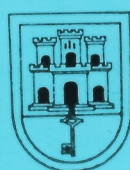


GIBRALTAR

HOUSE OF ASSEMBLY



QUESTIONS AND ANSWERS

29TH APRIL, 1988

NO. 1 TO NO. 62

THE HON A J CANEPA

What was the total sum frozen by the Government when considering the Draft Estimates for 1988/89, as announced on the 30th March, (a) in respect of "Departmental Bids" over and above the "Treasury Allocation" for recurrent expenditure, and (b) in respect of items termed as "Special Expenditure"?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the Government was unable in the time available between its election to office and the latest date for circulation of the Estimates to the House, to give full consideration to the details of departmental Estimates. It was therefore decided to accept, for the purposes of the Appropriation Bill, with some exceptions, related primarily to the policies of the new Government, the Treasury's estimates of departmental requirements in accordance with the formula adopted in recent years. Departmental Ministers will however give further consideration to departmental bids for additions to these Estimates, and a Supplementary Appropriation will be sought in due course in the light of this.

2. It would not be normal practice for the Government to reveal departmental bids for increases in public expenditure when these are not approved by Ministers. However in the exceptional circumstances of this year's Appropriation Bill when the bids were prepared during the previous government's tenure of office it is prepared exceptionally to do so.

3. The figures are; for recurrent expenditure, £3.1 million, including £872K in respect of the Gibraltar Health Authority; and special expenditure of £½ million, including £96K in respect of the Gibraltar Health Authority.

4. To have approved these bids in full in the light of the Treasury's Revenue Estimates would have implied a deficit of £5.4 million for this year. The government is not prepared to contemplate a deficit of this magnitude and will seek to contain public spending within reasonable limits. This will be made clear during the course of the Appropriation Bill when the Government's policy on public spending is spelt out.

2.

SUPPLEMENTARY TO QUESTION NO. 1 OF 1988

HON A J CANEPA:

Mr Speaker, notwithstanding all the reservations made by the Honourable the Financial and Development Secretary, I am grateful for the answer.

MR SPEAKER:

Next question.

THE HON K B ANTHONY

What were the amounts outstanding as arrears in respect of bills issued for Electricity, Telephones, Water and Rates, as at:-

(a) 31 12 87

(b) 31 3 88

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Mr Speaker, the figures, which relate to the period when the previous administration was in office, are as follows. I have two columns of figures but I will read them out under each of the services first, so I will give electricity 31 12 87 and then 31 3 88.

	<u>31 12 87</u>	<u>31 3 88</u>
	£'000	£'000
Electricity	1,306	1,213
Telephones	877	754
Potable Water	865	864
General Rates	<u>1,150</u>	<u>1,064</u>
	<u>£ 4,198</u>	<u>£ 3,895</u>

The new Government expects to achieve an improvement over the course of the current financial year.

MR SPEAKER:

Next question.

THE HON G MASCARENHAS

Can Government state whether it is still their intention to review the scholarship system?

ANSWERTHE HON THE MINISTER FOR EDUCATION, CULTURE & YOUTH AFFAIRS

Yes Sir. This Government attaches great importance to the training of Gibraltar's youth. The scholarship system has been in need of a complete overhaul for years. Our objective is to open up opportunities for further education for the benefit of the students and for the benefit of the community as a whole. The change will be in accordance with the commitment spelt out in our Manifesto.

SUPPLEMENTARY TO QUESTION NO. 3 OF 1988

HON G MASCARENHAS:

Mr Speaker, when will the Government bring the necessary legislation to this House?

HON J L MOSS:

The necessary amendments to the Educational Awards Regulations are in an advanced stage and will be gazetted once ready. The necessary funding has already been identified to eliminate the points system as from this year.

HON G MASCARENHAS:

Mr Speaker, will the new system be exactly the same as the UK system?

HON J L MOSS:

The new system will be as spelt out in our commitments in our manifesto.

HON A J CANEPA:

Will the new system include a revision of the system of parental contributions or does the Minister propose to continue with the present system?

HON J L MOSS:

Mr Speaker, at this stage there is no plan to review the system of parental contribution.

HON P C MONTEGRIFFO:

Mr Speaker, will the new system also allow for scholarships or grants to others than school leavers. People who would qualify for places in the UK but are of a greater age than school leavers?

HON J L MOSS:

Mr Speaker, I believe that the Honourable gentleman is referring to non-mandatory awards. These will be looked at in the light of particular cases.

HON P C MONTEGRIFFO:

Mr Speaker, I am not referring to non-mandatory awards. I am referring to a situation where, if I am a 40 year old individual and I get a place in a Polytechnic to do Fine Arts and therefore I qualify as far as the educational standards of the Institution are concerned, would the review proposed by the Government give me the scholarship or is the extension only for school leavers?

HON J L MOSS:

Mr Speaker, this will be reviewed in due course.

HON A J CANEPA:

Mr Speaker, is the Honourable Minister aware that that is a thoroughly unsatisfactory answer?

HON J L MOSS:

Mr Speaker, is the Honourable the Leader of the Opposition aware that there has been a very unsatisfactory system for a number of years which as a Deputy Chief Minister and Chief Minister he has not troubled to change?

HON A J CANEPA:

Mr Speaker, is he aware that he has been asked a specific question which he has not answered?

HON J L MOSS:

Mr Speaker, I am not aware of this specific question.

HON P C MONTEGRIFFO:

Mr Speaker, can I perhaps put it another way. This 50% increase in the Scholarship Fund, which has been earmarked by Government, has that been computed on the basis simply of an estimated increase of scholarships for the school leavers and takes no account of a potential demand for other people?

HON J L MOSS:

Mr Speaker, the amount has been reviewed in the light of possible awards to be taken up by school leavers.

HON P C MONTEGRIFFO:

I am grateful.

MR SPEAKER:

Next question.

THE HON G MASCARENHAS

Will Government proceed with the planned construction of two new schools in the south district to replace St Joseph's First and St Joseph's Middle?

ANSWERTHE HON THE MINISTER FOR EDUCATION, CULTURE AND YOUTH AFFAIRS

Mr Speaker, the Hon Member is aware that the Rodger's Road site for St Joseph's First is subject to the results of a geological survey to be carried out by specialists. This project will be assessed in the light of the survey's outcome. However, before considering the question of building new schools, or carrying out major repairs to existing ones, Government will first finalise its housing development policy to see where the schools should best be sited. However I wish to emphasise that the commitment to provide new school buildings is still a priority for the Government.

SUPPLEMENTARY TO QUESTION NO. 4 OF 1988

HON G MASCARENHAS:

Mr Speaker, I believe that the Hon Member has visited the two schools in questions. Is he satisfied that the planned replacement of these schools is a serious and urgent matter?

HON J L MOSS:

Mr Speaker, I have visited the two schools as no doubt the Hon Member visited them when he was Minister for Education and we are reviewing the situation and, as I said, our commitment is still to provide new buildings.

HON G MASCARENHAS:

Mr Speaker, the Hon Minister therefore considers that the projects can suffer a delay?

HON J L MOSS:

Mr Speaker, the Hon Member has heard my previous answer. We are reviewing the situation, that does not mean that there is a delay or that there will not be a delay.

HON G MASCARENHAS:

Therefore, Mr Speaker, I take it that the Hon Member agrees that the teaching environment for staff and pupils alike is satisfactory?

HON J L MOSS:

Mr Speaker, I do not think that the Hon Member has understood my answer.

HON A J CANEPA:

Mr Speaker, having regard to the fact that the Hon Minister has made reference to the question of housing, what account has he taken of the fact that there are over 200 housing units being built in the South district which are primarily going to be taken up by young families and what effect that will have on school places in the South district?

HON J L MOSS:

Mr Speaker, I am reviewing the situation. I am actually getting together a list of any new children who may be living in that area. It is a shame it was not done by my predecessor but I can assure you I am looking into this.

HON A J CANEPA:

Mr Speaker, is the Minister aware of the fact that his surname is Moss and not Fagin?

MR SPEAKER:

Next question.

NO. 5 OF 1988

ORAL

THE HON G MASCARENHAS

Is Government proceeding with the planned major extension to St Anne's Middle School at Glacis?

ANSWER

THE HON THE MINISTER FOR EDUCATION, CULTURE AND YOUTH AFFAIRS

Mr Speaker, this question, I believe, has already been answered in my previous answer.

SUPPLEMENTARY TO QUESTION NO. 5 OF 1988

HON G MASCARENHAS:

I take it that this is in respect of all projects?

HON J L MOSS:

That is correct, Mr Speaker.

HON G MASCARENHAS:

Is the Hon Minister aware that that project contains, amongst other things, a full size gymnasium additionally earmarked for community use?

HON J L MOSS:

Mr Speaker, I am aware of this.

HON G MASCARENHAS:

Is the Hon Member aware of the need for a further gymnasium in Gibraltar?

HON J L MOSS:

Mr Speaker, I do not believe that that is a question which is to do with the original question that the Hon Member has made.

HON G MASCARENHAS:

Mr Speaker, I beg to differ.

