that the Wireless Officer has got reservations about

what he can do and the fact that the Government is considering the whole question. They are two completely different matters and I reminded the House about this because ultimately any officer with a statutory authority is answerable for the manner in which he exercises his discretion irrespective, as has been mentioned in another context, irrespective of any directives of the Government.

HON J C PEREZ:

Mr Speaker, can the Government state when they think they will be in a position to inform the House of whether they have arrived at a policy decision on this matter or not?

HON G MASCARENHAS:

The matter is imminent in this case.

HON J C PEREZ:

What does the Hon Member mean by imminent?

HON G MASCARENHAS:

With regard to the publication of accounts it is not imminent, on this one it is imminent.

HON J C PEREZ:

Is the Hon Member saying that in the next House there will have been a policy decision taken?

HON G MASCARENHAS:

I would sincerely hope so.

HON M A FEETHAM:

Can Government state on the interpretation of the law, do I take it that anybody who has been refused a licence which is conditional to the satellite, has he got the right of appeal on the interpretation of the law as it stands now? Has he got the right to appeal?

HON ATTORNEY-GENERAL:

He can always go to the Court and say that the Wireless Officer has exercised his discretion improperly by imposing such a condition and therefore that condition is void. It would be a question of judicial review, I don't know if there is any appeal provision under the Ordinance, Mr Speaker.

HON J C PEREZ:

Mr Speaker, I am sorry to come back to the same subject again but I am not quite clear myself. Have we actually come to the conclusion that the actual disc does not require a licence but that it is a receiver connected to a normal television channel that has?

HON ATTORNEY-GENERAL:

It is a receiver, it is an apparatus for receiving wireless telegraphy. I take it that it is the receiver and not the aerial or the disc.

HON CHIEF MINISTER:

The receiver cannot act without a disc and the disc cannot act without a receiver and the receiver requires a licence.

HON J L BALDACHINO:

Mr Speaker, may I ask the Hon Member what is the difference between this antenna which is the disc and an antenna for a normal television? Is there any difference because you don't need a licence for the antenna and they are both antennae, as I understand it.

HON ATTORNEY-GENERAL:

You need a licence for the television receiver, the thing that receives the pictures.

NO. 178 OF 1987

ORAL

THE HON R MOR

Have works commenced on the new building for St Joseph's First School?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

No, Sir. The current position is that the Education Department has studied the two site options available for the new St Joseph's First School and has stated its preference for the New Mole House site. Government has approached the Ministry of Defence about the release of this site.

SUPPLEMENTARY TO QUESTION NO. 178/87

HON R MOR:

Mr Speaker, in the Estimates for this year the estimated cost of the project was £230,000. Can the Government say when they were aware of the cost of this project?

HON MAJOR F J DELLIPIANI:

The estimated cost is based on a purpose built school and not on a re-conversion.

HON R MOR:

When was the Government aware of the cost of this project? When did the proposal come forward that the cost is going to be £230,000?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I don't understand his question.

MR SPEAKER:

When was it quantified?

HON MAJOR F J DELLIPIANI:

The date?

MR SPEAKER:

The date, yes.

HON MAJOR F J DELLIPIANI:

I don't know, I can let him know.

HON R MOR:

Mr Speaker, would it be reasonable to assume that last December they were aware of what the cost was going to be?

HON MAJOR F J DELLIPIANI:

I have absolutely no idea, Mr Speaker. If the Hon Member wanted that question he should have let me know and I would have found out.

MR SPEAKER:

It is not the sort of information that the Minister is expected to have. In fairness, he is saying that he will let you have it in due course.

HON R MOR:

I will tell you why I am asking, Mr Speaker, because on the 24th March when I posed the question whether the accommodation at St Joseph's First School was satisfactory, in the Minister's answer he did say that a new school was being looked at for St Joseph's and I did ask "What is the cost envisaged for this project?" The answer I got was that that had not been costed yet. This was on the 24th March.

MR SPEAKER:

At least you have got a date.

HON R MOR:

No, on the 24th March they were not aware of what the cost was and then a week later at the Budget Session £230,000 appeared. What I am thinking of is it could be that the House was being misled at the time. I asked quite a legitimate question as to what the cost was at the time and I would imagine that by then it would have been known.

HON MAJOR F J DELLIPIANI:

Mr Speaker, the Hon Member should clarify that that reply was made by the Minister for Education and not by me.

HON J BOSSANO:

What we are being told is, in fact, that the Hon Member knew although the Minister for Education didn't, is that the position?

HON MAJOR F J DELLIPANI:

As all design works and costings are done by my Department, if that question had been answered by me I would have been able to answer that the project had already been looked at on behalf of the Department of Education. I still cannot remember when the actual date was when we finished the costings. The fact is that we knew that because of the movement of population towards the South district the catchment areas were far larger now and we were going to have a problem with both schools there, in fact, the St Joseph's First School at Scud Hill and St Joseph's Middle School at Witham's Road. There were some conversions carried out at St. Joseph's School in order to accommodate for this year, in fact, I think it is being done at the moment but we are obviously looking for a bigger classroom area for the school and New Mole House has been identified by the Department of Education as suitable site. We have to look at the structure inside the building because the building is suspect and what we want to do now is whether it is worth going into the site presumably if the Ministry of Defence are willing to release it and see whether it is worth spending the money on a structure which at the moment is suspect and hoping that it will meet the requirements of the school. That is the first option of the Department of Education. They prefer the New Mole House site. The engineers are looking at it to see whether it is suitable and we hope that with the estimate that we have done for the original school we will be able to tackle it some time this year.

MR SPEAKER:

Next question.

NO. 179 OF 1987

ORAL

THE HON R MOR

Have works commenced on repairs to the College of Further Education?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

The major item earmarked for the College for 1987/88 is the complete restoration of Building 'B' at Queensway, which houses specialist workshops.

Following due consultation with the College management, the architect's brief has been determined. A structural Engineer's report in respect of the foundations is awaited. PWD envisages that tenders for these works will be sought in late July, with the target date for completion being December 1987.

SUPPLEMENTARY TO QUESTION NO. 179/87

HON R MOR:

Mr Speaker, is there any truth in the rumour that the school was struck by lightning the other night?

HON MAJOR F J DELLIPIANI:

I haven't heard anything to that effect and I was in my office this morning at 9 O'clock.

HON R MOR:

Is it still Government policy to resite the College of Further Education to St Bernard's Hospital?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I don't think we can call it Government policy but it fits into the plan that if we manage to move St Bernard's Hospital elsewhere, where the College of Further Education is sited is a prime site for development and we would put it to any developer to accommodate the College where St Bernard's Hospital is and pay for the cost and release that site for development. It is not a policy, it is a thought.

MR SPEAKER:

Next question.

NO. 180 OF 1987

ORAL

THE HON R MOR

Have works commenced on the extension to St Anne's School?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

Extensive consultation has taken place between the Architect and the Department/School management to establish an optimum brief for this extension, inclusive of the provision of a larger gymnasium to allow for an element of community use.

Final drawings are being prepared and it is envisaged that tenders will be sought by February, 1988. Work should start in April, 1988, with target for completion being June, 1989.

THE HON R MOR

Have works commenced on repairs to Bayside Comprehensive School following the survey report?

ANSWER

THE HON THE MINISTER FOR PUBLIC WORKS

No, Sir.

SUPPLEMENTARY TO QUESTION NO. 181 OF 1987

HON R MOR:

Mr Speaker, why is it that the liaison committee which was set up to look into the situation at Bayside, why hasn't it met during the last four weeks?

HON MAJOR F J DELLIPIANI:

Mr Speaker, the in-depth survey is continuing and it is hoped that a report will be available some time this month. Tender documents will then be drafted by the Public Works Department with a view to seeking prices from the contractors. It is hoped that these works will start this summer.

NO. 182 OF 1987

ORAL

THE HON M A FEETHAM

Will Government confirm that they now have specific proposals for the re-siting of the Prison from the Moorish Castle site to a different area?

ANSWERTHE HON THE MINISTER FOR MUNICIPAL SERVICES

The matter of the re-siting of the Prison is very much under consideration by Government.

SUPPLEMENTARY TO QUESTION NO. 182/87

HON M A FEETHAM:

Can you not give any more indication of what the specific proposals are?

HON J B PEREZ:

The Government has looked at a number of alternative sites that could be used but at this present moment in time no final decision has been taken.

HON M A FEETHAM:

I take it, Mr Speaker, that when the Hon Member gives an assurance and before a final decision is taken there will be consultation with all the affected and interested parties?

HON J B PEREZ:

Let me say that I have yet to convince my colleagues first, Mr Speaker.

HON M A FEETHAM:

The Hon Member will bear in mind that it also includes the Heritage Trust?

HON J B PEREZ:

As I say, my function initially, as I see it, is to identify a number of sites, get the Public Works Department to prepare some initial plans and some preliminary costings. When that is done I first have to convince my colleagues to get full approval of going ahead with the Prison after we know the site, location, area and cost.

HON M A FEETHAM:

As far as the Government is concerned the Public Works Department have not produced plans and specific costings for the resiting of the Prison?

HON J B PEREZ:

Public Works has produced plans for one particular site. They have been requested to produce plans in connection with another site.

HON M A FEETHAM:

Can you give us some indication which are the sites?

HON J B PEREZ:

I think they appeared in today's Chronicle, Mr Speaker. One is the old isolation hospital site and the other site that is being looked at is the Governor's Cottage site.

MR SPEAKER:

Next question.

NO. 183 OF 1987

ORAL

THE HON R MOR

Can Gibraltar pensioners resident in EEC countries collect their Social Security pensions from the relevant paying authority in their place of residence?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

No, Sir. The established procedure under Community Regulations is that Gibraltar, together with the United Kingdom, makes direct payment to their pensioners living in other Community States. Any changes in this procedure would have to be applied to all Community Nationals living in all Community States, including Spaniards. The additional administrative burden that would be involved is beyond the present resources of the Department.

SUPPLEMENTARY TO QUESTION NO. 183/87

HON R MOR:

Mr Speaker, how often are these pensions forwarded to the pensioners?

HON DR R G VALARINO:

Mr Speaker, Sir, at present we are paying the pensions quarterly in arrears to those pensioners living in the UK. Formerly this was done through the Crown Agents but the system proved totally unsatisfactory.

HON R MOR:

Mr Speaker, doesn't the Government feel it is immoral that an amount which is normally payable weekly should be paid twelve weeks in arrears?

HON DR R G VALARINO:

Sir, I would not think it is immoral but certainly I will look at the possibility of being able to pay monthly instead of three months in arrears. If we are able to do so I will let the Hon Member know.

HON J L BALDACHINO:

The Hon Member mentioned UK, are there Gibraltarian pensioners in any other EEC country?

HON DR R G VALARINO:

I am sure there must be, Sir, I know of a pensioner who lives in South Africa, that is not within the EEC thank God.

HON J L BALDACHINO:

Mr Speaker, seeing that there are some outside the United Kingdom, are they also being paid the same as the ones in UK or is there any other arrangement for them?

HON DR R G VALARINO:

No, we pay them exactly the same way because this is the way the United Kingdom pay theirs. The analogy to this is the fact that a pensioner would be able to cash his social insurance anywhere within the EEC. Certainly, as a small state, we would not be able to because then we would have something like 300,000 expatriate pensioners in the Costa coming to Gibraltar to cash their old age pension which we can hardly afford to do.

HON J BOSSANO:

Mr Speaker, there are a number of things that have been raised by the Hon Member. Did he say, in fact, that we pay social security pensions earned in Gibraltar from contributions in Gibraltar to people outside the EEC?

HON DR R G VALARINO:

Yes, if they have paid their contributions and they are entitled to pensions as a result of their contributions they are paid, if necessary, outside the EEC.

HON J BOSSANO:

Mr Speaker, isn't it the case that, in fact, as a result of the entry of Spain into the EEC on the 1st January, 1986, Spanish nationals became entitled to the payment of a full pension at current rates after entry into the EEC and were not so entitled during the eleven months because Spain did not form part of the EEC and one of the things was a residential condition and the law of Gibraltar talks about residence in Gibraltar and that was subsequently interpreted as a result of our accession to the Community and the requirements of Community law as residents anywhere in the EEC? Isn't that the case?

HON DR R G VALARINO:

Yes, but I think it is a question of entitlement and the fact that they are Gibraltarians.

HON J BOSSANO:

Mr Speaker, isn't entitlement in our law linked to residence in Gibraltar and that, in fact, subsequent to our accession to the Community in 1973, residence in Gibraltar in order to comply with Community Regulations on social security had to be understood as residence within the Community and consequently Spanish nationals were not entitled to claim that residential right and the benefits that went with it during the eleven months period between

February and December because Spain was not part of the EEC? If the Hon Member says that we pay to everybody whether they live in the EEC or they don't live in the EEC.....

MR SPEAKER:

We are talking at cross purposes because I think what the Minister said was that people who have qualified for a pension and therefore they qualify for a pension because they were resident in Gibraltar and they had paid their contribution, if they are living in some other country they can have their pension sent to them. That is what he is saying.

HON J BOSSANO:

The position as we understood it, Mr Speaker, this is why there seems to be a conflict between this and what we have been told before and I am seeking clarification. The position as we understood it was that, in fact, the right to pensions post-1964 at 1964 levels was linked to residence in Gibraltar and that, for example, a Community national living in Spain prior to Spain's accession did not have the right and a Community national, for example, living in Morocco did not have the right. There was a residential qualification so that the contribution of people paid before 1964 gave rise to a frozen pension and that was removed because they attained the full rights on the accession of Spain to the Community. The Hon Member was saying that, in fact, wherever one lives now you get the same pension and the same rights, you don't have to be within the EEC. That seems to be in conflict with what we were told previously.

HON DR R G VALARINO:

Mr Speaker, certainly wherever one lives is not exactly the case because people in the Campo Area have got to come to Gibraltar to collect their old age pensions, we still pay them here. Other people who do live in Spain, say, in the North of Spain who are unable to come are paid. As to what exactly the Hon Member is saying about people living outside the EEC, I think I am right in that respect but I will check it for him and I will let him have the answer possibly tomorrow morning on that question, even on an informal basis.

HON J BOSSANO:

And there is another point, Mr Speaker, that I wasn't very clear on and that is in his initial answer was the Hon Member saying because he seemed to me to be saying something that was in conflict with itself. I understood him to say that, in fact, to pay through the social security administration in different Community countries would put a very high burden on our administration and that is why we are not doing it or was he saying, in fact, that we are not doing it because that is not the system

that applies in the European Community? He seemed to be saying both and one seems to me to be in contradiction with the other. Can I have clarification on that?

HON DR R G VALARINO:

Mr Speaker, Sir, that is not the system that applies in the European Community as far as the United Kingdom nationals are concerned and we as Gibraltarians come under the UK national network.

HON J BOSSANO:

Mr Speaker, what they are saying is if there is a Gibraltar pensioner, that is to say, somebody who has acquired a right under the social security insurance of Gibraltar and tomorrow that person goes to live in France, for example, does he get paid his social security pension through the French social security administration or not?

HON DR R G VALARINO:

No, we pay direct to that person and the other obvious reason why we pay direct is because the United Kingdom also pays direct to all their old age pensioners so if they have an old age pensioner living in Gibraltar then the United Kingdom pays direct to them and we pay direct to any old age pensioners we have within the EEC. We pay direct, we do not go through a third party.

HON J BOSSANO:

And the question, Mr Speaker, that I am asking is is the Minister saying that we do not go through the relevant authority in the country of residence of the pensioner because nobody does it in the Community or because it would put too big a burden on us to do it because it seemed to me that in his original answer he said both things?

HON DR R G VALARINO:

No, we don't do it because it would certainly involve a certain administrative burden and the second reason is the one I have mentioned before, that because the United Kingdom pay directly we tend to follow the United Kingdom in this respect and we also pay directly. So the answer there is twofold.

HON J BOSSANO:

Mr Speaker, when the Hon Member says that they pay directly, is he saying that, in fact, they pay directly to UK beneficiaries who are in Gibraltar or that they pay directly throughout the European Community?

HON DR R G VALARINO:

This is what I said I would check for you and let you know tomorrow but as far as I know we pay directly throughout the European Community.

HON J BOSSANO:

I know what he said he was going to check tomorrow and I am grateful to him, he was going to check about South Africa tomorrow. What I am asking him now is whether, in fact, what he has just told me about the UK paying directly which is a practice he says we are following because I can understand that there may be one arrangement, Mr Speaker, between ourselves and UK because we are part of the same Member State and a different arrangement between the UK including us and the rest of the Community. I am asking, in fact, is he saying that the United Kingdom in respect of its pensioners in the rest of the Community pays direct and that is what we are doing?

HON DR R G VALARINO:

Sir, as far as I am aware, the UK pays directly to all their pensioners within the EEC.