MR SPEAKER:

Perhaps the question should be phrased to say-'Would the provision of the new gymnasium at St Anne's cater for the requirement of community needs? To that extent it is permissible. It should not extend to the needs of gymnasiums in Gibraltar.'

2.

HON G MASCARENHAS:

What I am trying to get at, Mr Speaker, is, is the Hon Member satisfied that that can also suffer a delay?

HON J L MOSS:

Mr. Speaker, again the Hon Member brings forward the question of a delay which I have not necessarily accepted earlier on.

HON G MASCARENHAS:

Mr Speaker, the projects are not going ahead in the Appropriation Bill or not included in the I&D Fund then they are suffering a delay.

HON A J CANEPA:

Has he not said, Mr Speaker, that it is contingent on a review of their housing proposals?

HON J L MOSS:

Mr Speaker, what we have said is that what we are looking is at the situation of housing to see where the new projects can go ahead.

HON G MASCARENHAS:

Mr Speaker, may I say that the St Anne's Middle School project was imminent, the tender notice was imminent and therefore that that will suffer a very serious delay. Does he agree with that?

HON J L MOSS:

Mr Speaker, I am slightly amused by the whole proceedings because suddenly we seem to be accused on the Government side of all sorts of delays after four weeks. The Hon Member was Minister for Education for four years and he did not hasten to carry out any of these projects.

HON G MASCARENHAS:

Mr Speaker, I beg to differ. The Government had a programme of replacing.....

MR SPEAKER:

No, you ask a question. Next question.

NO. 6 OF 1988

ORAL

THE HON G MASCARENHAS

Is Government proceeding with the planned construction of a new facility at the College of Further Education?

ANSWERTHE HON THE MINISTER FOR EDUCATION, CULTURE & YOUTH AFFAIRS

Mr Speaker, Government is aware of the urgent need to re-provide specialist workshop facilities and equipment for the College.

The Department and College are currently assessing a new option for the siting of these facilities which may provide a more cost-effective and long-term solution to the College's needs in this area. The re-provisioning of Building 'B' and the provision of the new equipment has, however, not yet been discarded.

SUPPLEMENTARY TO QUESTION NO. 6 OF 1988

HON G MASCARENHAS:

Mr Speaker, I think there is a mention of the new equipment which I will follow with question No.7.

MR SPEAKER:

May I perhaps interrupt here, I think we are going about things in a different way than we have done up till now. Perhaps I might mention to Government, that if they intend to answer more than one question together, then the questions affected, all the questions should be read at one and the same time, so that Honourable Members in the Opposition have a chance to ask supplementaries on all three of them. The way to do this is to say "Mr Speaker, I propose to answer Question No.6, No.7 and any other question at one and the same time, and then the three questions will be called and the Opposition would have prior Notice". What I will do is I will call Question No.7 and if there is any supplementary you wish to ask, please do. Next question.

NO. 7 OF 1988

ORAL

THE HON G MASCARENHAS

Will Government proceed with the planned substantial injection of new equipment for the College of Further Education?

ANSWERTHE HON THE MINISTER FOR EDUCATION, CULTURE & YOUTH AFFAIRS

MR SPEAKER:

You can still say, "The question has been answered under Question No.6." Then supplementaries may be asked.

HON J L MOSS:

The Question has been answered under Question No.6.

SUPPLEMENTARY TO QUESTION NO. 7 OF 1988

HON G MASCARENHAS:

Is the Honourable Member aware that the College of Further Education is a B.Tech examination centre in its own right?

HON J L MOSS:

Mr Speaker, yes, I am aware of this.

HON G MASCARENHAS:

Is he also aware that by not making the necessary funds available for the injection of new equipment, Government is running the risk of losing the status of an examination centre?

HON J L MOSS:

Mr Speaker, there is no question of the necessary funds for B.Tech examinations not being made available.

HON P C MONTEGRIFFO:

Mr Speaker, to what extent does the Government review of the position on the College of Further Education depend on their training schemes and the relationship that one might have with the other, or are they totally separate?

HON J L MOSS:

Mr Speaker, it is a totally separate issue.

2.

HON G MASCARENHAS:

Mr Speaker, is the Honourable Member actually committing himself to seeking supplementary provision later on?

HON J L MOSS:

Mr Speaker, what I have said is that we are reviewing the situation and that we will provide any necessary funds for B.Tech courses.

MR SPEAKER:

Next question.

29 4 88

NO. 8 OF 1988

ORAL

THE HON G MASCARENHAS

Will Government state whether sport will remain under the Head of Expenditure of the Department of Education?

ANSWER

THE HON THE MINISTER FOR EDUCATION, CULTURE & YOUTH AFFAIRS

Mr Speaker, Council of Ministers has already directed that the question of running sporting facilities from the Education Department should be looked into and a report prepared for Council's consideration. Any changes that take place will clearly be reflected in the estimates of expenditure in next year's budget.

MR SPEAKER:

Next question.

THE HON DR R G VALARINO

Will the Minister for Labour and Social Security make a statement of policy on matters for which he is responsible?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, since I am being asked to make a statement of policy on matters for which I am responsible, and as Question No.10 which refers to pensions and Question No.15 which seeks information on training schemes both form part of the policies on areas for which I am responsible, with your indulgence I would propose to answer Questions Nos.10 and 15, together with Question No.9.

Mr Speaker, as you will no doubt appreciate, to make a detailed statement of policy on every single matter for which I am responsible, would take up too much of the House's time and I would therefore try to be as brief as possible and only highlight the main areas on which our policies will be reflected during our term in office.

The Government is concerned, Mr Speaker, at the relatively high number of unemployed Gibraltarians. At present there are over 300 Gibraltarians most of whom are seeking employment. It is the Government's intention through its investment programme to create economic activity which would generate extra demand for labour and thereby offer job opportunities for the unemployed in the near future.

The Government will soon be legislating to set up a statutory board to be known as the Gibraltar Training and Employment Board. This Board will be responsible for monitoring and co-ordinating supply and demand on the labour market and will also ensure to provide school leavers, who do not undertake higher education or immediate employment, with training facilities to prepare them for the jobs on offer. Details of the training schemes will be provided by this Board in due course. It is expected that this Board will be operating by next September.

At present, Mr Speaker, the Government has two training centres. It is our intention to amalgamate both centres within the GSL complex. This would release the site at Landport Ditch for future development.

It is also the Government's intention to re-site both Government hostels. This would again release land at Devil's Tower and Casemates for future development.

Mr Speaker, as was explained clearly in our electoral manifesto, it is the intention of this Government to implement a new scheme which will effectively reduce the age of entitlement for a state income before the current pensionable age of 65 years. A social wage will be introduced and it is expected that the age of eligibility will be reduced to 60 during this term of office. A caveat was placed on this commitment which refers to the outcome of the problem of pensions to former Spanish workers which is currently under discussion. This is a problem inherited from the previous administration and which could place the entire system of social security at risk.

The Government is committed to reviewing the income of certain senior citizens who are not included in the pension scheme.

It is our intention, Mr Speaker, to provide sheltered employment for those handicapped and disabled who can undertake such employment. Several options to provide for the needs of other handicapped and disabled are currently under review.

It is our policy to credit Social Insurance Contributions to unemployed persons over 60 as from the 1 January 1988. I will have more to say on this and other issues raised during my contribution on the Appropriation Bill, Mr Speaker, and I would apologise for this rather lengthy reply. Thank you.

SUPPLEMENTARY TO QUESTION NOS. 9, 10 AND 15 OF 1988

HON R G VALARINO:

Mr Speaker, could the Honourable Member say how the Government will fund this commitment of this social wage from 60 to 65?

HON R MOR:

Mr Speaker, when that happens, it will be brought to the House.

HON R G VALARINO:

Mr Speaker, will this affect the retirement age of industrials?

HON R MOR:

No Sir.

HON R G VALARINO:

Mr Speaker, how does Government propose that the lowering of pensionable age to 60 will assure Gibraltarian pensioners the maximum rate?

HON R MOR:

Mr Speaker, what we are talking about is not lowering pensionable age as such. What we are talking about is introducing a new scheme, whereby a social wage will be payable for those under 65.

HON R G VALARINO:

Mr Speaker, will this social wage be tax-free?

HON R MOR:

Mr Speaker, when we bring it to the House, we will be announcing whether it will be taxed or not.

HON R G VALARINO

Mr Speaker, he has no idea yet whether the scheme will be tax-free or not, has he got any idea how much it will cost?

HON R MOR:

Mr Speaker, it is at present under review, the final details have not yet been decided.

HON R G VALARINO:

I see, so you are reviewing the situation, just like Mr Fagin.

HON A J CANEPA:

Mr Speaker, has the Minister taken account of the fact, that in fact old age pensions are tax free, and therefore the relevance that that has of the question of the introduction of a social wage?

HON R MOR:

Mr Speaker, everything will be taken into account when we bring this to the House.

HON A J CANEPA:

Sir, what relevance does the lowering of pensionable age or the introduction of a social wage have with the question of Spanish pensions given the commitment of the GSLP Government not to pay a penny to Spanish pensioners.