HON R MOR:

Mr Speaker, can the Hon Member say how often the UK pays their pensioners?

HON DR R G VALARINO:

Mr Speaker, I don't know the answer to that question.

MR SPEAKER:

Next question.

NO. 184 OF 1987

ORAL

THE HON R MOR

What is the total amount paid to Spanish Pensioners up to 30 June, 1987?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

The total amount paid to Spanish pensioners from February, 1986, to 30 June, 1987, is £11,028,959.15.

SUPPLEMENTARY TO QUESTION NO. 184/87

HON R MOR:

Mr Speaker, the original estimate was £7m a year and I would say that after one and a half years it should roughly be about £10.5m so, in fact, this figure indicates that the figure is much higher than the original estimate.

HON DR R G VALARINO:

Mr Speaker, Sir, certainly the figure for this year will be over the £7m that the Hon Member has said yearly and one of the results of this has been the increases that were put forward at the end of last year when old age pensions went up by 6.7% but the figure this year will certainly be over the £7m that the Hon Member said, that is why there is £½m difference in the calculation that he has done.

HON R MOR:

Mr Speaker, can the Hon Member say what is going to be the position after 1988 as regards the payment of these pensions?

HON DR R G VALARINO:

As far as 1988, as the Hon Member knows, there was a question to the Chief Minister, I believe, at the last House of Assembly and he said that the question has still not been decided and it was the subject of discussion between the Gibraltar Government and the British Government and he could not give any further information at the time. I think that was one of the last questions on the Order Paper.

HON J BOSSANO:

Mr Speaker, could I ask the Hon Member, how much of that £11m paid out has been financed out of the £16½m of UK money?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

The payments from the United Kingdom, Mr Speaker, are made twice yearly and they are due in April and October so during the eighteen months which the Hon Member has referred to there would have been three payments. In the first year, under the arrangements with the United Kingdom, they paid £6m and this year they are due to pay £5.5m. They have, in fact, made one such payment this year so it is £6m plus £2.75m which is £8.75m.

MR SPEAKER:

Next question.

NO. 185 OF 1987

THE HON R MOR

Can Government now say what is the value of the Social Insurance Fund and of the Spanish Sub-Fund at the end of March, 1987?

ANSWER

THE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

The value of the Social Insurance Fund at 31st March 1987, subject to audit, was £15.7 million. As the House will recall, the value of the notional Spanish sub-fund, at 31st December 1985, was estimated at £4.5 million. At 31st December 1986, it stood at £4 million. Our latest estimate for the value of the Spanish sub-fund, at 31st May 1987 is £3.5 million. The value of the sub-fund at 31st March was lower than the figure I have just quoted because the twice yearly contributions of £2.75 million, in 1987, made by HMG, are due in April and October.

NO. 186 OF 1987

ORAL

THE HON M A FEETHAM

Can Government state which is the latest available figure for the number of Spanish nationals employed in Gibraltar?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

The latest available figure for the number of Spanish nationals employed in Gibraltar is 967.

NO. 187 OF 1987

ORAL

THE HON J BOSSANO

Do Spanish nationals who have enjoyed a work permit for 12 months from 1st January 1986, become eligible to a work and residence permit for 5 years?

ANSWER

THE HON THE ATTORNEY-GENERAL

No, Sir. By the second proviso to Section 41 of the Immigration Control Ordinance a Spanish national who is in employment is not entitled to a five year residence permit until the expiration of the transitional periods provided for in Articles 55 to 58 of the Act annexed to the Treaty concerning the Accession of the Kingdom of Spain to the European Economic Community and the European Atomic Energy Community.

SUPPLEMENTARY TO QUESTION NO. 187/87

HON J BOSSANO:

Mr Speaker, and this, in fact, is not affected by the length of time that the person holds a permit?

HON ATTORNEY-GENERAL:

No, it isn't because according to the Ordinance you get a five year residence permit if you are self employed or if you are an employed person other than a Greek national, a Spanish national or a Portuguese national.

HON J BOSSANO:

Is, in fact, the Attorney-General satisfied that this is the way that it is operating in other Community countries?

HON ATTORNEY-GENERAL:

I don't know about the countries in respect of which there is a transitional period insofar as Greece, Spain and Portugal are concerned. This is the way we put it in our Ordinance and this was supposed to be in accordance with the European Community law when we drafted the Ordinance, we put it in the Spanish and Portuguese Accession Bill so that seemed to be, according to my understanding, that was the position throughout the Community.

MR SPEAKER:

Next question.

NO. 188 OF 1987

ORAL

THE HON R MOR

In view of the improved economic climate are Government now ready to proceed with the reduction of the age of entitlement to 60 for male social security pensions?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

The Government has stated on more than one occasion that it is their aim of policy to reduce the age of entitlement for male social security pensions. It has also explained the financial implications of such a move which would involve a substantial increase in contributions. This is not a matter which is directly related to the general economic climate. It will continue to be considered in the context of the annual reviews of the Social Security Scheme.

SUPPLEMENTARY TO QUESTION NO. 188/87

HON R MOR:

Could the Hon Member say what is the cost per year of lowering pensionable age?

HON DR R G VALARINO:

Mr Speaker, Sir, I would have to really go into a lot of figures to obtain that answer but as my friend knows he is quite welcome to come and visit me in my Department and we can work out the figures together and then we will never quibble about the figures because it has been done jointly.

HON J BOSSANO:

Mr Speaker, we are trying to establish what is the problem that the Government has in doing something that they have been saying they have been wanting to do for a considerable time. If we knew the cost we would perhaps understand why they think it is so difficult. Has the Hon Member any idea at all of what the cost is?

HON DR R G VALARINO:

Mr Speaker, Sir, we will have to review the social security scheme but if I had been given notice of the question as to the cost involved then I would have been able to provide a suitable answer. The fact that there is nothing about the cost involved, in fact, the question only deals with whether we are ready to proceed with the reduction in view of the improved economic climate, I am afraid I cannot go further than what I have already said except invite my good friend over to the Department for a session on this.

HON J BOSSANO:

Mr Speaker, the Hon Member has said the improved economic climate dosen't have any effect on the Government's ability to reduce the age of entitlement, is that what he has said?

HON DR R G VALARINO:

Yes, I have said that.

HON J BOSSANO:

Then what is it they are waiting for? If before we couldn't do it, according to the Government in many, many public statements much though they wanted to because the economic climate did not permit it and now the improved economic climate is irrelevant, what is it that is stopping us from doing it?

HON DR R G VALARINO:

Mr Speaker, the Leader of the Opposition is very adept at altering things slightly. What I said was: "This is not a matter which is directly related to the general economic climate". Certainly, I believe it is not directly related to the general economic climate but I will still maintain that we do need to continue this in the context of the review which is carried out every year as he knows well and it will be so done. Certainly the Government has stated on more than one occasion that it is their aim of policy to reduce the age of entitlement for male social security pensions as I understand also the Hon Members on the other side. I think we are ad idem on that matter.

HON J BOSSANO:

Mr Speaker, that is why we want to see it done because we are ad idem and I would ask the Hon Member why was it turned down the last time it was reviewed and was the last time that it was reviewed last year?

HON DR R G VALARINO:

Mr Speaker, the last time that it was reviewed was last year, certainly. We had several other things to do at the same time and what I am trying to do this year is to review, as I have said before, not only this but the whole of the supplementary benefit scheme to be able to get a better deal for everybody by the end of the year when I am able to put forward the new legislation on this aspect. As to why it wasn't done last year it has certainly no reflection on when the elections are going to be held or anything. I will certainly take

what the Hon Member has said into consideration. I think what we really wanted was to see how the whole thing developed. Certainly I have said that though the economic climate tends to develop we have to wait and see.

HON J BOSSANO:

We are waiting, Mr Speaker.

HON DR R G VALARINO:

Patience is a virtue.

HON J BOSSANO:

Can I ask the Hon Member, in fact, he did say in one of his original answers that it would mean a very substantial increase in contributions, did he not say that?

HON DR R G VALARINO:

Yes.

HON J BOSSANO:

Can he say what the increase would be?

HON DR R G VALARINO:

No, I am afraid I haven't got those calculations with me, Mr Speaker.

HON J BOSSANO:

He can provide them to us, can he outside the House?

HON DR R G VALARINO:

Not out of my hat, I am sorry.

HON J BOSSANO:

Will he be able to write to us and let us have those calculations if they have been worked out by his Department?

HON DR R G VALRINO:

Certainly, I can find out and let the Hon Member know.

MR SPEAKER:

Next question.

NO. 189 OF 1987

ORAL

THE HON R MOR

Are Government prepared to give a final option to pay their arrears to persons who were debarred from the Social Insurance Scheme because of the ceiling on incomes?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

No, Sir. The Government is satisfied that it has done its utmost, within the financial constraints imposed by the evolution of the social security scheme, to continually widen its scope until it has reached its present stage where it is available to all persons in employment. In the Government's view there is no justification for providing any further options.

SUPPLEMENTARY TO QUESTION NO. 189/87

HON R MOR:

Mr Speaker, can I ask what would be the cost of admitting those people into the social insurance scheme?

HON DR R G VALARINO:

If I may ask, Mr Speaker, what people is he referring to?

HON R MOR:

People who are debarred from joining the scheme because of the ceiling on incomes. At one time anybody earning over £500 was not admitted into the social insurance scheme.

HON DR R G VALARINO:

I have got some calculations on those but the same thing happens, I haven't got those figures here necessarily. I am certainly willing when we meet to give him those figures, we will have a jolly morning.

HON R MOR:

Right, I will take a week off and spend the week meeting with the Hon Minister for Labour.

HON DR R G VALARINO:

With pay or without pay?

HON J L BALDACHINO:

Does the Hon Member know the number involved of the persons who are not now entitled to a full pension because at that time they were debarred from the pension scheme?

HON DR R G VALARINO:

Mr Speaker, no, Sir, because though there are quite a number of persons receiving elderly persons allowance this goes back to people who were born before 1910. It is very difficult to estimate now and from the records to find out how many were self employed or employed or are widows of people who were self employed or employed. One would probably have to consider the number in toto and even if people did not qualify for that it would be impossible to judge exactly the number of people who would be qualified to enter the scheme. One would have to take all the people who were born before 1910 to be able to have any sort of idea as to what the figure would be.

HON J C PEREZ:

Mr Speaker, what we are being told is that the Hon Member doesn't know how many people are involved, doesn't know what the cost would represent but still says no without knowing that kind of information which is essential for the Government to take a decision on whether it can do it or not. Is that what we are being told?

HON DR R G VALARINO:

No, Mr Speaker. With respect, there is merit in the question that he has asked but what I have said is that there are about 373 people who were born before 1910, we know that.

HON J C PEREZ:

Who are still alive today?

HON DR R G VALARINO:

Who are still alive today, which includes my mother. But we do not actually know the people who were employed or self employed and who were not employed or self employed. From our records we cannot break them up so that to allow these people to come back we would have to allow the lot of them and the figure would then be simple. The figure would be if one could work it out, say, at 370 - I am sure three people have died since my last calculation - 370 multiplied by the difference between their old age pension and the elderly persons allowance multiplied by 52 and that would give a fairly reasonable estimate as to what figure is involved.

NO. 190 OF 1987

ORAL

THE HON R MOR

How many people are receiving Elderly Persons Pension (EPP) and how does this figure compare with 1986?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

At present there are 676 persons receiving Elderly Persons Allowance. In 1986 there were 663 persons in receipt of this benefit.

SUPPLEMENTARY TO QUESTION NO. 190/87

HON R MOR:

Mr Speaker, can the Hon Member clarify, in the case where one of these persons is receiving elderly persons pension and if it were to be found that the person is in receipt of another type of pension how would this affect the EPP?

MR SPEAKER:

That is a hypothetical questions and there is no reason why you should answer. If you have an answer and you want to give it by all means do so.

HON R MOR:

Mr Speaker, I am thinking of an example where this lady is in receipt of £70 a month from elderly persons pension and now because it has come to the notice of the Department that she is in receipt of another pension from UK which is worth about £17 they have stopped paying her EPP.

HON DR R G VALARINO:

Mr Speaker, Sir, I will answer the question if I may. These are social insurance allowances and therefore if people are receiving any other social insurance benefits from the United Kingdom these are taken into account when the figure is done as regards their elderly persons allowance. In fact, the answer to the Hon Member is, yes, they are taken into account.

HON R MOR:

But a person in a similar situation where instead of receiving another pension is receiving a handout, for example, from his former firm or whatever, would that affect the elderly persons pension?

HON DR R G VALARINO:

No, Sir, it would not affect it.

HON R MOR:

Wouldn't the Government agree that it is immoral to have a situation like that where on the one hand a person may be getting a considerably large amount of money from his firm or whatever but because it is not a pension it doesn't affect the EPP which is the position in this case?

HON DR R G VALARINO:

I don't tend to agree because I feel if they were given a handout this is a substitute for a social insurance pension so the morality of it I don't think comes into effect. There is also the problem of going into people's very personal life and find out where they have got money and where they haven't got money. The only thing that we can do to a certain extent is to make sure whether they are receiving a pension from the United Kingdom.

HON R MOR:

In fact, what the Hon Member is saying is that the system is means tested for someone in receipt of another pension but not being in receipt of any other amount of money although it is not called a pension, is that what the Hon Member is saying?

HON DR R G VALARINO:

Yes, Sir, that is exactly the position.

HON J BOSSANO:

Would this have been the case prior to the repeal of the Elderly Persons Pensions Ordinance?

HON DR R G VALARINO:

Yes, Sir, there was a provision in the Ordinance to exclude people receiving social insurance pensions from somewhere else. In fact, we have kept to the very word and letter of the Ordinance that was done away with, as the Hon Leader of the Opposition knows, two years ago so that there was an exclusion in the legislation.

HON J BOSSANO:

But isn't it the case, Mr Speaker, that what we have here is a situation where when we replaced the elderly persons pension the Minister told the House that people would be paid equivalent amounts as supplementary benefits and that unlike every other supplementary benefit this supplementary benefit would not be means tested? So we have the peculiar situation that we can have somebody getting supplementary benefit at 64, for example, on top of his occupational pension if he has retired at

60 and then the occupational pension ceases to count for elderly persons pension when they get to 65 and yet it is still deductible if they get a social security pension from another place. Doesn't the Minister consider that there appears to be conflicting treatment of different people on similar incomes under the system he is operating?

HON DR R G VALARINO:

Mr Speaker, Sir, first of all, I do not think I said what the Hon Member has said, in fact, I remember the debate extremely well and he was the one who brought this up. We could check on Hansard and if I am wrong I will apologise to the Hon Member, I believe I am right. As to the second part of his question where he said that there seems to be slightly unfair treatment because somebody is getting a pension and the other one is getting a lump sum, I admit as to the practicalities of that, that that in itself would tend to show that a certain criterion is not followed. This is something that can be looked at but it has been how the scheme has operated in the past unfortunately and there are, to tell you the truth, there are very few people who come up with any problems of this type as far as I am aware. Certainly, I would tend to agree with the Hon Member that there seems to be a certain benefit on one side and non-benefit on the other.

HON J BOSSANO:

So the Minister will therefore look into the matter to see if there is some way that he can overcome the kind of problem will he?

HON DR R G VALARINO:

Sometimes I wish I could do many things. Since the Hon the Leader of the Opposition has asked me I will look into it. The only thing I can add is that the answer may well be in the negative but I will look into it.

MR SPEAKER:

Next question.

NO. 191 OF 1987

ORAL

THE HON R MOR

What is the criteria used in determining whether allowances are given to escorts for sponsored patients?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

All escorts are entitled to free return air passage.

To determine what other allowances, if any, are payable to the escort the following criteria is used:

- (a) the nett income of the family with deductions at current S.B. rates in respect of each member of the family, excluding the patient and the escort is taken into account.
- (b) 50% of the commitments of any member of the family is also deducted from the income (e.g. mortgage, bank loans etc).

When more than one family unit occupies the household the income/expenditure of the patient/escort is still only taken into account when assessing the case.

SUPPLEMENTARY TO QUESTION NO. 191/87

HON R MOR:

And if a person were to be eligible for this amount how much would it be?

HON DR R G VALARINO:

I am unable to say.

HON R MOR:

I will rephrase the question. What is the maximum that an escort would be entitled to?

HON DR R G VALARINO:

The maximum is quite high but I haven't got the exact figure at the moment. I think it is about £70 or £80 but I can give you the exact figure later on this afternoon.

HON M A FEETHAM:

At the summit meeting of next week.

HON DR R G VALARINO:

At the summit meeting. I don't know who is going to be Reagan.

NO. 192 OF 1987

ORAL

THE HON J E PILCHER

Can Government state whether they are satisfied with all aspects of Health and Safety at Work in GSL?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Government is never completely satisfied with all aspects of Health and Safety, not only in GSL but in Gibraltar as a whole. The situation is constantly being monitored by Government through its Safety Officer who makes periodic routine visits to GSL.

SUPPLEMENTARY TO QUESTION NO. 192/87

HON J E PILCHER:

Is the Minister aware of various problems at GSL particularly, for example, the asbestos work?

HON DR R G VALARINO:

Yes, certainly some of them have been brought to my notice by the Safety Officer. I must add as well that GSL has a complement of one Senior Safety Officer and two Safety Officers all fully qualified. They are also assisted by six Safety Operatives who are unskilled.

HON J E PILCHER:

I thank the Minister for the information but I would still like to know what the Government is doing about the situation with the asbestos where it has been reported now for over six months that there is cleaning of the ships at high pressure where asbestos is let loose in the atmosphere and is affecting workers around who are not fully protected by protective clothing?

HON DR R G VALARINO:

Mr Speaker, Sir, as I think everybody knows, asbestos is a highly dangerous stuff. If the people working there are not protected as they should be according to the regulations set out then it is the job of the employers and not the Government who are responsible for ensuring that the Health and Safety law is complied with. The only thing is that, as I have said before, my Safety Officer makes periodic visits there and, in fact, I have got a meeting with him tomorrow morning and I shall instruct him to go down there and see whether there is any problem with the asbestos workers who are working there and get it straight from the people there. I can reassure him that through my Safety Officer I shall deal with this. If I find that there is any irregularity I will not only contact the Hon Member but I will certainly contact the company through the Safety Officer about the situation if it is certainly not as it should be.

HON J E PILCHER:

Mr Speaker, the Minister started off his answer by saying that no, he was never satisfied. We have already pointed out to one area where the Minister was not aware of the particular problem. Is the Minister aware of the problems reference the chemical tank cleaning base where there isn't adequate ventilation and that already a few personnel have had to be taken for treatment to the Hospital suffering from intoxication from the chemical cleaning plant and is the Minister also going to get the Safety Officer to look into that?

HON DR R G VALARINO:

Mr Speaker, on this occasion, no, because I am fully aware of the situation there. The Safety Officer has made a report, the doctors there have seen the people who have been involved, they have sent them up to St Bernard's Hospital to a particular physician and the answer from this particular physician is that these people who were in contact with this rather dangerous liquid are now alright and there is no danger to them. As far as this concerned I am aware of this situation.

HON J E PILCHER:

Mr Speaker, but surely the actual plant was inspected before it was used and I would like to know what authority the Government have to stop plant or to stop areas being used as a result of their being found unsafe or dangerous to health?

HON DR R G VALARINO:

Mr Speaker, the power in Government lies in the Safety Officer, he is the one who is able to stop anything which he feels is not safe as far as the working population is concerned. Let me reiterate once more that it is the employers and not the Government who are responsible for ensuring that the Health and Safety laws are complied with and as the Hon Member is fully aware Government makes provision to improve standards in health and safety at GSL by making regulations under the Factories Ordinance. I refer specifically to the Factories Shipbuilding and Shiprepairing Regulations which came into effect in October, 1985.

HON J E PILCHER:

Therefore the Government, Mr Speaker, I take it, have the power under those Regulations to stop any area within a shipbuilding industry or shiprepairing yard to exercise their authority to stop it and is not the Minister aware that on the 27th March the Factory Inspector was informed that the Fire Brigade had not approved the use of this particular plant?

HON DR R G VALARINO:

Mr Speaker, the Safety Officer has certainly not mentioned this particular statement to me. As far as I know I feel that he is happy with it, I have full confidence in him and he would have stopped the operation but I will go back to the Safety Officer and instruct him and tell him about the Hon Member's fears about the aspect of Health and Safety at Work especially with regard to GSL and if there are any irregularities which come to mind, and he has mentioned three topics, I will check on them myself personally and will let you know whether the Safety Officer has done his utmost, his work as he should do as he is employed by us or there are some minor things which have not been done. I do agree with the Hon Member that it is highly important that all the men there should be protected especially when they are dealing with irritating chemicals and asbestos fibre.

HON J E PILCHER:

Mr Speaker, can the Government confirm, in fact, that the accident rate in GSL as opposed to the accident rate where the old Naval Dockyard used to be is, in fact, much higher?

HON DR R G VALARINO:

Mr Speaker, Sir, I think my Director gave the figure to the Hon Member which he had asked last time and I think that figure showed that it was indeed higher.

HON JE PILCHER:

Mr Speaker, first of all, let me point out that this is not a Safety Officer knocking afternoon, I am not knocking the Safety Officer, I know him well and I don't want this question to imply that I am hitting at him, I am hitting at the system where the Minister said he was very, very concerned and the answers show that the concern is not being related as far as the floor is concerned. Is the Minister also aware that due to the fact that when they are painting ships the spray dust of the actual painting is, in fact, being pushed by the winds throughout the south areas and every single car owner in the south area finds his car sprayed every morning in green, yellow, blue or whatever colour GSL like to paint.

MR SPEAKER:

It is fair that you should raise matters of safety generally but not specifically because the Minister is not supposed to have that kind of information in his possession.

HON J E PILCHER:

Will he accept then, Mr Speaker, that there are certain matters related to safety and health which I would like the Minister to take up.

MR SPEAKER:

In fairness, if you expect a reply to a specific question you should have included it in the general question. It is no use asking a general question and then saying, not because you are not entitled to, but because you are not getting information.

HON J E PILCHER:

With the exception that if the Minister was, in fact, as concerned as he said he was he would know the answers to all these questions.

HON DR R G VALARINO:

Mr Speaker, I am deeply concerned not only as a Member of the Government but also as a doctor and I have taken note of everything the Hon Member has said and I will deal accordingly with the matter.

HON J BOSSANO:

Mr Speaker, how many Safety Inspectors does his Department employ?

HON DR R G VALARINO:

We don't employ any Health and Safety Inspector, we just employ one Safety Officer.

HON J BOSSANO:

And that the Hon Member considers to be sufficient to ensure that Health and Safety at Work standards are being maintained in a workforce of 13,500? The Hon Member is happy with that kind of ratio, that he can do any adequate job to ensure that his concern is translated into reality with one man for 13,500 working people?

HON DR R G VALARINO:

Mr Speaker, no, Sir, we inherited the Safety Officer who was before the Factory Inspector, his old title was Factory Inspector. But considering the developments that are taking place in Gibraltar and the development of the shiprepair yard I feel that one man is not enough and I have put forward a staff inspection to find out exactly how we stand on this matter and, if necessary, to recruit other people to be able to help him because so far he is having to do this on his own and also on overtime just in case anything happens there. Let me

congratulate the Safety Officer because he is very intelligent in his duties and he is hard working and he has certainly got the interests of the men at heart.

HON J E PILCHER:

Mr Speaker, when does the Government feel that they will be ready to bring to this House the Health and Safety Ordinance which we are all anxiously waiting for?

HON ATTORNEY-GENERAL:

Mr Speaker, I am trying to think what the state of the legislation is, I think a second draft was submitted about two weeks ago, submitted to me from the Law Draftsman which I put over to the Director of Public Works and to the Chief Environmental Health Officer. I think that is the position but I am not certain. It is an on-going operation but if you are specifically interested in the date and the position I will find out and let you know.

HON J BOSSANO:

Mr Speaker, does the Government accept, as regards the original question, that independent of their responsibility to ensure safe working practices of third parties, as the owners of the yard they have a particular obligation to ensure safe working practices within a business which they own 100%?

HON DR R G VALARINO:

Yes, Sir, the Government has the safety of all people at heart.

HON J BOSSANO:

No, I am saying to him, independent of the fact that he as the Minister responsible for the Safety Officer/Factory Inspector has to make sure that the person concerned is working round the clock to look at all the places of work including the Government's own places, doesn't the Government accept that in the case of GSL they are the owners and consequently they should be concerned as owners independent of any statutory requirements for the health and safety at work of people who work in a business that they own.

HON CHIEF MINISTER:

I think I would like to answer that one myself. I think that, first of all, as the Minister has said our care should be for all the workforce. In respect of GSL, as owners, we have to look to the Board to make sure that safety standards are high and we have done that to some extent and, in fact, the numbers that have been appointed to GSL have been increased as a result of a number of accidents as well as a number of representations made regarding the fact that they have to keep reasonably high standards of safety.

HON J BOSSANO:

Is the Hon and Learned the Chief Minister then aware and if not will he look into the matter, that there is a view within the Safety Department in GSL that the fact that they are answerable to the production manager inhibits their ability to do a thorough job in terms of safety because there are conflicts of interest and that representations in this respect have been going on within the company for a considerable time, virtually since the inception of the Safety Department? If he is not aware of that, would he agree to look into that matter?

HON CHIEF MINISTER:

The answer is I am not aware of the details of that. I will certainly ask for a report, I will see that the question is properly put to me, the wording of the Hon Member so that I can identify the problem and I will take it up with the Chairman of the Board.

MR SPEAKER:

Next question.

NO. 193 OF 1987

ORAL

THE HON M A FEETHAM

Has Government now taken a policy decision on the introduction of a statutory minimum wage?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

No final decision has yet been taken on the matter, although the Government is inclined to the view that the fixing of a standard statutory minimum wage would not be in Gibraltar's best economic interests.

SUPPLEMENTARY TO QUESTION NO. 193/87

HON M A FEETHAM:

Government is aware of the longstanding recommendation of the Wages Board which has Government representatives there. Is Government now saying that they will not accept the recommendations?

HON DR R G VALARINO:

The Chairman is the only Government member there, the other members are union members, Chamber of Commerce and independent members. What I have said is that no final decision has been taken on the matter.

MR SPEAKER:

Next question.

NO. 194 OF 1987

ORAL

THE HON J C PEREZ

What measures have Government introduced to clean up Eastern Beach following complaints from the general public?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

An extensive cleaning operation was carried out at Eastern Beach by Beach Cleaners.

Approximately 3 boxes (each 2ft³ capacity) of nails, steel, rusted cutlery and glass were collected during the clean up operation. Some of this material may have come from debris left over from open burning of timber spoil at the extreme south end of the Beach. Since the stipulated cleaning up of such debris can not be guaranteed, the burning of this type of spoil at our beaches will not be allowed in future. There can be little control over flotsam washed up at our own beaches by the sea.

SUPPLEMENTARY TO QUESTION NO. 194/87

HON J C PEREZ:

Is the Department now satisfied that the beach is in a proper condition and that there is no danger to anyone using it?

HON MAJOR F J DELLIPIANI:

Mr Speaker, no Government or Department can guarantee that it will be able to clear up all the beach of all nails and other different objects which can be harmful to the public but I can tell the Hon Member opposite that the beaches are cleaned every day during the summer.

MR SPEAKER:

Next question.

NO. 195 OF 1987

ORAL

THE HON J C PEREZ

Is Government satisfied that a sufficient number of lifeguards have been employed to cover all public bathing spots for this summer season?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

To date it has not been possible to recruit the full complement of Lifeguards required to give the maximum cover at the beaches.

However, the Government is reasonably satisfied with the service which is being provided at all the beaches.

SUPPLEMENTARY TO QUESTION NO. 195/87

HON J C PEREZ:

Could the Hon Member say how many out of what complement have been recruited. I believe there was an advert being placed in a newspaper this week in an attempt to recruit more to meet the total complement.

HON MAJOR F J DELLIPIANI:

Sir, a total of seventeen lifeguards are required to give full cover at all the beaches. To date only ten have been appointed and one is in the pipeline. We have advertised again in the hope that we will be able to attract some of the students coming from UK for their holidays.

HON J BOSSANO:

Mr Speaker, can the Hon Member say when the ten were appointed, were people being turned down who had the necessary qualifications to be appointed?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I can only speak from hearsay because I am not a member of any of the Boards, I gather that there were people who had the qualifications but were still not deemed to be suitable for other reasons. It could be that some of them had worked before for us and they hadn't given us satisfactory service but I know that more than ten applied, some had the proper qualifications but the Board did not think that they were suitable for service.

MR SPEAKER:

Next question.

NO. 196 OF 1987

ORAL

THE HON J C PEREZ

Can Government state whether it has now implemented the scheme by which a number of lifeguards employed during the summer season would be retained during the winter on other tasks?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

The scheme has not been implemented yet, but the matter is being pursued and it is hoped that proposals will be put to the Staff Side shortly. It should be noted, however, that the scheme did not envisage the automatic retention of lifeguards. The posts will be advertised and lifeguards presently employed on a seasonal basis will have the opportunity to apply for selection for these permanent posts.

SUPPLEMENTARY TO QUESTION NO. 196/87

HON J C PEREZ:

Once they have actually been accepted on a permanent basis on other tasks during the winter they will certainly not have to go through the same process the following year, they would be retained by Government as lifeguards/handyman or whatever if they have been accepted for both the summer and the winter tasks, I presume?

HON MAJOR F J DELLIPIANI:

Mr Speaker, it is Government's intention that the people now working as lifeguards during the summer will be assessed during the summer and if they are good they will probably have to attend the Board with the people on the Board knowing the full facts of their record and service that will be taken into account.

HON J C PEREZ:

Mr Speaker, I am not suggesting that it should be automatic, obviously people would have to be tested to see whether they are qualified to do certain tasks. What I am saying is that once they have been taken on on a dual job then that would be on a permanent basis and the same exercise would not have to be carried out the following year and that would obviously give the Government a greater leeway in that in the summer it would start already with a complement of lifeguards and wouldn't have to encounter the same difficulties in recruiting lifeguards as we are experiencing this summer again. Is that not the case?

HON MAJOR F J DELLIPIANI:

Mr Speaker, that is correct. The thinking behind the question of permanent lifeguards/cleaners for the winter is precisely that. First of all, we want to ensure that we have a reasonable cover for next year and, secondly if there are the odd good days during the winter months we can provide cover during those winter months which are good, the odd days which are suitable for swimming.

HON J C PEREZ:

Could the Hon Member say when he envisages proposals to be sent to the Staff Side?

HON MAJOR F J DELLIPIANI:

Mr Speaker, it is unfortunate that this is taking a long time, I don't like criticising other people in this connection but certainly my Department has been pursuing it for at least a year. It is now with the Establishment Division and we hope that they will pass on the required information to the Staff Side in order to accept it as promptly as possible so that we can implement the scheme soonest. Unfortunately, Government bureaucracy is such that it is taking a very long time.

HON J BOSSANO:

Mr Speaker, will the Hon Member confirm that, in fact, last year he missed the boat, as it were, because by the time the proposals were put out the summer season was over and the people were no longer in employment and that therefore it is essential that there isn't a repetition this year otherwise again nothing will happen?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I have just expressed my concern and my disappointment that it has taken such a long time and I hope that it won't happen again this year.

MR SPEAKER:

Next question.

NO. 197 OF 1987

ORAL

THE HON J C PEREZ

Has Government had any indication from PSA/DOE on when they intend to carry out rockfall protection works on the Rock face directly behind the Rosia Dale Housing Estate?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

PSA have now confirmed that works will commence in early October, 1987, and have already requested the necessary clearances to enter the site for the purpose.

SUPPLEMENTARY TO QUESTION NO. 197/87

HON J BOSSANO:

Mr Speaker, now that the Government is able to tell us that this is proceeding, can they give us a better idea of what is involved? The PSA/DOE no longer have a specialist unit on rock stabilisation which they used to have at one time and, in fact, they tend to do descaling by bringing out specialists from UK, is this the kind of specialist operation like that or is it a routine thing that they can do with their own existing workforce?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I haven't got the details with me but I cannot imagine that it is a routine operation. I think that a considerable number of descaling of the Rock face will have to be done. I imagine that they are thinking of a specialist team, I think the task is not something that can be done by anyone. In my own opinion I think it is probably specialist work but I haven't got details of the actual work. I know that in the past, as the Hon Member has rightly said, descaling has been done by a specialist team coming over to the Rock, an example is the tunnel at Sandy Bay.

MR SPEAKER:

Next question.

NO. 198 OF 1987

ORAL

THE HON J C PEREZ

Is Government aware that the Police Post at Waterport is in a serious state of disrepair?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

The Police Station at Waterport is not considered to be in a serious state of disrepair. However, refurbishing is required and minor conversion and painting works are programmed for the current year.

SUPPLEMENTARY TO QUESTION NO. 198/87

HON J C PEREZ:

Has the Hon Member any indication on what the cost of that is?

HON MAJOR F J DELLIPIANI:

I haven't got any indication, Mr Speaker, but if the Hon Member will remind me I shall send it to him.

HON J C PEREZ:

And one would presume that the money would be found in that very particular vote on the Maintenance of Public Buildings, I presume that the money will be coming out of that vote?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I think that the money will come from the Police Vote but if they haven't got any money we will look towards our own secret Vote.

HON J C PEREZ:

When does the Hon Member envisage that these works will commence?