HON R MOR:

Mr Speaker, this is precisely why when we talk about this new scheme we do not refer to it as the pension scheme. It may happen that we may have to do away with the pension scheme altogether if we are to avoid paying the Spanish pensions.

HON R G VALARINO:

Mr Speaker, the Honourable Member said that there was a large number of unemployed Gibraltarians. Could he let me know what percentage of the total working force this is?

MR SPEAKER:

I think, the Honourable Minister made it a figure of 300.

HON R G VALARINO:

Yes, but what percentage of the total working force.

HON R MOR:

Mr Speaker, at the moment of this overall total it should concern about 3%, but if it is considered as a percentage of actual Gibraltarians in work it would of course be much higher.

HON A J CANEPA:

Sir, having regard to the answer that the Honourable Minister has given in respect of the Spanish pensions, does that mean that the lowering of pensionable age or the introduction of a social wage of people aged between 60/65, that there are no financial constraints put on that?

HON R MOR:

No Mr Speaker, no financial constraints.

HON M K FEATHERSTONE:

Mr Speaker, does this 300 unemployed persons include those persons who would normally be termed as unemployable?

HON R MOR:

Mr Speaker, we do not consider that there are any persons unemployable. Whilst it might be accepted that there could be some people who are difficult to employ. Of those 300, there could be a maximum of about 50.

HON R G VALARINO:

Does the Honourable Member know that there is an EEC Directive that pensionable age for men and women should be the same and the introduction of a social wage will not go towards this aim.

HON R MOR:

Mr Speaker, the Honourable Member was aware of this when he was the Minister for Labour and Social Security, why did he not implement it then?

HON A J CANEPA:

Answer the question that the Honourable Member has been asked, Mr Speaker.

HON R MOR:

We are aware, Mr Speaker.

HON LT-COL E M BRITTO:

Does the Honourable Minister intend to move both Government hostels or just the Devil's Tower Government hostel?

HON R MOR:

The intention is to move both.

HON LT-COL E M BRITTO:

Mr Speaker, will the Honourable Minister give us an indication to where they will be moved to.

HON R MOR:

At the moment, Mr Speaker, we are studying all the sites which will be available in the future and it is a matter which will be considered in due course.

HON R G VALARINO:

Mr Speaker, any idea of the funds involved in moving both hostels?

HON R MOR:

Mr Speaker, this is part of an overall project which at present has not been completely costed yet.

HON P C MONTEGRIFFO:

Will Government now confirm therefore, that its position on the lowering of pensionable age or the social wage depends on its legislating to avoid the liability to pay Spanish pensions if that liability is deemed to exist?

HON CHIEF MINISTER:

Mr Speaker, perhaps I can help the Honourable Members opposite.

HON A J CANEPA:

No, you can help the Honourable Minister.

HON CHIEF MINISTER:

The Honourable Minister has already given the answer and the Honourable Members have not understood him, so perhaps they

will understand it from me, since they are used to hearing me. The provision in the manifesto of the GSLP before the election was that we would implement a social wage in parallel with the existing social security system. Whether the social security system can survive as it is now, depends on what happens with Spanish pensions. Should the social security system not survive as it is now, then what will be done on the social wage will be integrated or maybe integrated in what is done to replace the social security system as it is now. So, in fact, although the actual amount that is paid or is not paid to former Spanish pensioners will not affect the money available for the social wage, it may affect the methodology.

HON P C MONTEGRIFFO:

Mr Speaker, but has it not been GSLP policy, and hence presumably now Government policy, that notwithstanding legal, moral or any other type of commitments, that there will be no payment to Spanish pensioners over and above the Spanish sub-fund and if this is the case, does not financially the matter have no relevance to the question of payment of the wage.

HON CHIEF MINISTER:

That is precisely what I have just told him, Mr Speaker. I do not know what he is asking me. I have just said that it has nothing to do with money, it has to do with methodology, and then he asks me, whether it means that it has nothing to do financially, that is right, money and financial are the same thing for the Honourable Member's benefit.

HON P C MONTEGRIFFO:

Well I am glad, that now we have understood it, certainly we had not before.

HON P C MONTEGRIFFO:

Can the Honourable Minister please confirm whether in the proposed training schemes, there will be room for adult re-training or whether this will be exclusively based for youth training.

HON R MOR:

Mr Speaker, I can confirm that there will definitely be training available in general terms and not specifically to any particular area.

HON P C MONTEGRIFFO:

Will the Honourable Minister also confirm, what new skills it is intended that the training schemes will introduce, and in particular to what extent these skills are going to be linked to the Joint Venture Companies which Government intends to set up?

HON R MOR:

Mr Speaker, as I mentioned earlier on in the original reply, this will be a matter for the Gibraltar Training and Employment Board to plan.

HON P C MONTEGRIFFO:

Mr Speaker, does the Government not think that it is an inadequate answer, bearing in mind, surely it is for the Government to establish policy in general terms and one has assumed that there has at least been a skeleton of policy on this matter when the matter was put to a general election subsequently.

HON R MOR:

Mr Speaker, I have already mentioned earlier that we expect the Board to be operating by next September and that by that time all the available information should be made known.

HON P C MONTEGRIFFO:

Do I then understand it that at this stage Government has no view on the broad policy of what skills and what relationships these schemes will have to the Joint Venture Companies and other areas of the economy?

HON R MOR:

Mr Speaker, after five weeks in office we are not in a position at the moment to give a public view on this matter.

HON P C MONTEGRIFFO:

Can the Member confirm one way or the other, whether there will be any private sector involvement in the training schemes, in terms of funding or liaison of some other private nature, and what type of liaison will this take?

HON R MOR:

Mr Speaker, as I keep repeating, this is something which the Board has to decide when it is constituted.

HON A J CANEPA:

Mr Speaker, has the view been taken by the Government on the future of the Industrial Training Board?

HON R MOR:

Well again, Mr Speaker, this is something which will have to be reviewed in the future. Once we set up the Gibraltar Training and Employment Board, then everything will have to be taken into consideration, whether in fact, some Committees that exists should be kept going or not.

HON P C MONTEGRIFFO:

Can the Government explain how the Board will actually operate and how the decision making, how policy will be determined within the Board?

HON R MOR:

We are not prepared to go into that at this stage.

HON A J CANEPA:

Mr Speaker, if I can ask the Honourable Minister again about the two Government hostels. Can you confirm that after reprovisioning the Government hostels, the vacated sites will be used for housing or will they be for other use.

HON M A FEETHAM:

The whole question of the Government Development Project is at the moment being reviewed and that sort of consideration will form part of the Government's overall policy. Whether in fact, it will be for housing or for any other type of development.

MR SPEAKER:

Next question.

29 4 88

NO. 10 OF 1988

ORAL

THE HON DR R G VALARINO

Will Government commit itself definitely to lowering pension-able age to 60 in their four years of office?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

This Question was answered together with Question No.9.

29 4 88

NO. 11 OF 1988

ORAL

THE HON DR R G VALARINO

Will the Minister for Labour and Social Security allow Members of the Opposition to have copies of the Actuarial Review of the Social Insurance Fund once received?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, once the Actuarial Review of the Social Insurance Fund is received and considered by Government, copies will be made available to Opposition members on the same basis as when we were in Opposition.

SUPPLEMENTARY TO QUESTION NO. 11 OF 1988

HON R G VALARINO:

Mr Speaker, when does the Honourable Minister expect to receive the Actuarial Review?

HON R MOR:

At the moment, Mr Speaker, we do not have date.

HON R G VALARINO:

Have you pressed UK on the matter?

HON R MOR:

Mr Speaker, I have been pressing on other matters.

MR SPEAKER:

Next question.

THE HON DR R G VALARINO

Can Government give the latest available figures for employment in Gibraltar arising directly out of the return of insurance cards at the end of 1987?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, the number of insured persons in Gibraltar as at the end of 1987 was 14,018, regrettably this did not involve a significant reduction in the number of unemployed Gibraltarians. Since then the level of the insured population appears to have declined somewhat in the early part of this year as is reflected by a corresponding increase in unemployment. The Government is monitoring the situation closely and will ensure that employment opportunities exist for Gibraltarians as soon as this is possible.

SUPPLEMENTARY TO QUESTION NO. 12 OF 1988

HON R G VALARINO:

Mr Speaker, may I have a breakdown between males and females and how has this figure changed or increased since 1986?

HON R MOR:

Mr Speaker, we will provide the information if the Honourable Member requests it and if he wants he can come and have coffee with me at the office.

HON R G VALARINO:

Mr Speaker, I am grateful for the offer of a coffee. The Honourable Member should know by now that I have tea and not coffee, so I suppose that by the invitation, I am just as welcome to tea. I am sad that he has not got the figures available, because in February 1987, when he asked the same question, I was able to provide him with those same figures. Now has he got any idea at all what is the number of Gibraltarians out of this figure and at the same time provide a breakdown between male and female workers and how does this compare with the figure at the end of 1986.