HON MAJOR F J DELLIPIANI:

I don't know, Mr Speaker, and if I did I wouldn't tell the Hon Member because then if it doesn't happen he would tell me: "You said on the 6th July that it was going to start" and I am not prepared to give any more details if I can help it.

MR SPEAKER:

Next question.

NO. 199 OF 1987

ORAL

THE HON J C PEREZ

Has Government now commenced works on those balconies at Stanley Buildings deemed to be in a dangerous condition, which the Minister for Public Works envisaged would commence at the end of March?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

No, Sir. Late last year, make safe measures were carried out to three balconies deemed to be in a state of disrepair. The work was to be supplemented by fixing steel brackets under the balcony slabs but the tenants have been resisting these extra safety measures on the grounds that the brackets would look unsightly.

The structural survey for Stanley Buildings has been completed and a scheme is being prepared for the replacement of all the balconies in this building.

Work will incorporate the renewal of all service pipes, remedial works and external redecorations.

Work is expected to commence in late November, 1987, and next year you will probably ask someone else.

SUPPLEMENTARY TO QUESTION NO. 199/87

HON J C PEREZ:

Someone will probably be asking me next year. Mr Speaker, what tenants are the ones that haven't allowed this? I know of two particular tenants who are very, very worried about the safety of their balconies and who wouldn't mind anything being done to them because they are really concerned about their children that an accident could be caused because of the condition of the balconies. Has the Hon Member got any details of what tenants are the ones who have prohibited the Department from carrying out those works?

HON MAJOR F J DELLIPIANI:

Mr Speaker, if the Hon Member has two tenants who are willing for these works of this nature to be carried out immediately I would ask him to ask them to write to me saying that they are prepared to accept steel brackets and I shall give the order for it to be done immediately to those two tenants.

HON J C PEREZ:

Mr Speaker, if those works were to be carried out, that would not preclude the November dateline for the commencement of the full works on Stanley Buildings, I presume?

HON MAJOR F J DELLIPIANI:

No, Mr Speaker.

MR SPEAKER:

Next question.

NO. 200 OF 1987

ORAL

THE HON J C PEREZ

Can Government state if the old RAF Married Quarters at Calpe, which were recently transferred to the Government, are structurally sound and represent no danger whatsoever to tenants?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

The ex RAF Married Quarters at Calpe have been inspected and cracks were observed in the area close to the gable ends of the building. It appears that these cracks are of long standing and measures have been taken to monitor developments in the future.

The cracks, although unsightly, do not impair the stability of the structure.

SUPPLEMENTARY TO QUESTION NO. 200/87

HON J C PEREZ:

So there is no reason whatsoever for tenants being concerned that they would be moved out on safety grounds?

HON MAJOR F J DELLIPIANI:

No, Mr Speaker.

MR SPEAKER:

Next question.

NO. 201 OF 1987

ORAL

THE HON J C PEREZ

Can Government state whether they have now awarded the tenders for:

- (a) the external decoration and remedial works to Kingsway House and Victoria House
- (b) the external decorations and minor works at Castle Ramp and Road to the Lines;

and if so, to what companies and at what cost?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

- (a) the contract for remedial works and external decorations to Kingsway House and Victoria House has not been awarded.
- (b) the contract for the external painting/minor works at Castle Ramp and Road to the Lines was awarded to Ressa Bros Ltd in the sum of £37,137.49.

SUPPLEMENTARY TO QUESTION NO. 201/87

HON J C PEREZ:

Can the Hon Member state when this tender was actually awarded because I haven't seen it Gazetted yet?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I am not able to help the Hon Member as to the date of this last contract but I shall look it up and inform the Hon Member.

HON J C PEREZ:

Could the Hon Member state when the Government expects to award the other tender which came out in February this year?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I am not in a position to answer that question. All tenders are dealt with by a Tender Board and I do not form part of that Tender Board.

HON J C PEREZ:

Is it normal that it should take such a long time?

HON MAJOR F J DELLIPIANI:

Mr Speaker, some tenders take longer than others, it is a fact of life. In fact, I know of many occasions when we have asked the particular contractors who have tendered if they are willing to hold the same price for a few more months whilst we study their tenders so it is not unusual for a tender to take longer than what was envisaged.

HON J BOSSANO:

Mr Speaker, isn't this work that was, in fact, provided in last year's Estimates in the Improvement and Development Fund and was put out to tender and then the date of the tender was extended and has now appeared as a revote in this year's Estimates and we are now three months into the new financial year? Doesn't the Hon Member think that it has taken an awful long time for something that doesn't appear to be demanding great technical skills? Remedial works and decorations of other blocks in the Estate have been carried out by local companies before, why is it taking so long, there is nothing unusual about it, is there?

HON MAJOR F J DELLIPIANI:

Mr Speaker, this forms part of a programme which was thought of last year. The sum was voted, in fact, I think it was last year, subsequently the tender was extended for at least another two weeks or a month and that is at the stage that I know we are in. The Tender Board still hasn't given a final decision as to who has been awarded the tender.

HON J BOSSANO:

This is precisely why there is a question, Mr Speaker, because we have been monitoring what the Hon Member has said has been happening and that is what we know was happening until February and we find it odd that six months later there seems to have been no movement. The money is there, the work needs doing, it doesn't require any specialist skills so what is holding it up?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I am not in a position, not being a member of the Tender Board, to say why it has been held up.

HON J C PEREZ:

Is the Hon Member made aware by the Tender Board whether there is more than one company tendering for the project or not?

HON MAJOR F J DELLIPIANI:

I believe there is more than one.

MR SPEAKER:

Next question.

NO. 202 OF 1987

ORAL

THE HON J C PEREZ

Can Government state what its road resurfacing works programme for the current financial year consists of, and could it give a breakdown of the estimated cost of each particular job together with the length of time each job is estimated to take?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

It is intended to resurface part of Europa Road from its junction with Engineer Road southwards up to Woodford Cottage Area and Main Street from Convent Place to Referendum Gates are to be resurfaced in the programme for 1987/88.

The cost of the Works is estimated at £70,000 and £40,000 respectively and estimated duration of the works are 17 weeks and 12 weeks respectively.

The works at Main Street is to include the replacing of the existing pressed cement paving tiles.

It is also intended to resurface Market Lane using Pavia blocks as part of the resurfacing programme. However, we would not like to divulge the estimated cost as these works will be carried out by contract and is therefore subject to tender. No resurfacing works are being carried out at present due to the fact that the road gang is employed in the levelling and resurfacing of the new coach park at Waterport. The road gang has other commitments such as the resurfacing of the parking area at North Pavilion Quarters, a school playground and speedramps at Alameda Estate.

SUPPLEMENTARY TO QUESTION NO. 202/87

HON J C PEREZ:

If I have understood the Hon Member correctly, the only part of Main Street which is scheduled for resurfacing is from Convent Place to Referendum Gate, is that so?

HON MAJOR F J DELLIPIANI:

That is correct, Mr Speaker.

HON J C PEREZ:

Didn't the Hon Member commit himself or his Department commit itself last year with the Chamber of Commerce to resurface Main Street other than the area mentioned

and did he not have part of Main Street other than the area mentioned included in last year's programme which was not carried out?

HON MAJOR F J DELLIPIANI:

Mr Speaker, whether the Department gave a commitment or not and I don't think that we gave a commitment like that, it has been discovered that the south part of Main Street has more, shall we say, structural faults and nothing to do with the resurfacing than the northern end of Main Street and this is why we are tackling Main Street this year. We are also hoping to tackle it, and we have been in contact with the Tourist Office, in January when we estimate that there is less tourist traffic and we can also take the opportunity that the Band of the Royal Anglians will be away in the United Kingdom and there won't be any ceremonies in The Convent area and we are trying to work in such a way so as to cause the least inconvenience.

HON J C PEREZ:

What the Hon Member is actually confirming is that there is no other project in Main Street other than the one mentioned, that is to say, that there is nothing in the programme to include the rest of Main Street other than the bit from Convent Place to Referendum Gate?

HON MAJOR F J DELLIPIANI:

That is correct.

HON J C PEREZ:

I am sure the Hon Member is not satisfied with the condition of the rest of Main Street but wouldn't the Hon Member consider the whole of Main Street a priority given the number of tourists coming in and using the street?

HON MAJOR F J DELLIPIANI:

Mr Speaker, in my own humble opinion and I do travel quite a bit in Gibraltar, there are other worse areas than Main Street.

HON J BOSSANO:

Did I understand the Hon Member to say that the south end of Main Street that isn't being done needs more than just resurfacing, that it is in a worse state than could be put right by merely resurfacing? Did he say something about structural faults?

HON MAJOR F J DELLIPIANI:

Yes, Mr Speaker.

HON J BOSSANO:

How can he say then that he knows areas that are worse than that in other parts of Gibraltar, surely that is as bad as it can get?

MR SPEAKER:

That is why he is doing it.

HON MAJOR F J DELLIPIANI:

That is why I am doing it.

HON J BOSSANO:

The one with the structural faults is the part that is being done?

MR SPEAKER:

Yes.

HON J BOSSANO:

And will that mean apart from resurfacing, what does that mean that the road needs to be pulled up?

HON MAJOR F J DELLIPIANI:

We will look at certain areas where it has to be strengthened with concrete. It is not just a question of taking off the present surface and putting on a new surface, we might have to go in deeper.

MR SPEAKER:

Next question.

THE HON J C PEREZ

Can Government confirm that a contract has been awarded to Gunac Ltd in relation to works at Glacis Estate, without it going out to tender?

ANSWERTHE HON THE MINISTER FOR PUBLIC WORKS

Yes, Sir. A contract was directly awarded to Gunac Ltd.

SUPPLEMENTARY TO QUESTION NO. 203 OF 1987

HON J C PEREZ:

Could the Hon Member confirm that this was subsequently subcontracted to Concrete Proofing Ltd?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I cannot confirm because I have no other information except that the contract was awarded to Gunac Ltd.

HON J C PEREZ:

Is it not the case, Mr Speaker, that the works have been carried out by Concrete Proofing Ltd and not Gunac Ltd, that the name of that company has been the one on display whilst the works have been carried out and that, in effect, it has been that company doing the work and not Gunac Ltd?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I regret to say that I am not aware that any other company other than Gunac has carried out the work. If the Hon Member has any other information I will be glad to take it up on his behalf.

HON J C PEREZ:

I have other information which I will put to the Minister now. Is this company, Concrete Proofing Ltd, and this particular contract not the subject of an investigation at the moment? Can the Hon and Learned the Chief Minister confirm that he told Mr Freddie Asquez of Das Aluminium that he had information brought to him by Mr Horace Zammitt and that an investigation was being carried out into Concrete Proofing Ltd in relation to painting tenders?

HON CHIEF MINISTER:

No, as far as I can remember the representations made to me by Mr Asquez was that the Government had a claim against him for PAYE payments and that he had a claim against a company for which he had subcontracted part of the windows of one of the Tower Blocks, that is all I know about it.

HON J C PEREZ:

So this investigation has nothing whatsoever to do with an investigation which is being carried out by the Police on information received by Mr Zammitt in a private capacity which has been made public this afternoon by Panorama?

HON CHIEF MINISTER:

What is the first investigation to which the Member was referring to?

HON J C PEREZ:

The first investigation was the one claimed by Mr Asquez.

HON CHIEF MINISTER:

There was no question of investigation at all in the case of Mr Asquez. Mr Asquez made a complaint to me that he was being sued by the Attorney-General in respect of PAYE payments and that he had an arbitration case with one of the companies which had subcontracted the windows and I passed on the paper to the Attorney-General and told the Attorney-General to deal with Mr Asquez because it had nothing to do with me and, in fairness, there was nothing I could do to interfere in a matter which was really a matter of a personal claim. The fact that one contractor of the Government had not paid him was a matter for him and not a matter for the Government. With regard to the other matter that has nothing whatever to do, as far as I know, with Mr Asquez nor has Mr Asquez's name ever been mentioned in respect of that.

HON J C PEREZ:

Or with Concrete Proofing Company?

HON CHIEF MINISTER:

I don't know about that.

HON J C PEREZ:

But it is certainly a matter which is directly affecting the Public Works Department.

HON CHIEF MINISTER:

There is a matter affecting the Public Works Department which following a complaint was the subject of an inquiry and the Attorney-General ruled that there should be certain investigations and the matter has been dealt with entirely at administrative level and on the directions of the Attorney-General.

HON J C PEREZ:

Will the House be informed of the result of that investigation?

HON CHIEF MINISTER:

Of course.

HON J BOSSANO:

Could I ask, Mr Speaker, going back to the original question, why the Government has given the work that we are asking about in Question No.203 without going out to tender?

HON MAJOR F J DELLIPIANI:

Mr Speaker, I don't really know because I certainly wasn't consulted on the matter and I don't know if I should be consulted or not. I know that I discovered the work being carried out in George Jeger House because I happen to live in the area and I asked how that work had been allocated and I was told it was done by direct tender because there was more than painting to it, there was waterproofing, expansion joints to be filled, cracks in the walls which were considerable, special membranes to be fixed to the walls and that is how I got to know that the work had been given on a selected tender basis. I gather that even on a selected tender basis I still think the Tender Board is approached but I certainly was not involved.

HON J BOSSANO:

Is the Minister aware, in fact, that his Department has had written representations made to it by the Transport and General Workers Union both on behalf of private sector employers who are complaining of unfair competition and of the Government's own painting section about this and that no satisfactory answers have been given when the specialist nature of this was challenged and the union challenged the Department to go along and demonstrate the specialist nature. Is he aware of this correspondence?

HON MAJOR F J DELLIPIANI:

I am aware of correspondence addressed to the Director of Public Works. I am not aware whether the Director has answered the correspondence satisfactorily or not or not at all. I am aware that from the nature of the operations after I saw it being done I thought that certainly the Public Works Department painting section would not be capable of doing a job of that kind of specialist work. Whether other contractors can or not I am not in a position to say but I can say here that the Public Works Department would not have been capable of carrying out that work.

HON J BOSSANO:

Mr Speaker, is it not the case that when Messrs Gunac arrived on the scene in Gibraltar they were given a licence limited to the recladding of the Tower Blocks precisely because there was no local contractor capable of doing that and that, in fact, when the Government in this House defended the continuation of that contract by Messrs Gunac it was on the basis that there was nobody else in Gibraltar that could do the external cladding of the Tower Blocks and that that was the reason why they were in Gibraltar, that once that work was done that was it, isn't that the case?

HON MAJOR F J DELLIPIANI:

Mr Speaker, the Hon Leader of the Opposition is correct in saying that at the time that the contract for the two Tower Blocks was being worked out by my Department there was no other specialist firm in Gibraltar and there was none until they came to Gibraltar, in fact. It was intended by the company and it was certainly the intention of the Government and by the Government I mean the Licensing, that they should be awarded the licence to work during the period of the contract in Gibraltar. If the contractor then found that there was a need for their specialist knowledge and they decided to stay, the Government has not interfered in that matter. Certainly the contract, as the Hon Member has said, was for the Tower Blocks and the first licence to work in Gibraltar was a limited licence purely for the two Tower Blocks. If the company then decided to stay in Gibraltar it is up to the company and whether they have been awarded a licence or not it doesn't come under my Department.

HON J BOSSANO:

But surely, Mr Speaker, the Hon Member's Department is responsible for having a list of approved contractors and Messrs Gunac are not on that list of approved contractors to do contracting for anything. They were put on the list of approved contractors by virtue of their specialist licence to do a specialist job so it has something to do with the Hon Member's Department.

HON MAJOR F J DELLIPIANI:

As far as I am aware, Mr Speaker, the licence which Gunac has at the moment is of a waterproofing nature, I think, generally, and the works that they have carried out and are carrying out in George Jeger House come under this term, waterproofing, decorative work or whatever, on external works to buildings. The Department is satisfied that the licence held by Gunac is good enough to have them on the list of approved contractors for this kind of work.

HON J BOSSANO:

No, Mr Speaker, that is not the point, that is not what I am saying to the Hon Member. The Hon Member has just said that if they decide to stay here and do other things, well, the Government is not responsible. The Government may not be able to stop Gunac staying here and doing other things for other people but if Gunac was allowed into Gibraltar originally to fulfil a Government contract, was put on the Government tender list as a specialist contractor because nobody else in Gibraltar could undertake for Government the external cladding of the Tower Blocks then, surely, when they finished the external cladding of the Tower Blocks they don't have a right then to be given other jobs. I am not saying that Gunac is incapable of doing it but what I am saying is that other people are capable of doing the work that is now being given to Gunac, they might not have been able to do the Tower Blocks but they can certainly do George Jeger House.

HON MAJOR F J DELLIPIANI:

Mr Speaker, I am not saying that on the basis of the licence that they held for three years that they are on the approved list now. They are on the approved list now because they re-submitted another licence.

HON J BOSSANO:

Mr Speaker, isn't it a fact that they haven't done any other work prior to this? Has Gunac in Gibraltar done any work other than the Tower Blocks? So if they obtain a licence for the Tower Blocks and the only work they do is the Tower Blocks, on what basis do they get a licence to do something else? Doesn't the Hon Member accept that what he is saying is legitimate in the case of Gunac, effectively, drives a coach and horses through the Trade Licensing Ordinance?

MR SPEAKER:

With respect, I think what the Hon Minister has said is, first and foremost, he is not responsible for granting licences, secondly, Gunac was accepted because they could do the specialised job that was needed at George Jeger House and, thirdly, that he was satisfied that Gunac had the required licence to do it. Whether it is right or wrong is a matter for another authority to answer.

HON J BOSSANO:

And I am saying, Mr Speaker, that the Hon Member may not be responsible for the issue of the trade licence but the Hon Member is responsible for the list in his Department of people who are entitled to tender for Government works on the basis of having a licence which they have earned and in respect of which one assumes the person has to demonstrate prior competence in Gibraltar. If Gunac came along with a licence limited to the Tower Blocks, if Gunac only does the Tower Blocks, how is it that Gunac is now allowed to go into every other business on Government contracts, forget private contracts, private contracts I accept that is a matter for the licensing and nothing to do with the Minister, I am talking about Government contracts.

HON CHIEF MINISTER:

I would like to make one thing clear and then, I think, the Attorney-General will want to say something because I think we are getting a little confused. First of all, according to Government rules, all contracts must go out to tender but then the Department can submit to the Tender Board and make a case for it to be a direct allocation for a number of reasons, time, speciality of the work, any number of reasons that I cannot think of now and it is the Tender Board, which is presided over by the Financial and Development Secretary, that gives the go ahead for a work to be done by direct allocation and not through tender. Whatever decisions have been taken in respect of direct allocation have been made as a result of the matter having been considered by the Tender Board. In that respect the Minister is not responsible for the direct allocation, his officials may be responsible for making a case for a direct allocation but he is not responsible for direct allocations or, indeed, for the inclusion in the list of authorised contractors. That having been made clear, because we have to apportion the direct responsibility of such things and having regard to the statement I made in reply to the Hon Mr Perez before, I believe the Attorney-General would now like to make a statement regarding this matter because we may be getting into an area which is the subject of an inquiry.

HON ATTORNEY-GENERAL:

I am most anxious, Mr Speaker, that nothing is said in this House or questions posed at this stage which might detrimentally affect the inquiry which is being conducted, the Police investigation, in fact, which is being conducted by the Commissioner of Police. Could we await the outcome of those investigations and if there are any questions then outstanding after the Police investigation has been completed then I can answer them in this House. I don't want anything to be said, Mr Speaker, which could in any way prejudice that Police inquiry or get into the root of the allegations which have been made, those very allegations which are being investigated now.

HON J C PEREZ:

Mr Speaker, just one question, I believe, unconnected with this. Is the only work at Glacis Estate that has been awarded without going out to tender the block that has been painted or is there any more work that has been directly allocated?

HON MAJOR F J DELLIPANI:

No, Sir, that is the only work that has been done.

HON ATTORNEY-GENERAL:

That is the subject matter of the inquiry.

HON J BOSSANO:

Mr Speaker, we accept what the Hon and Learned Attorney-General has said because we do not want to do or say anything at this stage that will prevent that inquiry from coming up with the truth but can we just ask, Mr Speaker, and we won't pursue the matter because if the answer is that it is connected then it will have to be followed up by the inquiry as well, has the delay of the Queensway House and Victoria House work in any way been connected with, not necessarily with the inquiry but with the possibility of it being given to Gunac as well?

HON ATTORNEY-GENERAL:

Yes.

HON J BOSSANO:

I wish he had given us that answer in Question No. 201 when he didn't know.

MR SPEAKER:

Next question.

NO. 204 OF 1987

ORAL

THE HON J E PILCHER

Can Government confirm that Thomsons Holidays have officially announced their intention to withdraw from Gibraltar?

ANSWERTHE HON THE MINISTER FOR TOURISM

Yes, Sir, on the 16th June, 1987, Thomsons Holidays officially informed Government of their intended withdrawal from Gibraltar as from Summer 1988.

However, following the discussions which I held with them in London, they will continue to feature Gibraltar in their brochure and will provide at least one weekly flight after Summer 1988.

SUPPLEMENTARY TO QUESTION NO. 204/87

HON J E PILCHER:

Can the Minister give the reasons why Thomsons officially said that they would be leaving the Gibraltar tourist market?

HON H J ZAMMITT:

Mr Speaker, generally speaking, they were dissatisfied with the product the high prices compared with competing resorts and the attitude towards tourism generally. They have mentioned the fact that they thought that they had arrived at Gibraltar a little premature. If I may be able to expand, Mr Speaker, on this topic, I think they had encountered a year of some difficulty in the sense that almost every hotel had been undergoing refurbishment and that there was a certain amount of hindrance that the tourists had suffered. I think they accepted that. Also the fact that the development programme is going on in Gibraltar at the moment with all the hoardings and the road circulation which is jeopardised to a degree by some of the hoardings, again, is a matter of tidiness which, again, they accepted. I think that their main reason was the fact that in comparison we are slightly more expensive, if not more expensive than other neighbouring resorts and therefore they were finding difficulty to rationalise the amount of complaints they had from the Gibraltar end compared to what other resorts were affording them. I should point out that there are very many but I am in the process at the moment of writing about these more or less identified areas, to the Chief Minister for further consideration.

HON J E PILCHER:

Obviously, Mr Speaker, this will be an on-going thing but I would like to ask the Minister, is it not true that the main thrust of the complaints by Thomsons was the fact that Gibraltar has not yet sufficiently developed as a tourist centre and, in fact, we have now become an extension of the Costa del Sol in their eyes?

HON H J ZAMMITT:

I would agree with one part and disagree with the other. I think that, yes, we have not developed.....

MR SPEAKER:

No, let us not go into that. What you are being asked is if those are the reasons why Thomsons have decided to go, we are not deciding whether we are or we are not an extension of the Costa del Sol. What you are being asked is whether in Thomsons' opinion that is the reason why they proposed to leave.

HON H J ZAMMITT:

Mr Speaker, I explained briefly that Thomsons did say that they thought that they had arrived at Gibraltar a little bit too early, that is to say, obviously, that the improvement of Gibraltar which is beginning to take shape affected them but may I also add that they did say that Gibraltar is quite distinct and has to be distinct from the Costa del Sol experience which has always been our aim.

HON J E PILCHER:

Would the Minister not agree that at the moment it is not the case and at the moment we are only an extension of the Costa?

HON H J ZAMMITT:

No, I do not think we are an extension of the Costa del Sol. We have certain things the Costa del Sol has and we have certain things that they most certainly have not got but it requires development.

HON J E PILCHER:

Mr Speaker, the Minister in his initial reply commented about that attitude towards tourism which Thomsons had complained about. Whose attitude, the Government's attitude towards tourism, is that what he is referring to?

HON H J ZAMMITT:

No, Mr Speaker, I think it is general, probably it is Government's attitude too, it was general. General in not seeing the wood for the trees regarding the potential of tourism and the attitude is one generally. I was misquoted the other day once again, may I say, when you talk of nightlife. When you talk of nightlife you will find that any pub or bar or restaurant or even the Casino that attempts to bring about some form of music is compelled to close down because somebody complains almost at eleven o'clock on the dot. That is exactly what I was trying to put over. It is that attitude, there is a general attitude, not geared at one sector of the industry, a general attitude of not appreciating the value of tourism.

HON J E PILCHER:

Would the Minister not agree with me, Mr Speaker, that apart from a lot of promises since 1984 very little has been done to improve the tourist product?

HON H J ZAMMITT:

Mr Speaker, I would obviously have liked the tourist product to have been increased much more than it is. We have put in, as we have just heard the Hon Minister for Economic Development and Trade mentioning a number of touristic improvements but this is something that has occurred since the frontier opened in February, 1985, slow progress but we are getting there. It is just a question of being able to get our priorities right and find out exactly what we can do to improve the product.

HON J E PILCHER:

Mr Speaker, I am sure the Minister would agree with me that the touristic improvements, we have certainly spent three years looking at the priorities but the touristic improvements have not materialised and if he has been hearing what his Hon Colleague was saying to me with the exception of perhaps the Portaloos at the Upper Galleries, nothing else will happen within this four year term of office of the Government.

HON H J ZAMMITT:

All I can say, Mr Speaker, is that we did put up touristic projects to ODA in an attempt to help ourselves, as we have always been told, and they were rejected and therefore we had to find funds from our own resources and that is a matter, as we all know, that has to take its priority within other important areas and we will have to stand in the queue and wait our turn.

HON J E PILCHER:

Mr Speaker, I won't take up much more time on this question because obviously it needs a much more lively debate. One last question, is it not a fact, Mr Speaker, that Thomsons are reducing their presence in Gibraltar or are thinking of reducing their presence in Gibraltar next summer?

HON H J ZAMMIT:

Yes, at the moment they are flying in with two aircraft, the only two charter aircraft arriving at Gibraltar, the rest, as we all know, are scheduled. Yes, after summer 1988 they might reduce to one. If things improve they may continue with two and if they are satisfied with the product they could increase but that is a question that we have to do between now and summer 1988 to try and, if possible, hopefully, to increase the frequency.

HON J E PILCHER:

That takes me, Mr Speaker, to another question which is what, in fact, did the Minister for Tourism take to UK and promise Thomsons that made them change their mind?

HON H J ZAMMITT:

Mr Speaker, what I took to UK apart from the mitigating circumstances I tried to explain, that is to say, the parking problem, the hoardings, the development, the dust, the inconvenience and the construction, I think I can say that every single hotel has carried out refurbishment over the last year and therefore every tourist arriving at whatever hotel has found bricks and cement and sand and aggregate at the entrance or suffering some kind of noise or hindrance. Apart from that, of course, I had a very good letter as is known and made public by the Chief Minister himself which was very carefully read by the top executive of Thomsons and which was accepted very favourably and I think they realised that the letter was meaningful and that there is a deliberate concern not to lose the major tour operator, Thomsons, and in fact meaningful in the sense of improving our product as much as we can.

HON J E PILCHER:

Mr Speaker, the Minister has mentioned twice the refurbishment of the hotels, in fact, Thomsons I know has praised the hotels for the amount of money that they are spending on refurbishment but my question is, he mentioned as well very high costs, has anybody made representations to the Government to lower municipal charges so that the hotels can give people like Thomsons a better deal?

HON H J ZAMMITT:

Mr Speaker, this matter has been thrashed out before and I most certainly do not close the door nor do I think Government would close the door to logical requests as regards municipal charges but may I say that the information we are obtaining from Thomsons themselves is that something like 1,000 pesetas a day is the hotel rate on half pension in Spain, I very much doubt whether if we reduced municipal charges to nil we would ever achieve that kind of cost or rates.

HON M A FEETHAM:

Can the Hon Minister for Tourism say that the aircraft which will be put by Thomsons, the one flight per week, the people coming in that charter aircraft will, in fact, be going into the Gibraltar hotels or will they be partially going into Spain? We are talking about 130 people coming in on the charter.

HON H J ZAMMITT:

Mr Speaker, I am grateful to the Hon Member for that question, there are, in fact, and may I say I must plead total ignorance for not having known this before but, in fact, although we have been receiving two aircraft per week on Sundays, something like 40% of that plane's capacity actually starts in at Gibraltar and takes up accommodation from our runway into our hotels. The remaining amount, there is a small percentage of seats only, about 20% of the seats only, and the other 40% is the one that goes and starts its package in Spain on the two-centre holiday, that is to say, 50/50. But totally unknown to me is that, in fact, some aircraft from Thomsons that go to Malaga do exactly the same thing, in other words, some start in Spain and then share and exchange with people here. To the hotel industry it was not just the aircraft landing here but the continuation of what they can get on the package holiday from planes landing at Malaga.

HON M A FEETHAM:

What the Minister is saying is that we can look forward to about 60% of the occupancy of that aircraft earmarked for Gibraltar hotels on average?

HON H J ZAMMITT:

Yes, Mr Speaker, on charter operations I think they are granted up to something like 40% seat only capacity.

HON M A FEETHAM:

Has Thomsons indicated that one of the reasons, when they referred to underdevelopment of Gibraltar, was the lack of hotel beds which market operators like this require in a resort to be able to make it a viable proposition? Is that one of the reasons why they refer to an underdeveloped Gibraltar?

HON H J ZAMMITT:

I can say they are the major tour operator in England, they are moving millions of people and therefore it becomes viable to them when they start moving a tremendous number of people. The fact that in Gibraltar they are moving virtually 100 a week directed to Gibraltar via their direct flights and the rest coming in from Malaga, of course, does not become viable when one looks at their massive brochure. The Hon Member has a point, of course, if we did have very many more beds to offer then, of course, the muscle that Thomsons has, they direct people where they want to put them but, of course, as we know that is.....

MR SPEAKER:

We are now debating. Next question.

6 7 87

NO. 205 OF 1987

ORAL

THE HON J E PILCHER

Has Government assessed the repercussions of Thomsons Holidays withdrawal from Gibraltar to the economy both in direct terms and subsidiary effects?

ANSWER

THE HON THE MINISTER FOR TOURISM

Answered together with Question No 206 of 1987.

NO. 206 OF 1987

ORAL

THE HON J E PILCHER

Can Government state what would be the impact to -

- (a) Tourist arrivals to Gibraltar, and
- (b) Bed occupancy at Hotels,

if Thomsons Holidays withdrew from the Gibraltar Tourist Market?

ANSWERTHE HON THE MINISTER FOR TOURISM

Government cannot state what the repercussions of Thomsons Holidays withdrawing from Gibraltar would be to the economy directly or indirectly nor to the level of tourist arrivals and bed occupancy at Hotels.

However, information from certain local hotels indicates that:

- (a) the loss of revenue to the Hotel Industry would amount to some £750,000 per annum, and
- (b) the loss to the economy in general would amount to an estimated £1.7m with a possible loss of some 100 jobs.

SUPPLEMENTARY TO QUESTION NOS. 205 AND 206 OF 1987

HON J E PILCHER:

Mr Speaker, would there be a direct impact on the development if the hotels, in fact, now with a reduced presence of Thomsons ie one flight a week, would that have an impact in the development of the hotels?

HON H J ZAMMITT:

I would say so, yes, Sir.

HON J E PILCHER:

Impact on development, that if there are not the sufficient number of tourists coming in then obviously they will have to look again at the whole concept of building more hotels if they have had a cutback in the number of tourists coming to Gibraltar?

HON H J ZAMMITT:

Not only that, Sir, you would then be leaving one major tour operator and I am talking of one major tour operator from the UK to dictate the market.

HON J E PILCHER:

Apart from that, has the Government assessed the cost both in direct and indirect terms of the reduced presence of Thomsons Holidays in Gibraltar? The Minister has just quoted a figure by the Hotel Industry, £ $\frac{3}{4}$ m annually direct to the hotels, to the economy an estimated £1.7m and generally with immediate effect on employment affecting 100 jobs. That was the impact of, according to some quarters, the total reduction of Thomsons from Gibraltar. There is a partial withdrawal, has that been assessed by the Government?

HON H J ZAMMITT:

No, the partial withdrawal has not been effected, Mr Speaker, they continue to come with the same impetus that they have been coming in the past until summer 1988. There might not be, and I say there might not be any loss of trade if we can between now and summer 1988 we are able to convince Thomsons that they should continue with the same strength if not more. What I would like to say, Mr Speaker, is that the Government cannot give the figures that the Hon Member is asking because apparently they are confidential figures from the trade and I have only been able to give these figures with clearance from the hotels affected before I was able to give this answer.

HON J E PILCHER:

Mr Speaker, is it not therefore correct in assuming that in the same way that Thomsons could increase next summer their one flight back to two flights, they could decrease it from one flight to zero if they are not happy with the promises that the Minister or the undertaking that the Minister has given Thomsons?

HON H J ZAMMITT:

Absolutely.

HON J E PILCHER:

Is therefore the Minister not going to assess the full implications of that to the economy of Gibraltar?

HON H J ZAMMITT:

Mr Speaker, I think I know what the full implications of the total pullout of a major tour operator would be but I am afraid I haven't got figures, I would just say it would be disastrous.

NO. 207 OF 1987

ORAL

THE HON J C PEREZ

Can Government state whether it has now considered proposals for the introduction of traffic wardens and, if so, whether or not these proposals have been approved?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, Government has approved the introduction of a Traffic Warden Structure and proposals have now to be put to the Staff Side (SACC) to determine which union will assume negotiating rights and thereafter agree their conditions of employment etc.

In addition Government has also approved the introduction of School Crossing Patrols to cover the school crossings at Scud Hill, Castle Road, Varyl Begg, Red Sands Road and Bomb House Lane.