HON A J CANEPA:

The Honourable Minister has not really answered the main question because the answer that he has given is, that there were 14,018 insured persons. But the question is, the latest available figures for employment. Does he have a breakdown, and if not could we have it, without having to go to his office for coffee, does he have a breakdown amongst those 14,018, how many are employed persons and how many are self employed?

HON R MOR:

Mr Speaker, I can supply the figure. In fact I did answer the question correctly because the available figure for employment in Gibraltar arises directly out of the return of insurance cards so the figure I was given was 14,018. This is broken down into employed persons, 13,413 and self-employed 605.

HON A J CANEPA:

Will the Minister confirm that this shows an increase on the figure from last year of employed persons from the top of his head, even if he does not have the information?

HON R MOR:

Yes, Mr Speaker, it shows an increase of about 700.

HON A J CANEPA:

I am very grateful for that answer.

HON R G VALARINO:

Mr Speaker, could I ask the Minister a simple question. Does he not have the breakdown because he does not have the figures available or because there is a deficiency of staff in the DLSS which has been unable to provide him with the figures.

HON R MOR:

No, Mr Speaker, I do not have the figures available here, but I would certainly be able to provide that figure.

HON R G VALARINO:

Mr Speaker, could he let me have the figures by the end of today.

HON R MOR:

We will try and do that, Mr Speaker.

MR SPEAKER:

Next question.

THE HON DR R G VALARINO

Can Government say whether they intend to carry out a further survey at the frontier aimed at identifying persons working in Gibraltar without work permits?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, at this stage the Government has no intention of carrying out further surveys at the frontier in order to identify persons entering Gibraltar without work permits. The whole situation in verifying that the Employment Ordinance is complied with is at present being studied and the Government will be looking at how best this can be achieved. In this context the whole question of the Employment Ordinance is being reviewed and any changes that may be required will be brought to the House in due course.

SUPPLEMENTARY TO QUESTION NO. 13 OF 1988

HON R G VALARINO:

Mr Speaker, is the Honourable Member aware that at the last such survey it was found out that 350 did not have work permits?

HON R MOR:

Yes Mr Speaker, we are aware.

HON R G VALARINO:

Mr Speaker, is he not worried that there could well be an increase, especially in the building industry, and that the Government could well be losing revenue both in PAYE and Social Insurance?

HON R MOR:

Precisely, Mr Speaker, we are very aware, in fact we are concerned about this, and that is precisely why we are reviewing the whole situation, so that we can try and come out with the most effective manner of being able to control this.

HON R G VALARINO:

So, Mr Speaker, at the moment there is no indication that a survey will take place?

HON R MOR:

No Sir.

THE HON DR R G VALARINO

Will Government say whether they will now pay pensioners residing outside Gibraltar on a monthly basis?

ANSWERTHE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

Mr Speaker, it is the intention of this Government to pay pensioners residing outside Gibraltar on a monthly basis.

Towards this end a careful study of the present method of payment is being carried out with a view to improving the present system.

SUPPLEMENTARY TO QUESTION NO. 14 OF 1988

HON R G VALARINO:

Mr Speaker, the Honourable Member is reviewing the situation. Could he let me know whether he has enough staff available to do this, because when I answered this question in reply to the Honourable Member's question, one of the biggest problems was that there were not enough people at the DLSS and there was a staff inspection taking place at the time. Could he let me know whether the number of people has increased or whether the staff inspection is going to carry on.

HON R MOR:

Mr Speaker, we have no intention of increasing the staff levels. What we are concerned about is the rather antiquated work practices which the Government has, and it is in this area by applying new work practices, introducing computers, the computerisation of records is how we see efficiency being increased.

HON R G VALARINO:

Mr Speaker, could the Honourable Member reply to the second part of the question, ie whether the staff inspection has been frozen for the time being.

HON R MOR:

Mr Speaker, as I have said, we have no intention whatsoever of increasing staff levels, and for the time being we will not consider any staff inspection in any area of Government.

HON R G VALARINO:

Mr Speaker, will the Honourable Member commit himself as to

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when he will be able to start paying these pensioners monthly?

HON R MOR:

Mr Speaker, it is my intention to start paying Gibraltarian pensioners residing abroad very soon.

HON A J CANEPA:

So when the Honourable Member says that they have no intention of increasing staff levels. Is that a statement purely applicable to the Department of Labour, or is that a general statement of policy?

HON J BOSSANO:

Mr Speaker, the Government's policy in this area in terms of public expenditure will be explained by me at the Appropriation Bill.

MR SPEAKER:

Next question.

29 4 88

NO. 15 OF 1988

ORAL

THE HON P C MONTEGRIFFO

Can Government give full details of the new proposed training schemes?

ANSWER

THE HON THE MINISTER FOR LABOUR AND SOCIAL SECURITY

This Question was answered together with Question No.9.

NO. 16 OF 1988

ORAL

THE HON M K FEATHERSTONE

Will Government state its policy with regard to the Gibraltar Health Authority and the medical services in general?

ANSWERTHE HON THE MINISTER FOR MEDICAL SERVICES & SPORT

Mr Speaker, I will be answering Questions Nos. 16 and 19 together.

The policy of the Government is that on which it was elected on the 25th March and which enjoys overwhelming support from the electorate. Our Manifesto clearly spelled out our commitments to the Health Authority and the Medical Services generally. In discharging that commitment the primary concern of the Government is to ensure that the resources are used in a way that is best for the patient and much of the wastage that was in existence under the AACR administration is now being eliminated and every penny is being scrutinised to ensure the benefits will go to the patients.

The GSLP Government is now required to redress an appalling and chaotic situation within our medical services.

SUPPLEMENTARY TO QUESTIONS NOS. 16 AND 19 OF 1988

HON M K FEATHERSTONE:

Mr Speaker, that answer does not state any policy whatsoever. I will ask first of all when are we going to get a Geriatrician as proposed by the Medical Review team?

HON M I MONTEGRIFFO:

The question of the Geriatrician is conditioned to the actual implementation of the generic prescribing.

HON M K FEATHERSTONE:

When are we going to get three extra doctors at the Health Centre, as proposed by the Review Team?

HON M I MONTEGRIFFO:

Mr Speaker, this is something that we have been asking in Opposition and therefore it is something that the Government is now studying and we have been told by the Gibraltar Health Authority that it is a problem as regards space, but I can assure the Honourable Member when we do decide to get the GPs, it will be done much faster than what the AACR have done when they have been in power.

HON M K FEATHERSTONE:

So the position is that they are reviewing the situation.

HON M I MONTEGRIFFO:

No, the position is, Mr Speaker, that at the moment there is a problem with accommodating the actual GPs that we have to bring over from England.

HON M K FEATHERSTONE:

Was that problem not solvable by moving part of the Department of Environmental Health to another venue.

HON M I MONTEGRIFFO:

Mr Speaker, it is not something that the Government, at this stage can do in five weeks.

HON M K FEATHERSTONE:

I thought they were going to do everything at lightning speed.

HON M I MONTEGRIFFO:

We are, Mr Speaker. I can assure the Honourable Member that what has been done at the moment with the Health Services is an improvement which is much faster than what the AACR have done in the years that they have been in power.

MR SPEAKER:

Next question.

NO. 17 OF 1988

ORAL

THE HON M K FEATHERSTONE

What was the total sum submitted by the Gibraltar Health Authority as a 'departmental bid' over and above the 'Treasury allocation' as recurrent expenditure for 1988/89?

ANSWERTHE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

Mr Speaker, the Bid was one million pounds and that has been stopped and a detailed scrutiny is being made as to whether all of it is required. In the time available to us a thorough job could not have been done.

We consider it would have been irresponsible to have given approval of this money without giving it due consideration. Approval of any funds that are further required will be done through supplementary provision.

SUPPLEMENTARY TO QUESTION NO. 17 OF 1988

HON M K FEATHERSTONE:

Is it not the case then that with the lack of funds that are going to be made available, there will be a deterioration in the Health Service.

HON M I MONTEGRIFFO:

No, Mr Speaker, that is not the case.

HON M K FEATHERSTONE:

We shall have to see.

HON M I MONTEGRIFFO:

It will not be a deterioration as far as what has happened in the past, Mr Speaker.

HON M K FEATHERSTONE:

Is it not true that the Health Authority is becoming rather frustrated at the lack of funds available.

HON M I MONTEGRIFFO:

On the contrary, Mr Speaker, I have given a commitment to the Health Authority that any money that is required for immediate implementation will be made available by the GSLP Government because we are totally committed to the Medical Services.

NO. 18 OF 1988

ORAL

THE HON M K FEATHERSTONE

Does Government accept the Hill Report on the future of the nursing services and how will it be implemented if accepted?

ANSWERTHE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

Mr Speaker, the Government is committed to the Hill and Snee Reports and proof of this is the fact that immediately upon taking office we gave approval for the first phase of nursing vacancies to be implemented. However there will be a need to come back to the House for supplementary provision for these posts because the appropriate funding was not included by the past AACR Government in the Appropriation Bill before the House. Nevertheless the posts have already been advertised and the selection completed. Therefore in a short space of time, a marked improvement will be seen in the different wards. I need to remind the Opposition that according to Mr Hill in his report he says that it is a matter of regret that certain recommendations which are relevant today, contained in a comprehensive report submitted to the AACR Government by Clarke and Newey in 1977 were not implemented. It is precisely because of so many years of neglect that we find ourselves with insufficient nurses and inappropriate training procedures. The Hill Report will be implemented in consultation with the Staff Side.