SUPPLEMENTARY TO QUESTION NO. 207/87

HON J C PEREZ:

How many Traffic Wardens is it envisaged will be employed when the structure is actually implemented?

HON M K FEATHERSTONE:

Eleven posts of Traffic Warden are being created and five posts of School Crossing Patrols.

HON J BOSSANO:

This would then be non-industrial civil servants, would that be the case?

HON M K FEATHERSTONE:

Yes, I would think so.

HON J BOSSANO:

Isn't it the case, Mr Speaker, that when previously there have been people employed under the Police Department on school crossings they have been industrial workers, are they going to introduce something different?

HON M K FEATHERSTONE:

I think the wardens structure will be non-industrial civil servants. As far as the School Crossing Patrols, the lollipop men, they may still be industrials.

HON J BOSSANO:

In fact, what has been put to SACC is the Warden and not the School Crossing Patrol, is that the case?

HON M K FEATHERSTONE:

Yes, that is correct.

HON J BOSSANO:

Would these posts be part of the Police Department?

HON M K FEATHERSTONE:

No. Sir.

HON J BOSSANO:

Can the Minister say under what Department?

HON M K FEATHERSTONE:

They will liaise very closely with the Police.

HON J C PEREZ:

They will be a separate entity within the Government or where within the Government structure will they come into, for example, will they come under the MOT Test Centre to mention but one?

HON M K FEATHERSTONE:

They will be a separate entity, they will liaise very closely with the Police. I am not sure exactly where they will fit in, possibly with the Traffic Department.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Has Government now decided to proceed with the supply of syringes to chronic diabetic patients?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

No. Sir. Certain information has been requested from the Diabetic Society and so far this has not been forthcoming.

SUPPLEMENTARY TO QUESTION NO. 208/87

HON MISS M I MONTEGRIFFO:

Can the Minister say what sort of information has been requested?

HON M K FEATHERSTONE:

Yes, they were going to give me the number of persons involved so that we could cost the actual amount of syringes that were required.

HON MISS M I MONTEGRIFFO:

Surely, Mr Speaker, doesn't the Government have an idea of how many diabetics there are in Gibraltar?

HON M K FEATHERSTONE:

The Society have a certain number of people but there are also others outside the Society who would also have to be included if we were to make this a running on feature.

HON MISS M I MONTEGRIFFO:

So what the Government is saying is that they are leaving it to the Diabetic Association to tell the Government how many diabetics there are in Gibraltar, is that correct?

HON M K FEATHERSTONE:

They said they would come back to me with the information that I requested, yes.

HON MISS M I MONTEGRIFFO:

Is the Government committed, Mr Speaker, to providing these syringes to the Diabetic Association?

HON M K FEATHERSTONE:

Until we see the costing we wouldn't like to commit ourselves.

MR SPEAKER:

Next question.

NO. 209 OF 1987

ORAL

THE HON MISS M I MONTEGRIFFO

Can Government confirm that it is their intention to fill the vacant post of Kitchen Superintendent at St Bernard's Hospital?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Yes, Sir. This post will be advertised shortly.

SUPPLEMENTARY TO QUESTION NO. 209/87

HON MISS M I MONTEGRIFFO:

Can the Minister be more specific, how shortly does he mean, Mr Speaker?

HON M K FEATHERSTONE:

I would say within the next fortnight.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Can Government state whether they now have a Dietician in post?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Not yet, Sir. The post has been advertised.

SUPPLEMENTARY TO QUESTION NO 210/87

HON MISS M I MONTEGRIFFO:

Mr Speaker, when has the post been advertised?

HON M K FEATHERSTONE:

It was advertised approximately six weeks ago.

HON MISS M I MONTEGRIFFO:

Have they had any applications up to the present time?

HON M K FEATHERSTONE:

I don't know that we have had any applications yet.

HON MISS M I MONTEGRIFFO:

The Minister does not know whether there have been any applications, Mr Speaker?

HON M K FEATHERSTONE:

No, this is something that is done through the Public Service Commission it doesn't come to the Minister.

HON J BOSSANO:

Has it been advertised in Gibraltar or in UK, Mr Speaker?

HON M K FEATHERSTONE:

In the UK.

HON J BOSSANO:

Is it being handled through the Crown Agents over there or are people being asked to apply direct to an address in Gibraltar?

HON M K FEATHERSTONE:

They normally apply direct to Gibraltar and then a small delegation of the Public Service Commission goes and interviews them.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

Can Government state how many occupational therapists are currently in post?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

One Occupational Therapist is currently in post.

SUPPLEMENTARY TO QUESTION NO. 211/87

HON MISS M I MONTEGRIFFO:

Mr Speaker, does the Minister know that there are recommendations from the management to substantially increase this post?

HON M K FEATHERSTONE:

Yes, Sir, we had a second occupational therapist who was due to take up duty in Gibraltar some time this month but the person who was selected in the UK after some consideration declined the job. We have now informed the second person on the list and it is hoped that that person will take up the post by the end of the month.

MR SPEAKER:

Next question.

6 7 87

NO. 212 OF 1987

ORAL

THE HON MISS M I MONTEGRIFFO

When does Government expect the two additional doctors for the GPMS to start work?

ANSWER

THE HON THE MINISTER FOR HEALTH AND HOUSING

One has been appointed, and is in post, a second doctor has been appointed and is expected to take up his post shortly, I understand it will be on the 13th of the month.

NO. 213 OF 1987

. ORAL

THE HON MISS M J MONTEGRIFFO

Can Government state when it now expects to receive the final report of the Nursing Review?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

As has been stated in earlier meetings, this report is still awaited. I am afraid I cannot go any further than that.

NO. 214 OF 1987

ORAL

THE HON MISS M I MONTEGRIFFO

When does Government intend to introduce legislation for the implementation of the POM List?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the final touches are being put on this legislation which should be published in the very near future.

SUPPLEMENTARY TO QUESTION NO. 214/87

MR SPEAKER:

Do you think that any member of the public will realise what we have been talking about?

HON M K FEATHERSTONE:

Prescriptions Only Medical List.

HON MISS M I MONTEGRIFFO:

Mr Speaker, in March the Minister said that it would be a matter of weeks before the POM List was introduced if the draftsman responsible was reasonably rapid. Does this mean that the Minister does not consider now that the draftsman involved has been rapid?

HON M K FEATHERSTONE:

We have been pressing the Attorney-General's Chambers on several occasions but we have not managed to finalise the matter yet.

HON MISS M I MONTEGRIFFO:

Can the Attorney-General enlighten us more on the subject, Mr Speaker?

HON ATTORNEY-GENERAL:

We are awaiting information from the Department on the final form of the List.

MR SPEAKER:

Next question.

THE HON MISS M I MONTEGRIFFO

When does Government intend to circulate the information leaflet on AIDS which they committed themselves to do in March?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, the leaflets, which are being produced both in English and Spanish, are currently being printed and should be ready for distribution soon.

NO. 216 OF 1987

ORAL

THE HON MISS M I MONTEGRIFFO

By which date does the Government expect to constitute the Gibraltar Health Authority?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Sir, no firm date can be given as, inter alia, the relevant trade unions have to be consulted and legislation has to be introduced. The post of General Manager has already been advertised, the recruitment of which is an essential prerequisite to the setting of such an authority.

SUPPLEMENTARY TO QUESTION NO. 216/87

HON MISS M I MONTEGRIFFO:

Mr Speaker, can the Minister gave an indication as to whether he expects the authority to be constituted before the General Elections are due?

HON M K FEATHERSTONE:

I would think the legislation should take some little time to prepare and may come to the House, possibly in October or November, whether we have an election before that date I don't know.

MR SPEAKER:

Next question.

NO. 217 OF 1987

ORAL

THE HON J L BALDACHINO

Can Government state how many people are homeless to date?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

There are 13 Applicants claiming to be homeless to date as follows:-

- 4 Families
- 1 Married Couple (squatting)
- 8 Single persons (males)

SUPPLEMENTARY TO QUESTION NO. 217/87

HON J L BALDACHINO:

Is the married couple, Mr Speaker, and the families the same people who were homeless on the 24th March, 1987, or are they different people?

HON M K FEATHERSTONE:

I wouldn't like to say they are the same or whether they are different, I don't have that information. I can find out for him.

HON J L BALDACHINO:

Mr Speaker, what are the main reasons for these people finding themselves in this predicament?

HON M K FEATHERSTONE:

Sir, cases of homelessness are referred to the Family Care Unit for investigation. The families claiming to be homeless are, in fact, young married couples who live with their in-laws and consequently have no home of their own.

HON J L BALDACHINO:

How many of these families have had to place their children in either of the two Homes that we have?

HON M K FEATHERSTONE:

As far as I can remember, one, Sir.

MR SPEAKER:

Next question.

NO. 218 OF 1987

ORAL

THE HON J L BALDACHINO

Can Government state if they still intend to set up temporary shelter for people who become homeless?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Yes Sir. Government is in the process of looking for suitable locations to establish separate male and female temporary dormitories.

It is envisaged that these dormitories will provide temporary residence but will not be suitable for conversion into permanent family accommodation.

SUPPLEMENTARY TO QUESTION NO. 218 OF 1987

HON J L BALDACHINO:

Will mothers be able to have their children with them?

HON M K FEATHERSTONE:

Yes, Sir, the female temporary accommodation will be for mothers and children.

HON J L BALDACHINO:

Has Government identified any site or any building which they could use for this?

HON M K FEATHERSTONE:

No, Sir, we have tried three sites but unfortunately they are all needed for other purposes.

HON J L BALDACHINO:

When the Hon Member mentions the word 'temporary' how long will temporary be in this case?

HON M K FEATHERSTONE:

We would hope not more than six weeks.

HON J L BALDACHINO:

And after the six weeks, Mr Speaker, will Government then have the obligation to house these people or will they find themselves homeless again?

HON M K FEATHERSTONE:

It is hoped that perhaps by being separated from their husbands the wives and husbands will come more to the conclusion that they could patch up the family squabbles that have made them homeless in the first instance.

HON J L BALDACHINO:

That could well be true, Mr Speaker, if they are not genuine cases but what happens to genuine cases after the six weeks?

HON M K FEATHERSTONE:

Well, we might have to extend temporary for a little longer, Sir.

MR SPEAKER:

Next question.

NO. 219 OF 1987

ORAL

THE HON J L BALDACHINO

Can Government state how many applicants have been recommended by the Housing Advisory Committee for allocation of pre-war dwellings under the Social Cases Scheme and are still awaiting allocation?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

During the last 18 months the Housing Advisory Committee have made 49 recommendations in respect of applicants falling under the social cases scheme.

Out of this total 23 applicants have been allocated pre-war dwellings and 26 are still awaiting allocation.

SUPPLEMENTARY TO QUESTION NO. 219/87

HON J L BALDACHINO:

Does the Hon Member have any indication from his Department when they will be able to accomodate the other 26?

HON M K FEATHERSTONE:

Sir, it is difficult to say when the remaining 26 will be allocated accommodation as this is dependent on the availability of dwellings and the family composition of the applicants, eg single persons only require one room or cubicle which is more likely to become available earlier than larger units which are required to accomodate families of varied composition.

HON J L BALDACHINO:

Am I to understand, Mr Speaker, by the answer that the Hon Member has given originally, that out of the 26 the one who has been waiting longer has only been for eighteen months or has he been waiting for a longer period?

HON M K FEATHERSTONE:

Not necessarily, Sir, it depends on the availability of accommodation that we can find for them. If you get, for example, a family with two children you cannot put them into one room and a kitchen whereas you can put a married couple into that even if they happen to be much later on the waiting list.

HON J L BALDACHINO:

No, what I am saying, Mr Speaker, is out of the 26 who are waiting for accommodation, am I to understand that

they have only been waiting for eighteen months and not longer?

HON M K FEATHERSTONE:

The only information that has been given to me is that during the last eighteen months there have been 49 applications of which 26 are still awaiting. Whether they are waiting before the eighteen months I don't know, Sir.

HON J L BALDACHINO:

Would the Hon Member be prepared to give me a list of how long they have been waiting for?

HON M K FEATHERSTONE:

Yes, I will try and get that for you.

MR SPEAKER:

Next question.

NO. 220 OF 1987

ORAL

THE HON J L BALDACHINO

Can Government state what is the financial aid given to a tenant who accepts to carry out repairs to the allocated pre-war dwellings?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

Tenants accepting to rehabilitate pre-war dwellings allocated to them are not given any financial aid. Government, however, assists them by providing stores worth approximately £250.

This assistance is directed towards providing the dwelling with basic essentials such as bathroom, toilet and piped water where these are not already installed.

SUPPLEMENTARY TO QUESTION NO. 220/87

HON J L BALDACHINO:

Am I correct in assuming, Mr Speaker, that when a pre-war dwelling - and we are talking about a social case - is allocated, the future tenant has the option either to wait until the Public Works carry out the repairs or he can carry them out himself, is that correct?

HON M K FEATHERSTONE:

In most instances the tenant says: "If you give me the accommodation even if it is in bad condition I will carry out the repairs myself". In those instances then the Department gives them materials to help them carry out the work themselves to the value of £250 although in some instances it has been a much higher amount than £250.

HON J L BALDACHINO:

Can I establish then, Mr Speaker, if Public Works were to carry out the repairs the figure could be much higher than the £250, am I correct?

HON M K FEATHERSTONE:

Public Works usually does the work in the instance where it is persons on supplementary benefits, unmarried mothers and old age pensioners. I would think that the amount of Public Works cost is more than the £250, yes. The basic idea is that the £250 of material is supplemented free of charges by the labour of the person concerned.

HON J L BALDACHINO:

May I ask the Hon Member how the figure of £250 is arrived at, why £250 and not £300?

HON M K FEATHERSTONE:

It is usually a toilet, a bath, a wash basin and the necessary piping that goes with it.

HON J L BALDACHINO:

I understand that, Mr Speaker. Am I correct then, if a tenant lives in a pre-war dwelling which hasn't got toilet or bathroom facilities and he applies to instal it himself then £250 are given, is that correct?

HON M K FEATHERSTONE:

Yes, Sir.

HON J L BALDACHINO:

If a tenant, who is a social case, is given a dwelling and the amount that is given to make it habitable is the same as another tenant would get to instal a bathroom, is that correct?

HON M K FEATHERSTONE:

More or less, Sir, yes.

HON J L BALDACHINO:

Doesn't the Hon Member agree with me that that really does not make sense because to carry out full repairs of the house costs more than having a toilet and a bathroom.

MR SPEAKER:

I think the Minister has said in those circumstances they might spend more money.

HON M K FEATHERSTONE:

I have said that in many instances we give more than £250, it will depend what you mean a full repair. If the House needs re-roofing then that is something that is not obviously easily done by the tenant himself and it has to devolve on Public Works. This is done on occasions.

HON J L BALDACHINO:

I have seen some of the pre-war dwellings that are given

to social cases and the amount of work and repairs and the amount of money that has to be spent is well beyond the £250. The Hon Member has said that he is giving £250 exactly the same to a person who has to carry out this type of repairs, the same as he gives to somebody who has to put in a bathroom or a toilet and I am asking, shouldn't the Hon Member reconsider his position and bring up the figure of £250 to the first category that I have mentioned?

HON M K FEATHERSTONE:

I have said already that in many instances more than £250 worth of material is given but the intention is that the person who obtains the accommodation should also be able to put something of his own resources into the improvements.

MR SPEAKER:

We must leave it at that, I think. Next question.

NO. 221 OF 1987

ORAL

THE HON J L BALDACHINO

Can Government state how many private rented pre-war dwellings are required under the Landlord and Tenant Ordinance to have a reserve fund set up by their landlords?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

No, Sir. This information is not yet available, but will be compiled in time for March 1988 when the first returns, under the Landlord and Tenant (Reserve Fund) Regulations 1987 have to be submitted.

SUPPLEMENTARY TO QUESTION NO. 221/87

HON J L BALDACHINO:

Mr Speaker, surely this information is available from the Rent Assessor, isn't that correct?

HON M K FEATHERSTONE:

I can only inform you that my Department say they do not have the information available yet.

HON J L BALDACHINO:

I understand that the Housing Department hasn't got the information. Will the Hon Member check with the Rent Assessor and if the Rent Assessor has the information will he let me know in writing?

HON M K FEATHERSTONE:

Yes, Sir.

MR SPEAKER:

Next question.

NO. 222 OF 1987

ORAL

THE HON R MOR

When will legislation be amended to allow tenants in furnished private accommodation to apply for rent relief?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

The necessary amendments to the Landlord and Tenant (Rent Relief) (Terms and Conditions) Regulations are not yet completed; however, it is still anticipated that the amended regulations will be implemented during the Financial year 1987/88.

SUPPLEMENTARY TO QUESTION NO 222/87

HON R MOR:

Mr Speaker, this is practically the same answer we were given the last time and, in fact, he did say it would be done early in the financial year, the last time I posed the question but now it is already three months over. What exactly is the position, is the delay necessary?