SUPPLEMENTARY TO QUESTION NO. 18 OF 1988

HON M K FEATHERSTONE:

Will that include the 15% revision for the increase in pay for nurses as awarded in the United Kingdom?

HON M I MONTEGRIFFO:

That is part of the overall pay review, Mr Speaker.

HON M K FEATHERSTONE:

So you will need another supplementary for that?

HON M I MONTEGRIFFO:

Not necessarily, Mr Speaker.

MR SPEAKER:

Next question.

29 4 88

NO. 19 OF 1988

ORAL

THE HON M K FEATHERSTONE

Does Government accept the recommendations in full with regard to the future of the medical services in Gibraltar as proposed by the medical review team?

ANSWER

THE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

This Question was answered together with Question No.16.

29 4 88

NO. 20 OF 1988

ORAL

THE HON M K FEATHERSTONE

Why has the Minister for Health reversed the agreement made by the previous Government whereby the pharmacists late opening hours should be from 7 pm to 9 pm instead of the present 9 pm to 11 pm?

ANSWER

THE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

Mr Speaker, the Minister for Medical Services and Sport has not reversed the agreement made by the previous Government.

A decision has been taken to defer the implementation of the previous Government's agreement in order to allow sufficient time to consider the effects which would be experienced by patients. This Government does not wish to introduce changes in late opening hours until it is convinced that there will be no detriment to the service.

Once a decision is reached its implementation will be discussed fully with the retail pharmacists and there will be appropriate publicity before any changes are introduced.

SUPPLEMENTARY TO QUESTION NO. 20 OF 1988

HON M K FEATHERSTONE:

Does the Minister appreciate that the pharmacists claim that they do practically no business between the hours of 10 and 11 o'clock; and it is also a strain for them to have to be alone in the shop at such late hours, when there are possible threats of drug users trying to obtain drugs from their chemist shops.

HON M I MONTEGRIFFO:

We are aware in the short space we have been in power of all that the Honourable Member has said, and I must inform him that the pharmacists are now willing to wait for this Government to actually decide on the actual implementation of the hours, and they are willing to give us time.

HON M K FEATHERSTONE:

How long will we have to wait for the Government to review the situation?

HON M I MONTEGRIFFO:

Well it is up to the pharmacists, Mr Speaker.

HON A J CANEPA:

Mr Speaker, will the Honourable Minister give an assurance that the decision arrived at and the agreement reached, will be entirely on the merits of the matter and will not be in any way clouded by the fact that it was us who had entered into a previous agreement to change the hours.

HON M I MONTEGRIFFO:

Yes, Mr Speaker, I am willing to give that assurance.

MR SPEAKER:

Next question:

THE HON LT-COL E M BRITTO

Can the Minister for Sport state what new arrangements she intends to make for the management of all matters related to sport?

ANSWERTHE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

Mr Speaker, the Government is not prepared at this stage to state the new arrangements for the management of matters related to sport because in the short space of time available to us, we have not had the opportunity to approach those concerned. A statement will be made once a final decision has been agreed. In this area as in others, the GSLP did not commit itself to complete the whole of its 4 year programme in its first month in office.

SUPPLEMENTARY TO QUESTION NO. 21 OF 1988

HON LT-COL E M BRITTO:

Mr Speaker, is the Minister aware that she gives me the impression as I have gathered in the answers to other questions, that the GSLP in Opposition formed policies which they put down in their manifestos, and which they have referred to in their manifestos consistently in their answers today. Now in answer to questions, they are telling us that they have to study the situation because they have only been four weeks in office, etc, etc. Is she aware that by implication, what she is saying is that what is contained in the manifesto would appear to be promises that have been made without due study to their implications or their costings, and therefore may not be able to be kept.

HON M I MONTEGRIFFO:

Mr Speaker, perhaps the Honourable Member, because he has not been in Government before does not realise the chaotic situation the GSLP find themselves because of the legacy we have inherited from the previous Government. What I am saying is that we will complete it, but in two weeks time, it is an impossibility because of the chaotic situation that we find ourselves in.

HON LT-COL E M BRITTO:

Mr Speaker, again we are coming back to the same thing. Is the Minister not aware that what she is saying again is that she is blaming the past for not being able to implement a promise that she makes for the future, which bears no relationship for what has gone on before, because the creation of a new sporting body bears no relationship to the arrangements

that have gone on in the past. Presumably, the GSLP have considered it necessary to create a new sporting body. It means that they have studied what they allege to be mismanagement by the previous Government, consider it not to have been acceptable and consider that something different is better. And if this is what the Minister is saying she should be in a position not to implement it in the first four weeks in office, that is not what I am saying, but in a position to tell us the framework, the skeleton of what she intends to implement at some stage in the future. That is all I am asking, the general idea.

HON M I MONTEGRIFFO:

Mr Speaker, the Honourable Member must be aware that the number of Associations total 24, and therefore, in the short space of time that we have had available to us, and the pressing needs that we have had to try and redress impending a very important situation, it is impossible for us, within the time available to us of a couple of weeks to be able to have actually consulted those affected. That is what I am saying, Mr Speaker.

HON A J CANEPA:

Mr Speaker, did not the Honourable Minister, when she was the Shadow Minister for Sport have all the contact that she wanted to have during the years in the Opposition, with the various sporting bodies?

HON M I MONTEGRIFFO:

Mr Speaker, that is precisely the answer that I have given before, because I have had a lot of contact with the sporting societies, is more of a reason why we should consult them even more within the arrangements that we need, because even in sport, the situation is quite appalling, Mr Speaker.

HON LT-COL E M BRITTO:

Mr Speaker, will the Minister then undertake to give me as soon as she is able, an overall idea of what she intends to do for the regulation of sport?

HON M I MONTEGRIFFO:

Yes, Mr Speaker, but this will be done after we have agreed with those people who are affected.

MR SPEAKER:

Next question.

NO. 22 OF 1988

ORAL

THE HON LT-COL E M BRITTO

Is the Hon Minister aware that it was the intention of the Minister for Sport in the previous administration to increase the grant to sports associations for the financial year 1988/89?

ANSWERTHE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

Mr Speaker, the GSLP was the first party to commit itself to substantially increasing the amount made available for grants to sporting associations. Although the AACR also mentioned in their Manifesto a commitment to increase grants. It was shortly after taking up office, when the Draft Estimates of Expenditure were made available to me, that I became aware that the Departmental Bid had been increased by £10,000. However, this in itself is not confirmation that the previous Government would have approved this Bid. I must point out that the increased Departmental Bid by the previous administration in any case falls short of the amount which will be provided by this Government, which happens to be £40,000.

SUPPLEMENTARY TO QUESTION NO. 22 OF 1988

HON LT-COL E M BRITTO:

Mr Speaker, I trust the Honourable Lady is aware that I welcome in principle, the commitment to increase funds, and I am not in any way criticising Government for doing so. I am glad she confirms that it was the intention of the previous Minister to increase the funds for this year. With that in mind, can she say, why did the Government find it necessary so shortly after coming into office to publicise the fact that they were doubling the figure from £15,000 to £30,000 without giving credit to the previous administration for intending to raise it to £25,000.

HON M I MONTEGRIFFO:

Mr Speaker, perhaps again because the Honourable Member has not been a Member of the House of Assembly, he is not aware that in previous budget speeches that I have given, I have actually given commitments that the grant would be substantially increased by this administration, and this we have done already as a commitment.

HON LT-COL E M BRITTO:

Mr Speaker, the Honourable Minister may not be aware that I am indeed aware of the comments that she has made in previous budget speeches, but that is not the point that I am making. The point that I am making is that, it would seem that we have

been told today in some cases when it suits the Government that what is in the Draft Estimates was the intention of the previous administration to bring to realisation and when it suits them, we have been told that it was not a commitment, as I have been told now.

HON CHIEF MINISTER:

I do not think that we have ever said, that we know or we knew what the intentions of the AACR were had the AACR won the elections. What we are saying is, there was a whole range of bids. We understand from comments made by the Leader of the Opposition in a Press Conference, that even if they had got elected, they would not necessarily have said yes to everything. They themselves, the AACR presumably in past administrations have looked every year at things and decided to say yes to something and no to others. We know what the bids were, we do not know what the priorities would have been if we were not there. We are looking at those bids with our own responsibilities for priority, that is all we are saying.

HON LT-COL E M BRITTO:

Will the Minister explain, Mr Speaker, why having announced in a Press Release, that the provision for grants to sporting bodies, was being doubled, presumably from £15,000 to £30,000. They have in fact then gone beyond £30,000 and increased it to £40,000.

HON M I MONTEGRIFFO:

Well, Mr Speaker, this is something that I was going to explain in my contribution to the Appropriation Bill and therefore if the Honourable Member will await my explanation.

MR SPEAKER:

Next question.

29 4 88.

NO. 23 OF 1988

ORAL

THE HON LT-COL E M BRITTO

What is Government's estimate of the total cost of under-writing Gibraltar's participation in the forthcoming Island Games?

ANSWER

THE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

Sir, once the Island Games Association of Gibraltar submits full details of the final number of participants and the estimated total cost and how much they expect to raise through sponsorship and other fund raising measures, Government will be in a position to know the cost of under-writing this venture.

SUPPLEMENTARY TO QUESTION NO. 23 OF 1988

HON LT-COL E M BRITTO:

Is the Minister telling me that Government has committed itself to underwriting the cost without knowing what the cost will be?

HON M I MONTEGRIFFO:

No, Mr Speaker, we have an idea, but it is up to the actual Small Island Games to come up with the actual figures at the end of the day once they actually exercise the ability to raise funds through their own means.

HON LT-COL E M BRITTO:

Can the Minister enlighten me what that idea is.

HON M I MONTEGRIFFO:

Not at this stage Mr Speaker. We would have to consult the Small Island Games before I can commit myself to that sort of an answer.

HON LT-COL E M BRITTO:

Mr Speaker, does the Minister have an idea how many and which sports will be represented in the Island Games.

HON M I MONTEGRIFFO:

No, Mr Speaker. I have no idea at this stage because the Small Island Games themselves are still not aware of the full participation of the sporting associations that will be represented.

HON LT-COL E M BRITTO:

Mr Speaker, can the Minister then confirm that the intention is for a part of the cost to be provided by Government and the part of the cost to be provided by the association concerned.

HON M I MONTEGRIFFO:

Well, Mr Speaker, when we talk about underwriting, we mean underwriting the costs after the Association has been able to exercise the ability to raise funds.

HON LT-COL E M BRITTO:

In other words, the answer to the question is yes.

HON M I MONTEGRIFFO:

Yes, Mr Speaker.

HON LT-COL E M BRITTO:

Has the Minister any idea of what her intentions are going to be on what proportion is going to be provided by Government?

HON M I MONTEGRIFFO:

It depends again, Mr Speaker, as I have already said in my answer of the fund raising abilities of the actual Small Island Games Association.

HON LT-COL E M BRITTO:

And finally, Mr Speaker, can the Minister give me an idea of what financial controls will be imposed on such grants which I expect to be of considerable magnitude to associations in similar circumstances.

HON M I MONTEGRIFFO:

Mr Speaker, we will still have to see what submissions are given to the Government by the Small Island Games.

HON A J CANEPA:

Presumably, Mr Speaker, the Honourable Minister will look to last year's efforts as a yardstick in respect to fund raising.

HON M I MONTEGRIFFO:

We will go further than what happened last year, Mr Speaker.

HON A J CANEPA:

What I am saying is that she will presumably expect the participants to be able to achieve the level of fund raising commensurate to what was achieved last year.

HON M I MONTEGRIFFO:

But we are going further than that, Mr Speaker, because anything that they cannot come up with we will underwrite.

HON G MASCARENHAS:

Mr Speaker, is the Honourable Member then saying that, for example, if the total cost of a project is £100,000, the Association has sponsorship of the extent of £20,000, the Government will underwrite £80,000.

HON M I MONTEGRIFFO:

That is a hypothetical question, Mr Speaker.

MR SPEAKER:

Yes indeed.

HON K B ANTHONY:

Mr Speaker, can I ask the Minister, if her idea of a figure has got a tentative limit beyond which the Government will not go?

HON M I MONTEGRIFFO:

At this stage, we have not, Mr Speaker.

HON LT-COL E M BRITTO:

Mr Speaker, can the Minister enlighten me whether this reflects Government policy in subvention of sport in general in terms of underwriting participation of associations in general outside Gibraltar?

HON M I MONTEGRIFFO:

Mr Speaker, this is nothing to do with the question that I have been asked as far as the Small Island Games are concerned.

MR SPEAKER:

It certainly has to do with the contribution of Government to sporting bodies. In other words your reply can perhaps be 'That the general subvention to sport has not been considered'.

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HON M I MONTEGRIFFO:

It has been considered, Mr Speaker, that is when I said that I would give an explanation in the Appropriation Bill.

HON G MASCARENHAS:

Mr Speaker, will the Honourable Member agree with me that having regard to the numbers that went to the Island Games the last time, that the figure to the Faroe Islands forthcoming games will be over £100,000?

HON M I MONTEGRIFFO:

We do not know yet, Mr Speaker, because the Small Island Games themselves do not know.

MR SPEAKER:

Next question.

29 4 88

NO. 24 OF 1988

ORAL

THE HON LT-COL E M BRITTO

Can the Minister for Sport state how the agreement reached by the previous Government to provide an Olympic-size swimming pool will be affected by the Government's policy in respect of the Montagu Basin Housing Project?

ANSWER

THE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

Sir, although amendments to the Licence Agreement, entered into by the previous Government with the developers of the Montagu Basin Housing Project in connection with the land reclamation, are currently being considered, the provision of an Olympic-size swimming pool will remain a condition of the said agreement. However, the matter will be the source of further consultation with GASA and the swimming pool will be completed during our first term in office.

SUPPLEMENTARY TO QUESTION NO. 24 OF 1988

HON LT-COL E M BRITTO:

Will it proceed in general in all respects as agreed by the previous administration or do you envisage substantial changes?

HON M I MONTEGRIFFO:

Not necessarily, Mr Speaker, as I have said before it would proceed in consultation with GASA.

MR SPEAKER:

Next question.

NO. 25 OF 1988

THE HON LT-COL E M BRITTO

What is Government's policy regarding advertising at the Victoria Stadium?

ANSWER

THE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

Sir, the policy to be adopted by the Government as regards advertising at the Victoria Stadium Sports Centre is at present under consideration.

The Government will deal with specific proposals on their merits. It is intended to keep the question of advertising under review. There are no pre-determined unchanging rules.

MR SPEAKER:

Next question.

THE HON LT-COL E M BRITTO

How many sporting associations need to seek recreational facilities away from Gibraltar, and what is Government policy in this respect?

ANSWERTHE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

Sir, there are sporting associations, such as those governing swimming, athletics, squash and possibly others, that may need to seek recreational facilities away from Gibraltar. Government proposes to establish an on going process of consultation with all sporting associations in Gibraltar to ascertain and monitor their needs so as to be able to formulate whatever policy may be necessary to alleviate this situation. The problems that are being encountered are no doubt the result of the past Government's negligence in providing more sporting facilities. We expect that over the next 4 years a noticeable improvement will have taken place.

SUPPLEMENTARY TO QUESTION NO. 26 OF 1988

HON LT-COL E M BRITTO:

Mr Speaker, is the Minister aware that the reply she now gives which is vague and commits herself to nothing is totally different to what she said or what the GSLP said in their manifesto, which I quote, says "We believe that Gibraltarians should not be forced as is happening today to seek recreational activities outside their homeland".

HON M I MONTEGRIFFO:

And does the Honourable Member expect the GSLP in two weeks to provide sporting facilities overnight, Mr Speaker?

HON LT-COL E M BRITTO:

Mr Speaker, no, is the answer to that question.

MR SPEAKER:

Let us not get into a position where the Government is asking questions.

HON LT-COL E M BRITTO:

Mr Speaker, that is exactly what I was going to say. I hope it is not the Minister's intention to ask me questions. If I can relate her back to the original question. Is she aware

that I have not in any way committed her or tried to commit her to any time scale, and I hope it is not going to be Government policy to do this to my questions continually. Neither have I made any attempt to reflect on the past. What I am asking, if I can go back to the original question, is having seen a commitment from the GSLP to provide recreational facilities for all sports, what I am asking is, what are their intentions and how they intend to do this and what are the sporting associations affected.

HON M I MONTEGRIFFO:

Mr Speaker, I have already answered that question and it will reflect to the last part of my question, I said, that within the next four years we will see a noticeable improvement in sporting facilities in Gibraltar.

HON LT-COL E M BRITTO:

Mr Speaker, do I then take that to mean that it is the intention of the Government to attempt to provide recreational facilities for a large number of associations on the Rock that do not have the recreational facilities already, which I would welcome, may I add.

HON M I MONTEGRIFFO:

Mr Speaker, what I am saying is that he will see an improvement as far as the performance by the past Government, we will improve that performance.

HON A J CANEPA:

Mr Speaker, that may answer the second part of the question, but she is not answering the first part, where we require an indication of numbers. In making the kind of statement that the GSLP made in their manifesto, one would have imagined, Mr Speaker, that the Honourable Minister, when she was then the Shadow Member would have done the necessary research and that she would really have some indication, instead of just making a vague accusive statement such as that one.

HON M I MONTEGRIFFO:

Mr Speaker, I am not giving a vague indication. What I have said is that I have already had representations made by many sporting associations that have found sporting facilities in Gibraltar are lacking and have given examples and said that there are possibly others in the same position and I have given a commitment now that in the four years that we are in office, we will improve the facilities that are presently available.