HON ATTORNEY-GENERAL:

Mr Speaker, this was lost sight of and when I saw the question on the Order Paper I enquired and the draftsman will get on with the legislation now, it has been put under some other legislation.

MR SPEAKER:

Next question.

NO. 223 OF 1987

ORAL

THE HON J L BALDACHINO

Can Government state how many tenants in the private sector have applied to the rent tribunal for a reduction in rent since it was first set up, to the end of January, 1987?

ANSWERTHE HON THE MINISTER FOR HEALTH AND HOUSING

The Tribunal first met in November 1986 and to the end of January 1987, there have been two cases.

The overall number of tenants who have applied to the Rent Tribunal to date are 20, of which, 13, including the original 2, have been considered and have been successful in having their rent decreased, and 7 are still pending a hearing.

SUPPLEMENTARY TO QUESTION NO. 223/87

HON J L BALDACHINO:

How many of those who have been successful will have the retrospective six months of their excessive rent that they were being charged by the landlord?

HON M K FEATHERSTONE:

I don't know the answer to that, Sir, but I would imagine the Rent Tribunal must have said that all of them should do.

HON J L BALDACHINO:

Mr Speaker, of the twenty, how many individual landlords have gone before the Tribunal, it could be a landlord with two cases?

HON M K FEATHERSTONE:

I would need separate notice of that, Sir, I will enquire and try and find out for the Hon Member.

NO. 224 OF 1987

ORAL

THE HON J L BALDACHINO

Can Government state whose responsibility it will be to allocate the new units at Catalan Bay Village on its completion?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT
AND TRADE

Government policy as regards the allocation of rented accommodation at Catalan Bay has always been by reference to the Housing Waiting List for the village. No departure from this procedure is envisaged.

In the case of the "Shingles" private development the selection of participants for the scheme will be made by reference to the same list. Ultimate responsibility will be with the Land Board.

SUPPLEMENTARY TO QUESTION NO. 224/87

HON J L BALDACHINO:

On the ones which are going to be for rental, Mr Speaker, am I correct in understanding that it will be the Housing Allocation Committee who will be allocating these units?

HON A J CANEPA:

Yes, Sir.

MR SPEAKER:

Next question.

NO. 225 OF 1987

ORAL

THE HON J L BALDACHINO

Can Government state what would be the economic rent for flats projected to be built at Catalan Bay on the basis of current construction and financing costs?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

The economic monthly rent of a flat based on a cost of construction of £35,000 for a 4 RKB would be in the order of £230 per month. Any increase or decrease in the cost of construction would have a corresponding effect on the rent.

NO. 226 OF 1987

ORAL

THE HON J L BALDACHINO

Can Government state what is considered to be low cost housing for home ownership?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT
AND TRADE

A typical low-cost market structure would be:-

£22,000 for a 2 RKB flat
£28,000 for a 3 RKB flat
£35,000 for a 4 RKB flat
and £45,000 for houses built under the development
of small sites programme.

SUPPLEMENTARY TO QUESTION NO. 226/87

HON J L BALDACHINO:

Mr Speaker, when the Hon Member has mentioned these figures, is he basing his prediction on the ability to pay of Gibraltarians or is he basing these figures on something else?

HON A J CANEPA:

We always have in mind people's ability to pay but this is based on the trends that we have seen initially at Northview Terrace and more recently in the case of the Vineyard Housing Scheme and what is projected for Montagu Basin.

HON J BOSSANO:

Is the question of low cost being looked at from the point of view of the cost of production which is really the difference we are trying to explore or from the question of what a person on average earnings would be able to meet in terms of mortgage repayments?

HON A J CANEPA:

Not on average earnings, the cost of production in that case.

NO. 227 OF 1987

ORAL

THE HON J L BALDACHINO

How many existing Government tenants have informed the home ownership unit that they are willing to hand in their Government accommodation in order to purchase a flat at the proposed Montagu Development?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT
AND TRADE

No list of likely purchasers is yet being compiled. However, one week after the issue of the Press Release, well over 150 enquiries had been received in the offices of the Crown Lands Department. This is seen as a very encouraging response especially as no invitation has been extended to interested purchasers.

SUPPLEMENTARY TO QUESTION NO. 227/87

HON J L BALDACHINO:

Mr Speaker, is it Government's intention to carry out a survey of people who are living in Government rented accommodation to see how many are willing to give up their accommodation because that appears to be the impetus behind giving out the Montagu Basin, or the Government is not intending to do that?

HON A J CANEPA:

No, a survey, Mr Speaker, would cover a very large number of units and we just don't have the set-up for that. What will happen will be that once the marketing is under way then the response will be seen. It is at that stage that we will be able to gauge how many people are coming forward who are interested in purchasing and who may have accommodation to give up. But to carry out a survey amongst all the householders who are tenants of Government housing would be too far ranging an exercise when 600 units are to be sold and the Government owns 6,000/7,000. We have never had that in mind.

HON J L BALDACHINO:

Mr Speaker, I understand what the Hon Member has said but where I don't agree with him is that the exercise could be so big as he has put it across for various reasons. The only people who would really be involved, if I am correct, and this is what I am asking the Hon Member, would be the people who live in post-war accommodation, am I correct in that?

HON A J CANEPA:

The only people who would be involved in what?

HON J L BALDACHINO:

The first on his list for the Montagu Development priority would be those people and this is what I am asking, I am asking if the Government knows how many people there are?

HON A J CANEPA:

No, not yet, we will have to wait and see.

MR SPEAKER:

Next question.

NO. 228 OF 1987

ORAL

THE HON J L BALDACHINO

Can Government state whether they are considering making payments as an inducement to encourage Government tenants to purchase flats at the proposed Montague Development and give up their Government accommodation?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

The details of the Montague Development are the subject of recently initiated negotiations with Gib Homes Ltd. Every aspect of the scheme, including the possible need for inducements is being considered but it is still too early to give any kind of indication.

SUPPLEMENTARY TO QUESTION NO. 228/87

HON J L BALDACHINO:

The Hon Member has said that it is still being considered and this could be a possibility and therefore I am asking, if that possibility becomes a reality will the same thing apply to other projects?

HON A J CANEPA:

It is a hypothetical question, it is a hypothetical answer, perhaps Engineer House could also be considered in the same way but I want to make it abundantly clear, Mr Speaker, that any question of making payments as an inducement would only be as a very, very last resort. We wouldn't want anybody to get away with the impression that that is the way ahead.

HON J BOSSANO:

I am grateful to the Hon Member for that last answer because, in fact, we have serious reservations ourselves about this. Has he not, in fact, previously in answers to the possibility of any inducements being given in Engineer House indicated as recently as the Budget that the Government was considering marketing Engineer House at cost not below cost.

HON A J CANEPA:

Yes, we are considering marketing at cost, the Government is not interested in making any profit.

HON J BOSSANO:

Or making losses, for that matter.

HON J A CANEPA:

Of course.

HON J BOSSANO:

Will the Government therefore certainly bear in mind that to treat one particular development in isolation differently from any other one would tend to create very serious problems?

HON A J CANEPA:

Whatever policy is adopted, I think, will have to be adopted generally.

MR SPEAKER:

Next question.

NO. 229 OF 1987

ORAL

THE HON J BOSSANO

Can Government state on what basis will civil servants be involved in the sale of flats in the proposed private housing development at Montagu Basin?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT
AND TRADE

It is envisaged that Crown Lands Department will be marketing the sale of the flats to ensure that the greatest possible impact on the housing problem is achieved.

SUPPLEMENTARY TO QUESTION NO. 229/87

HON J BOSSANO:

Mr Speaker, doesn't the Minister consider that there are risks involved in situations where people buy a flat through a Government Department which in itself has got no control over the quality of the flat or the standard construction or something like that and that there could be repercussions on people who may get the impression that because Crown Lands is involved in marketing there is some kind of Government guarantee about the commodity they are buying?

HON A J CANEPA:

The guarantees about what is being bought is in respect of certain basic standards that have to be kept, basically, the quality of building, the regulations that have to be satisfied, that goes without saying, is the case for any development. What the standard of the finish is and so on will be is another matter. Obviously they may not be the kind of finishes which the Government has had in its own housing schemes over the years. But I don't want Hon Members to think that the involvement of Crown Lands Department is all-embracing and exclusive of the developer, it cannot be, it must go hand in hand. What the home ownership unit will be mainly involved in will be in ensuring that the guidelines and the priorities which the Government has laid down are maintained. In other words, I don't want to see a Government Department involved in marketing as in the way that a developer or in the way that Estate Agents are, that must not be the role of the Government. The role of the Government must be to analyse and to sift interested purchasers with a view that as far as possible the Government guidelines are maintained in order to have the greatest possible impact on the housing problem. I wouldn't like to see our involvement go beyond that because there are all

sorts of other ramifications.

HON J BOSSANO:

That is the point that I am trying to clear up, Mr Speaker, because the Hon Member must be aware that in Northview Terrace there were lots of problems about subsequent defects and if people feel they have bought the thing through a civil servant the last thing we want is to find the government facing certain litigation by people like that. .Wouldn't the Hon Member then agree that it would appear that the staff facing the public should be primarily the sale staff of the developer and that really Crown Lands should be monitoring behind the scenes what the developer is doing?

HON A J CANEPA:

Yes, I agree.

MR SPEAKER:

Next question.

NO. 230 OF 1987

ORAL

THE HON M A FEETHAM

Can Government confirm that if the private consortium's proposals to develop Montagu Basin were not to proceed, it has its own development proposals for the area?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Government development plans for the area are to construct approximately 600 units of residential accommodation and, in fact, these plans were in their embryonic stage before we ever had the approach from the consortium. The proposal from the consortium has accelerated this plan and, if negotiations are successful, it means that 600 units will be built earlier than anticipated.

SUPPLEMENTARY TO QUESTION NO. 230/87

HON M A FEETHAM:

Surely Government must be aware that we are on the verge of taking a fundamental decision on the future of the building of houses in Gibraltar. If Government had proposals or were on the point of reaching some conclusions on those proposals shouldn't that have been a matter made known publicly so that people can decide whether they want to go with Government proposals or with one which is headed by a private consortium?

HON A J CANEPA:

Government had proposals in an embryonic stage. There was a project to reclaim Montagu Basin and to build about 600 units there. What the Government didn't have was the £20m for that project and therefore rather than wait for the necessary time to elapse before we are in a position to embark in such a scheme, the alternative that we prefer is to put in £1.8m into the project by way, say, of infrastructure and accelerate the development through a home ownership scheme.

HON M A FEETHAM:

So, in effect, Government did not have proposals of their own as an alternative in case the consortium stepped down?

HON A J CANEPA:

It wasn't an alternative, it was proposals that we had before

that. The Public Works Department Drawing Office had drawn up a scheme to reclaim Montagu Basin and build 600 units, we had that and it just had to be processed from a planning point of view. There was no question of the finance for that being available.

HON M A FEETHAM:

In fact, Government would not be able to proceed on the basis of alternative proposals because they haven't got the money to build houses.

HON A J CANEPA:

We don't have the money now, we might have the money in five or six or seven years time and we would rather get on with it now.

HON M A FEETHAM:

Mr Speaker, the Hon Member Mr Perez in a debate on television said the contrary to what the Minister is saying now. What I want to know is, what is Government's position?

HON A J CANEPA:

I think the Hon Member was referring to that because he knew that if the private housing development project did not go through the Government would be thrown back onto its own resources and so we would find £2m to reclaim this year, perhaps next year we could build one block or two blocks and gradually over a period of time carry out the development.

HON J BOSSANO:

But, in fact, the situation would not be that if tomorrow the consortium were to withdraw the Government would be able immediately to fill the gap and do the same thing themselves, that is not the situation?

HON A J CANEPA:

We would have to look at that, I don't know to what extent we could get finance. There is no problem about the reclamation or the services because they have to be provided. To what extent we could then borrow another £2m or £3m or £4m to get the project going is another matter. I think it would take the Government longer to complete the project that what it should take the consortium and that is why it is preferred.

MR SPEAKER:

Next question.

NO. 231 OF 1987

ORAL

THE HON J L BALDACHINO

Can Government state if the Vineyard project is within the time schedule to that of the submitted tender?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT
AND TRADE

The Vineyards project has suffered some delay as a result of unexpected site problems and difficulties between the developer and a sub-contractor.

It is understood that both these problems have now been resolved and the work is progressing at the speed envisaged at the time of tendering.

SUPPLEMENTARY TO QUESTION NO. 231/87

HON J L BALDACHINO:

Mr Speaker, was there a site investigation carried out prior to the tender being given to the developer and did the developer have knowledge of this report?

HON A J CANEPA:

Yes, many years ago the Public Works Department commissioned a site investigation, I remember that it was either just before I became Chairman of the DPC or shortly after so it must have been around 1980 that I first became aware of the site investigations because at that time the Government itself was considering building at Vineyards and building not just on the flat part but on the slopes as well and this site investigation elicited the information that there were certain geological faults in that area and my understanding is that the information was made available to tenderers at the time when we put the site out to tender. Let me add that the difficulties that have been overcome in the case of the soil has been the rather large boulders that have been encountered and there is provision within the licence agreement to deal with that situation by allowing, within reason, an extension of time.

HON J L BALDACHINO:

I have asked this question, Mr Speaker, because it has come to my knowledge that the developer has said that the delay is due when they had the report and I think it was made by Wimpey, when they carried out the site investigation in the report it was not the problems they have now encountered.

HON A J CANEPA:

That could well be the case. I have answered the Hon Member's question. Had a survey been carried out? Yes, the government did commission a survey, Wimpey carried it out and the information in that report was made available to the developer. That they may now have come across certain problems which were not envisaged in the report I honestly wouldn't know.

MR SPEAKER:

Next question.

6 7 87

NO. 232 OF 1987

ORAL

THE HON J L BALDACHINO

Can Government state how many tenants in Rosia Dale Estate have shown an interest in purchasing their flat?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

The number of tenants that are interested in purchasing their flats at Rosia Dale fluctuates. Judging by the response to date over 50% are keen on buying.

NO. 233 OF 1987

ORAL

THE HON J L BALDACHINO

Can Government confirm that the proposed sale of flats to Rosia Dale tenants includes the introduction of a service charge?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT
AND TRADE

The conditions of sale for the Sale of Flats to sitting tenants requires that they form themselves into an Association to look after the management of the Estate. The maintenance and /or service charges that will have to be paid will be a matter for the Association to decide. However, guidance will be available if required.

SUPPLEMENTARY TO QUESTION NO. 233/87

HON J BOSSANO:

Is it not true, Mr Speaker, that in the discussion between the Association of prospective buyers and the Home Ownership Unit the prospective buyers have been told that they will be expected to be paying £5 a week service charge?

HON A J CANEPA:

I have no information of any figure, Mr Speaker. I just know that it is the normal practice to set up a management company but the decision is a matter for them. I know what I myself contribute on a monthly basis to the management company to which I belong as a mortgage paying for the ownership of a dwelling. It is roughly of that order, yes, I would say that £5 a week but not for service charges. In our case it includes provision for a fund to be created to look after more long term repairs and maintenance but that would be the kind of figure, I would imagine, that is making prudent provision for the future. In other words, I think it ought to include provision for the creation of such a fund. May I, by way of information, add that the Government will be contributing on a similar basis the kind of contribution that is decided on by the management company in respect of those tenants of the Estate who are still paying rent to Government after the sales are concluded. The Government will be a party to the arrangement and will be making a contribution on a pro rata basis.

HON J BOSSANO:

Would that mean therefore then that the Government would give up responsibility for maintenance for the whole of the Estate?

HON A J CANEPA:

It would give up the responsibility to the management company and arrange for its own tenants to be treated in exactly the same way. It could well be that over a period of time the number of Government tenants will diminish as more and more people hopefully become interested in purchasing.

HON J L BALDACHINO:

In this arrangement, Mr Speaker, will the Government go along whatever is decided by the Association that is made up on maintenance, for example?

HON A J CANEPA:

It is a matter for them, Mr Speaker, that is the legal position. I think the management companies and housing associations, their procedures and their arrangements are provided under legislation. There is an Ordinance prescribing this and it is a matter for them.

HON J L BALDACHINO:

I understand that, Mr Speaker, what I am asking is, seeing that we will probably end up with a mixture of tenants, in other words, owners and tenants, the Government will abide by whatever decision the Association which is made up, for example, if they want to paint the whole of the Estate, Government will also form part of that?

HON A J CANEPA:

Yes, I think the Government will abide by whatever decisions are taken within reason. When I say within reason meaning that they are not in breach of any building regulations or any town planning aspects. The Government cannot give up because it is a party and only a minor partner in this case, not a senior partner, it cannot give up its residual rights under other legislation.