HON A J CANEPA:

How many organisations have made such representations, Mr Speaker, five, six, fifteen?

HON M I MONTEGRIFFO:

I have said in my original answer, Mr Speaker. If the Member wishes I will reply again.

HON A J CANEPA:

Yes reply.

HON M I MONTEGRIFFO:

There are sporting associations such as those governing swimming, athletics, squash and possibly others that may need to seek recreational facilities away from Gibraltar. Government proposes to establish an on-going process of consultation with all sporting associations in Gibraltar to ascertain and monitor their needs so as to be able to formulate whatever policy may be necessary to alleviate the situation. The problems that are being encountered are no doubt the result of the past Government's negligence in providing more sporting facilities. We expect that within the next four years a noticeable improvement will have taken place.

HON G MASCARENHAS:

Mr Speaker, is the Honourable Member aware of the attempts that were made to have more squash courts in conjunction with the squash racket.....

MR SPEAKER:

No, we are not going to go into details,

HON LT-COL E M BRITTO:

Mr Speaker, with respect, can the Minister enlighten me on one point she made to the last but one supplementary, when she talks about improving existing facilities, are we talking about improving existing facilities or are we talking about committing yourselves to helping associations who do not have facilities as well as existing facilities.

HON M I MONTEGRIFFO:

We are committing ourselves in looking overall at the question of present facilities, and as I have already said in my question, Mr Speaker, I have said that in the four years that we are in office, the Opposition will see a marked improvement in the facilities that are available today.

MR SPEAKER:

The answer is clear, the Minister has clearly stated that she is looking into improving existing facilities, but she is also looking into the question of providing further facilities. I think we have had an answer to that. Next question.

29 4 88

NO. 27 OF 1988

ORAL

THE HON LT-COL E M BRITTO

Can Government say what its policy will be regarding charging sportsmen/sportswomen for the use of sports facilities?

ANSWER

THE HON THE MINISTER FOR MEDICAL SERVICES AND SPORT

Sir, the Government does not intend to charge sportsmen/sportswomen for the use of sports facilities. Should it consider it feasible to change its policy in the future, it will be done in consultation with those affected.

SUPPLEMENTARY TO QUESTION NO. 27 OF 1988

HON LT-COL E M BRITTO:

Mr Speaker, I am grateful to the Minister for that answer and I thank her.

MR SPEAKER:

Next question.

29 4 88

NO. 28 OF 1988

ORAL

THE HON K B ANTHONY

Is it Government's intention to reimburse the TGWU for loans made to workers who were put off pay at:-

- (a) Waterport Power Station
- (b) the Telephone Trunk Operators Department?

ANSWER

THE HON THE MINISTER FOR GOVERNMENT SERVICES

No Sir.

SUPPLEMENTARY TO QUESTION NO. 28 OF 1988

HON K B ANTHONY:

Mr Speaker, it was announced previously by the GSLP that they intended to do this. Can you please tell the House why you reversed your decision?

HON J C PEREZ:

Mr Speaker, the Government has not reversed its decision. Government will be reimbursing the workers concerned for the monies deducted. The arrangement between the TGWU and its members is a matter for them to sort out.

HON K B ANTHONY:

Mr Speaker, this appears to me to be a case of semantics. Are you going to pay the workers when they have already been paid by the Transport and General Workers Union.

HON J C PEREZ:

It is not a question of semantics, Mr Speaker, the Honourable Member will no doubt be aware that there is a contract of employment between the workforce and the Government. TGWU is not employed by the Government, and therefore it is a very important point that we should be reimbursing the workers and not the TGWU.

HON K B ANTHONY:

Mr Speaker, is the Minister not aware that these people were put off pay, what are their reasons for their decision now to pay them?

HON J C PEREZ:

Mr Speaker, on the question of the Waterport Power Station, that was a commitment given by the previous administration already. On the question of the Telephone Operators, Mr Speaker, the Government feels that it was unjustified to put people off pay, particularly as after one year without pay the previous administration accepted everything that they wanted and they came in on the conditions that they were asking for originally.

HON K B ANTHONY:

Mr Speaker, is this retrospective payment to the workers going to be reflected in the Estimates 88/89?

HON J C PEREZ:

Mr Speaker, the Honourable Member must be aware of the position of the Estimates. I am not quite sure whether the previous administration have made any provision for the reimbursement for Waterport Power Station which they had already committed to do. If it is not, we will have to bring in supplementary expenditure to meet the commitment of the past administration.

HON A J CANEPA:

Will the Minister undertake in fact to do precisely that. To come to the House for specific authority as to the amounts involved in the reimbursement of these workers and not hide it under an overall Estimate in respect of the Appropriation Bill which is approved later next week.

HON J C PEREZ:

No, Mr Speaker, we see no reason to do this. But in any case, I would suppose that the Honourable Member had he been in Government with the commitment he had in Waterport Power Station would have not done it in that way either.

HON A J CANEPA:

Will the Minister undertake to provide the House with information as to the amounts involved?

HON J C PEREZ:

Mr Speaker, when we have the information ready, yes.

HON A J CANEPA:

Mr Speaker, is the Minister then saying that they will reimburse the workers and it is up to the workers if they so wish to enter into whatever arrangements with the TGWU in respect of the loans that they have received from the Union.

HON CHIEF MINISTER:

Mr Speaker, the Government of Gibraltar considers that the decision taken by the previous administration to put people off pay and then after a length of time to meet their claims in full was a disastrous policy of industrial relations. Specific instructions have been issued that people will no longer be put off pay and in all the areas outstanding claims from the workers affected will be met and the wages that were deducted will be restored, retrospectively. In some cases, I understand loans were received, in other cases loans were not received, but it is a matter for the Union and its members to decide whether the workers should repay the Union or whether the Union wants to be repaid. We are talking about the relationship between us as a Government and our employees and the reversal of the policy of the previous administration which the people of Gibraltar has supported in an election campaign a month ago, and which the Honourable Member opposite, the Leader of the Opposition has said he accepted that we have a mandate to govern and he would give us a chance to prove our ability to do it, he seems to be expecting us to perform miracles in five weeks.

HON A J CANEPA:

I am not going to enter into a debate at this stage, Mr Speaker, on the question of how they perform. I am sure I do not have to ask the Chief Minister, is he aware of the fact that we do not agree that in respect of these two disputes, the previous Government agreed to the claims that were in fact submitted by the Union?

HON CHIEF MINISTER:

Mr Speaker, of course the Honourable Member does not agree. That is why he is sitting on his side of the House and I am sitting on this one, because the majority of people agree with us and not with him.

HON K B ANTHONY:

Mr Speaker, does the Honourable Chief Minister mean that in future, if any workers do not want to work, walk out, they will still be paid?

HON CHIEF MINISTER:

What I have said Mr Speaker, is that in future industrial relations will be conducted in a sensible fashion and situations which are potentially capable of leading to lock-outs will be caught in time and prevented, and as the Honourable Questioner knows from his years as a worker and as a Trade Unionist, with sensible management and positive Government that is possible.

HON A J CANEPA:

Mr Speaker, is the Honourable Minister promising a paradise over the next four years and that industrial action is not going to be taken against the Government?

HON CHIEF MINISTER:

No, I wish I could promise that, but I can promise that everything humanely possible will be done by this Government to ensure that there are no disputes, because we believe that with commonsense and the hand of friendship, a lot of problems can be resolved before it gets to that stage. We believe that the machinery needs to be improved to ensure that things are tackled at an early stage and the Leader of the Opposition will have an opportunity to assess that for himself, both when I explain it in the Appropriation Bill and when he sees it in operation within the next twelve months.

HON K B ANTHONY:

One final question, Mr Speaker. Is the Chief Minister telling us that in his view, putting workers off pay is a lock-out?

HON CHIEF MINISTER:

Yes, I am saying that, Mr Speaker. In my view putting a worker off pay is a lock-out, it has been my view for sixteen years and I do not change my colours because I change sides in this House.

MR SPEAKER:

Next question.

NO. 29 OF 1988

ORAL

THE HON K B ANTHONY

Can Government confirm when they are going to make a full statement on the GIBTEL situation, which they have been promising for a number of weeks?

ANSWERTHE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, a full statement on the GIBTEL situation will be made once the negotiations are completed. The Government will also make all the relevant documents public.

SUPPLEMENTARY TO QUESTION NO. 29 OF 1988

HON K B ANTHONY:

Mr Speaker, is the Minister not aware that in their manifesto, and I will quote if I may, Mr Speaker, they said "In International Communications, the dispute at GIBTEL will be resolved by the Government taking steps to secure a settlement of the outstanding claim with Cable and Wireless and this will happen immediately after the elections".

HON J C PEREZ:

Mr Speaker, as from the 1st day that we took office, the Government did intervene immediately and that is what I mean when I say that the statement will be made once the negotiations are completed:

(i) between the workforce and GIBTEL; and

(ii) between British Telecom and the Government as joint partners in the GIBTEL operation.

HON A J CANEPA:

Mr Speaker, can the Honourable Minister confirm that any agreement reached will not be at tax-payers expense?