HON J L BALDACHINO:

How will the government be represented in the management company?

HON A J CANEPA:

I am not sure, probably the Director of Crown Lands or one of his representatives will be on the Committee. I would imagine that will be the sort of arrangement.

HON J BOSSANO:

Would that mean then that the Estate could also cease to come under the Estate Warden structure of the Housing Department?

HON A J CANEPA:

Without notice I cannot answer that question, Mr Speaker, I really don't know. But it could well be the case, yes.

MR SPEAKER:

Next question.

NO. 234 OF 1987

ORAL

THE HON J E PILCHER

Can Government state whether the Gibraltar Heritage Trust will be solely responsible for the allocation of the Northern Defences and the Second World War Tunnels?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

The Government has agreed, in principle, that the Northern Defences should be vested in the Gibraltar Heritage Trust. It is therefore for the Trust to decide how it should be developed in the best interests of the objects of the Trust as set out in the Gibraltar Heritage Trust Ordinance. I understand the Trust is currently looking into this matter, but has not yet decided how best to proceed.

The Second World War Tunnels are a separate issue as these are held by the Ministry of Defence and have not been declared surplus to defence requirements. The Trust has also shown an interest in these tunnels and the Chairman has been asked to approach the MOD with a view to looking into the possibility of declaring parts of these tunnels as surplus to defence needs or alternatively licensing them for a non-military use. If any are transferred by the MOD the Government intends to offer them to the Trust to consider how best they can be used and if any become available for leasing they will similarly be referred to the Trust for consideration.

SUPPLEMENTARY TO QUESTION NO. 234/87

HON J E PILCHER:

I take it then, Mr Speaker, that the Northern Defences has been officially passed over to the Gibraltar Heritage Trust?

HON A J CANEPA:

A decision has been taken in principle to do that, it hasn't yet gone through.

HON J E PILCHER:

At the moment therefore they are under the Gibraltar Government, are controlled by the Gibraltar Government?

HON A J CANEPA:

Yes, the Northern Defences are under the Gibraltar Government.

HON J E PILCHER:

When is it likely that we will know whether the Government is going to lease it out itself or pass it to the Gibraltar Heritage Trust?

HON A J CANEPA:

It won't lease it out itself, I don't think, having taken the decision in principle, I don't think the Government is going to be involved in leasing out the Northern Defences. I understand that the sub-committee has not yet reported to the Trust. When it does so, at some stage or other their proposals must be made known to Government if only through the Development and Planning Commission, they have to go there, but that is in respect of the Northern Defences and I hope that by the Northern Defences it is understood what we mean by the Northern Defences and what we don't mean by the Northern Defences. I think there could be some dispute as to what forms part of the Northern Defences. For instance, if it is considered by some that Casemates Hostel forms part of the Northern Defences and I am not joking, it could, I don't think the Government is just going to wash its hands of the future of Casemates Hostel just like that. I just want to lay a marker. When I say the Northern Defences the Government has got legitimate and on-going interests in part of what some people may consider to be the Northern Defences.

HON J E PILCHER:

I accept, Mr Speaker, that there is still some confusion as to where the Northern Defences start and end, where the Second World War Tunnels start and end and there is an on-going confusion, but can the Minister say if they have taken a decision in principle why haven't they passed the land over to the Gibraltar Heritage Trust?

HON A J CANEPA:

Because the Gibraltar Heritage Trust is not in a position to accept.

HON J E PILCHER:

Has the Government, Mr Speaker, passed anything at all over to the Gibraltar Heritage Trust?

HON A J CANEPA:

Not yet. The Garrison Library hasn't been passed over yet but they have been told they can have it.

HON J E PILCHER:

And therefore it would be a hypothetical question I expect, that if the Gibraltar Heritage Trust took a decision on what they were going to do with that land, if they were going to lease that land out to a third party that decision would have to be conveyed for debate in the House of Assembly, am I correct?

HON A J CANEPA:

Whatever the Ordinance says, sure.

HON J E PILCHER:

Again, sometimes a bit confusing but I will read Section 6(3)(b): "Notwithstanding the provision of section 5(a) it shall be lawful for the Board to grant a lease of any land subject to the approval of such a lease by the Charity Commissioners confirmed by resolution of the House of Assembly".

HON A J CANEPA:

That is the legal position, Mr Speaker.

MR SPEAKER:

Next question.

NO. 235 OF 1987

ORAL

THE HON J E PILCHER

Can Government confirm that the Gibraltar Laser Experience will be fully operational by the end of July, 1987?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT
AND TRADE

May I preface my reply by making it clear that Hay's Level has not been declared surplus to defence requirements and as such has not been transferred to the Gibraltar Government.

It is understood that MOD have granted Gibraltar Laser Experience a licence of these chambers and that the Company plans to be fully operational by the end of July, 1987.

NO. 236 OF 1987

ORAL

THE HON J E PILCHER

Can Government give the estimated completion dates of the following projects:

- a) Improvements to the Upper Galleries
- b) Improvement to St Michael's Cave
- c) Refurbishment of the Air Terminal
- d) Embellishment to Europa Point
- e) Nature Reserve
- f) Piazza Development
- g) Wellington Front Development?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT
AND TRADE

(a) IMPROVEMENTS TO THE UPPER GALLERIES

Portaloos were ordered 3 weeks ago, a delivery period of 8/10 weeks is anticipated, a further 2 weeks will be required for their installation. It is anticipated that completion will be by the end of August, 1987, subject to there being no hold-ups at the Wharf due to blacking action.

(b) IMPROVEMENTS TO ST MICHAEL'S CAVE

The completion date is the end of October. However, due to the necessary printing paper being held up at the Wharf because of blacking action it has not been possible to go out to tender.

(c) REFURBISHMENT OF THE AIR TERMINAL

The works are being costed.

(d) EMBELLISHMENT TO EUROPA POINT

Tenders were received on 7th June. The Public Works Department is preparing a tender report for submission to the Treasury Tender Board for their consideration.

(e) NATURE RESERVE

The Tourist Department is now considering the undertaking of studies by local specialists.

(f) PIAZZA DEVELOPMENT

The Sketch Scheme has been modified as a result

of a meeting with the Museum Committee. The Scheme will then be on exhibition outside the Tourist Office Piazza as a Public Participation Exercise.

(g) WELLINGTON FRONT DEVELOPMENT

The Development is awaiting the release of the Parish Hall, which is expected at the end of the year, in the meantime a scheme has been prepared which will consist mainly of the preservation of the historical aspects of the site, general beautification and making safe of the area.

SUPPLEMENTARY TO QUESTION NO. 236/87

HON J E PILCHER:

Mr Speaker, on section (c) - Refurbishment of the Air Terminal - has the Government now decided that the refurbishment is enough or is the study looking at the whole context of the Air Terminal still going to be done by the Gibraltar Government or as we have heard over the news media it is going to be taken over by a company?

HON A J CANEPA:

The refurbishment of the Air Terminal is nothing more than that, it is a limited exercise which has got nothing to do with any other studies.

HON J E PILCHER:

Is the Government, Mr Speaker, going to undertake a study into the Air Terminal?

HON A J CANEPA:

There is another question on that.

MR SPEAKER:

Next question.

NO. 237 OF 1987

ORAL

THE HON M A FEETHAM

Can Government state in respect of which projects has ODA approval been obtained?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, in the first half of June this year ODA development aid funds were sought in respect of the following projects:

	<u>Amount</u>
1. Water Catchments (Phase I)	£ 560,000
2. Electricity Consultancy	£ 100,000
3. Network Analysis of the Salt and Potable Water Distribution Systems	£ 60,000
	<hr/>
	£ 720,000
	<hr/>

Approval is still awaited.

NO. 238 OF 1987

ORAL

THE HON M A FEETHAM

Can Government confirm that in their view the infrastructural improvement made necessary following the frontier opening in February, 1985, is now complete?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT
AND TRADE

Sir, the following works have been completed:

Winston Churchill Avenue has been widened;
Roundabouts have been widened;
The Loop at the Frontier has been constructed;
A Car Park at Western Beach has been constructed;
A Coach Park at Queensway was made ready together
with an overspill at Governor's landing area.

The process is of course an on-going one. For example, the reclaimed land at Waterport is now being prepared with a temporary surface in order to provide a larger coach park thereby releasing the existing Coach Park at USOC to be used as a Paying Car Park.

SUPPLEMENTARY TO QUESTION NO. 238/87

HON M A FEETHAM:

Can the Hon Minister give some indication of what remains to be done?

HON A J CANEPA:

I have nothing in hand, Mr Speaker, as to what remains to be done of a major nature though one that readily comes to mind about which we issued a Press Release the other day, the access road at St Michael's Cave, there is a case in point that occurs to one. As I say, it is an on-going exercise, as problems are encountered with a greater influx of visitors and tourists solutions have to be found. What remains to be done? Traffic flows and every other problem surrounding a new Air Terminal. All that remains to be done.

MR SPEAKER:

Next question.

NO. 239 OF 1987

. ORAL

THE HON M A FEETHAM

Can Government confirm that the cost of a new Air Terminal is now estimated at £6m?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

No, Sir. A joint Government/MOD Working Party has been set up to look into the extension of the Gibraltar Airport and other related matters including accessibility within the area. This Working Party is currently at an early stage of their deliberations.

SUPPLEMENTARY TO QUESTION NO. 239/87

HON J BOSSANO:

Mr Speaker, the position then is that the £2½m that was put in the Estimates in the Improvement and Development Fund really that is not now being proceeded with which was originally on the basis of a bridge over the road and on top of the car park?

HON A J CANEPA:

That is correct, Sir.

MR SPEAKER:

Next question.

NO. 240 OF 1987

ORAL

THE HON M A FEETHAM

Can Government say what steps will be taken to provide the owners of boats at the Camber with adequate alternative moorings in the light of the proposed development of the area?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Various alternative sites have been considered. The one most favoured is an area to the north of the North Mole Roadway and immediately west of the reclaimed area at Waterport.

The area envisaged should cater for over 400 boats. In order to give protection to the boats from w'ly winds a breakwater will be built.

6 7 87

NO. 241 OF 1987

ORAL

THE HON M A FEETHAM

What steps has Government taken to remove from the Gibraltar Register ships which are considered undesirable?

ANSWER

THE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

It is anticipated that on the 8th July, 1987 an Order in Council will be made giving effect to the local legislation which contains the necessary enabling powers. Vessels which are "undesirable" will then be given one month in which to comply fully or be struck off the Register.

NO. 242 OF 1987

ORAL

THE HON M A FEETHAM

Have all the ships registered in the Port of Gibraltar British Masters?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

The vast majority have British Masters. However, on rare occasions it is reported that a foreign national is employed as Master. The matter is then taken up directly with the owners. During the last twelve months only one such case has been reported.

The Captain of the Port has recently informed owners on application for Registry that the Certificate of Registry will not be issued until the name, nationality and details of Certificate of Competency are produced in respect of the Master, Chief Officer and Chief Engineer.

NO. 243. OF 1987

ORAL

THE HON M A FEETHAM

Has Government now taken action to obtain up-to-date crew lists in respect of all ships registered in Gibraltar?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Yes, Sir. Letters were sent to all owners in May informing them of the statutory requirement of keeping the Registrar informed by sending copies of their Crew Agreements and of any changes made.

Replies are still being received.

NO. 244 OF 1987

ORAL

THE HON J BOSSANO

Can Government now state what was agreed in principle with the 'Mancomunidad de Municipios' in April this year?

ANSWERTHE HON THE MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

Mr Speaker, working parties consisting of Mancomunidad and Gibraltar Officials have been meeting as necessary to discuss tourism, the environment, public health, consumer protection, education, culture and sport. These meetings will continue to be held.

As indicated in Government's Press Release of 28 November, 1986 (No 152/86), details of the topics discussed will remain confidential until the outcome of the technical talks has been reported to the main delegations.

SUPPLEMENTARY TO QUESTION NO. 244/87

HON J BOSSANO:

Mr Speaker, didn't the Government Press Release of April, 1987, say that once a decision was taken on the matters the Hon Member opposite discussed with his opposite number it would be made public?

HON A J CANEPA:

Yes, Mr Speaker, what happened in April was that an interim progress report was presented to the main delegations in April, 1987, but there has been a hiatus until the newly elected Mancomunidad officials are ready to set a date for the next meeting, in other words, when I met Senor Caracao in April it was already known that the Municipal Elections were in the offing and very little progress beyond the interim stage could be made then and we are hoping to renew contacts at official level as soon as they have appointed their own permanent officials. What we had was an interim report, matters have not yet been finalised and therefore by agreement they are still confidential.

HON J BOSSANO:

So it is not a question that we will see things happening and discover what has been agreed by seeing it happening?

HON A J CANEPA:

It is not a question that we will see things happening, no, the interim agreements ought not to be implemented on new matters because there are some matters on which prior agreement has been reached, by that I mean exchanges on medical matters, education, sporting contacts but on other matters once a meeting is held with the main delegations which considers ^{the} report, I think at that stage there should be a public announcement made.

MR SPEAKER:

Next question.

NO. 245 OF 1987

ORAL

THE HON J C PEREZ

Can Government confirm that it is prepared to give serious consideration to proposals for obtaining water and electricity supplies from Spain?

ANSWERTHE HON THE CHIEF MINISTER

No, the Government has not considered any proposals for obtaining water and electricity supplies from Spain. However, Government has accepted an ODA offer to fund a consultancy study into electricity demand in Gibraltar to the year 2005, and the least cost solutions for meeting this. This in no way commits the Government to any particular option for the future.

SUPPLEMENTARY TO QUESTION NO. 245/87

HON J C PEREZ:

That is to say, that in the ODA Study in looking at the least cost the option of getting electricity from Spain will also be studied?

HON CHIEF MINISTER:

Yes, no doubt that will be part of the consultancy.

HON J C PEREZ:

But there is no commitment whatsoever on the part of the Government to accept the recommendations of that Report at all?

HON CHIEF MINISTER:

Not at all, that will have to be looked at when it is reported on with all the consequences that it entails.

HON J C PEREZ:

Has the idea of this report been initiated by the Gibraltar Government or has it been the idea of the United Kingdom Government?

HON CHIEF MINISTER:

The idea of the report which is not necessarily only for that purpose, the idea of the report was offered in the ODA package having regard, of course, to the fact that they had already made a very substantial provision for a new generator in the previous aid package which is holding fire out there in Waterport and the fact that

we had already indicated we would be needing another one whether from ODA funds or not, the offer was made of an overall consultancy for the future of generating electricity, as I say, until the year 2005 and that, as has been mentioned, will be included in the consultancy. We haven't received the terms of the consultancy yet but I would like to stress that in no way are we committed to take all or any of the recommendations made by this consultancy.

HON J BOSSANO:

Am I right, Mr Speaker, in drawing the conclusion from what the Hon and Learned the Chief Minister has said that broadly speaking it continues to be Government policy, as it has been said previously, not in fact to look to supply from the other side to maintain Gibraltar's self sufficiency?

HON CHIEF MINISTER:

Yes, I hope that we will be allowed to do that, we don't seem to be allowed to do that now.

HON J BOSSANO:

We can have a debate on that matter whenever the Hon Member wants.

MR SPEAKER:

Next question.

NO. 246 OF 1987

ORAG

THE HON M A FEETHAM

Has Government now made a decision regarding the publication of a Supplement to the Register of Electors before the next general election?

ANSWERTHE HON THE CHIEF MINISTER

No, Sir.

SUPPLEMENTARY TO QUESTION NO. 246 OF 1987

HON M A FEETHAM:

Can the Hon and Learned Chief Minister give an indication when the decision is likely to be made?

HON CHIEF MINISTER:

I suppose we will be taking a final decision pretty soon. I did not find any particular urge on the part of the Hon Questioner when we discussed this matter that they were particularly keen on that and we ourselves are not that keen. I have not been enthused by anything that I have heard to think of having one.

HON M A FEETHAM:

The Hon and Learned Chief Minister will recall that he personally stated that whatever is done has to be done in line with an August date which is what is required under the Ordinance.

HON CHIEF MINISTER:

There are areas of time which are required and I think I have not forgotten those.

MR SPEAKER:

Next question.

NO. 247 OF 1987

ORAL

THE HON M A FEETHAM

Will Government state what steps it has taken to invite Members of the European Parliament to visit Gibraltar and acquaint themselves with its problems?

ANSWERTHE HON THE CHIEF MINISTER

On 16 December 1986, in reply to Question No. 303 of 1986, I informed the House that Lord Bethell, the Leader of the Gibraltar in Europe Representation Group, had been consulted on this matter and that it was intended to raise it with the Group when a delegation from this House visited Strasbourg in February. As the Hon Member knows, that visit was postponed and will now be taking place in September. The matter will then be discussed and invitations issued for a visit to Gibraltar, hopefully, by a cross-section of the various groups in the Parliament of various nationalities.