HON J C PEREZ:

Mr Speaker, at present, I would not want to in any way prejudice either of the negotiations taking place and I would refrain from commenting on them, but I promise the Honourable Member that a full statement with full details will be made once all negotiations are completed.

HON P C MONTEGRIFFO:

Mr Speaker, can the Honourable Minister confirm that as far as Cable and Wireless is concerned that they have a discharge of any further liability in the matter and that the negotiations are exclusive to Cable and Wireless at this stage?

HON J C PEREZ:

Mr Speaker, the Government has not entered into any negotiations with Cable and Wireless. We are not answerable for Cable and Wireless in this House, we are answerable for our 50% share of GIBTEL.

HON P C MONTEGRIFFO:

Mr Speaker, is Cable and Wireless no longer an element of the equation and if they asked him so, for example, can I have details of whether the legal action is continuing or not.

HON J C PEREZ:

Mr Speaker, the Government.....

MR SPEAKER:

Order, I will allow you to answer specifically yes or no as to whether Cable and Wireless is still an element in the equation. We will not go into any details as far as Cable and Wireless are concerned.

HON CHIEF MINISTER:

Mr Speaker, the question seems to be about the relationship between Cable and Wireless and TGWU. I am not sure that Ministers are answerable.....

MR SPEAKER:

I think it is right, I think it is proper that you should be asked whether your negotiations with GIBTEL include any Cable and Wireless element, the answer is yes or no.

HON J C PEREZ:

Mr Speaker, no the negotiations with GIBTEL does not include that.

HON P C MONTEGRIFFO:

And as far as the Government is aware since it has an interest in the matter in its participation in GIBTEL. Has the Government information as to whether the Union has retracted its claim against Cable and Wireless that was pending certainly a few weeks ago.

HON J C PEREZ:

Mr Speaker, any information that we have confidentially from the Union we are not prepared to disclose. I am afraid we are not answerable for the Union and I am sure that if the Honourable Member were to contact the Union they might make the information available. But we as a Government are not answerable for the Union or for Cable and Wireless in this House.

HON P C MONTEGRIFFO:

But does not the Honourable Member accept that the information I am requesting has direct bearing on who will eventually pay and how much.....

MR SPEAKER:

Pay towards what?

HON P C MONTEGRIFFO:

Pay towards redundancy, because if the legal claim is abandoned, surely it is Government's responsibility to have the information and is this House and the people of Gibraltar not entitled to know what the state of the legal action is?

HON J C PEREZ:

Mr Speaker, as I said before, I am not prepared to comment on the on-going negotiations, because it could prejudice the Government and I have promised the other Members of the House that a full statement with full details will be made once this is completed. I will not say anything further on the matter because of the delicate situation currently taking place.

HON P C MONTEGRIFFO:

Mr Speaker, I do not want to press the point unnecessarily. Just one thing, I do not see how the Member cannot accept that there is no prejudice involved in simply stating whether Government has information, and if so, what type of information.....

MR SPEAKER:

Next question.

NO. 30 OF 1988

ORAL

THE HON K B ANTHONY

Can Government confirm whether the problem of redundancies in GIBTEL has been finalised, and if so, on what basis has it been concluded?

ANSWERTHE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, there is no problem of redundancies at GIBTEL.

SUPPLEMENTARY TO QUESTION NO. 30 OF 1988

HON K B ANTHONY:

Mr Speaker, I was anticipating this answer because obviously the redundancies for former workers at Cable and Wireless who are now working at GIBTEL but are not working for GIBTEL, so again I have to use the term is the question of semantics.

HON CHIEF MINISTER:

We never employed those workers.

HON K B ANTHONY:

Right, Mr Speaker, there is no question of redundancies at GIBTEL but there are men working at GIBTEL who were redundant and who are not employed by GIBTEL. These are the men I am referring to. Is the Minister prepared to comment on this?

HON J C PEREZ:

Mr Speaker, I am not prepared to comment further than I have done in the previous question.

HON A J CANEPA:

Does the Minister agree with the line that the General Manager of GIBTEL took on this problem as reported in the Chronicle on Tuesday 26.

HON J C PEREZ:

Mr Speaker, that is a matter for the Board of GIBTEL, and as he must obviously have read in the Gibraltar Chronicle, the Minister refrained from commenting on the matter and that remains my position.

MR SPEAKER:

Next question.

NO. 31 OF 1988

ORAL

THE HON K B ANTHONY

Has the Government reached a settlement with Hawker Siddeley, arising from the blacking action on No.3 engine; and if so, what are the details of the settlement?

ANSWERTHE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, Government has now approved the settlement on the contract for the third engine at Waterport Power Station.

The agreement was negotiated between the contractor, Hawker Siddeley Power Engineering, and Government Officials during the course of meetings held in Gibraltar at the beginning of March, at which the Government's Consultants were in attendance to advise Government.

The agreement was accepted by the contractor subject to ratification by Government. This had not been done before the election and has been approved by the present administration. The details of the settlement are as follows:-

- (a) A payment of £125,000 in full and final settlement of all claims for work done up to the 31 12 87.
- (b) No reduction from past or future claims in respect of the Government's contention that the Contractor failed at the relevant time to take all proper steps to mitigate its loss.
- (c) The Contractor to remain responsible for the two year warantee period under the terms of the contract.
- (d) In respect of future works under the contract, Government is prepared to agree to an escalation figure on the contract rates of 8% in respect of UK work, and 10% in respect of work attributable to Gibraltar.

SUPPLEMENTARY TO QUESTION NO. 31 OF 1988

HON A J CANEPA:

Mr Speaker, the figure of £125,000, the Honourable Minister has mentioned, will he be having to come to the House to seek specific appropriation of that amount.

HON J C PEREZ:

Yes, Mr Speaker, we will expect so because no decision had been taken by the previous administration and therefore it should not be included in this year's Estimate.

NO. 32 OF 1988

ORAL

THE HON K B ANTHONY

Can Government state when Set No.3 at Waterport Power Station will be coming on stream?

ANSWER

THE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, it is anticipated that this set will be handed over before the end of the year.

SUPPLEMENTARY TO QUESTION NO. 32 OF 1988

HON K B ANTHONY:

Mr Speaker, does that mean that until such time as it comes on stream, we can anticipate further power cuts?

HON J C PEREZ:

Mr Speaker, there have not been any power cuts last winter and it is not anticipated that we should have power cuts.

MR SPEAKER:

Next question.

THE HON K B ANTHONY

What is the Government's policy on the use of the skid mounted generating plant?

ANSWERTHE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, on taking office the new Government investigated the situation of the skid mounted generators and found that although they had cost £135,620.70 up to 24 March no use had been made of them and there had been no requirement for them. In order to prevent any further waste of public money immediate arrangements were made to terminate the hire agreement and return the generators.

SUPPLEMENTARY TO QUESTION NO. 33 OF 1988

HON K B ANTHONY:

Mr Speaker, is the Minister blaming the management for ordering these sets in the first place, is the Minister suggesting that the management did not know what they were talking about?

HON J C PEREZ:

No, Mr Speaker, I am blaming the AACR Government for this.

HON K B ANTHONY:

Mr Speaker, the set was ordered on the advice of the management, we act on the advice we receive from our experts. Are you saying that the management did not give the right advice.

HON J C PEREZ:

No, Mr Speaker, I am not saying that. It is the judgement of the Minister to accept advice given to him or not bearing in mind everything that he has been told. If the Minister decides to use public money in a certain way, at the end of the day it is his responsibility and his decision because he is answerable to this House. I therefore blame the previous Minister for having taken that decision.

HON A J CANEPA:

Will the Minister, not accept that in fact an unusually mild winter was a very important factor in the non-requirement of the skid mounted generators?

HON J C PEREZ:

Mr Speaker, that is a hypothetical situation. If it had not been a mild winter, we might have known something different,

but at present that is a completely hypothetical situation.

HON A J CANEPA:

Will the Minister not accept that the previous Government in taking the decision that it took was guided by the level of power requirements in previous winters?

HON J C PEREZ:

Mr Speaker, how the previous Minister arrived at that decision is not for me to say, it is for him or for the Honourable Member who was his Leader when he was in Government during the last three months.

HON A J CANEPA:

No, in fact the decision was taken even before I became Chief Minister.

MR SPEAKER:

Next question.

29 4 88

NO. 34 OF 1988

ORAL

THE HON G MASCARENHAS

When does Government think that the tender for the major improvement works to Bayside School will go out?

ANSWER

THE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, the delays encountered by the previous administration in proceeding with the works at Bayside School have now disappeared.

It is envisaged that those Contractors selected to tender for these works shall be in receipt of Tender documents on or by 22 June 1988.

MR SPEAKER:

Next question.

29 4 88

NO. 35 OF 1988

ORAL

THE HON M K FEATHERSTONE

What is Government policy on the level of overtime on a regular basis in the Public Works Department and in what areas?

ANSWER

THE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, the Government has not changed the overtime policy of the PWD in the short space of five weeks that it has been in office. The present overtime arrangements are therefore those in force when the Hon Member was in Government.

MR SPEAKER:

Next question.

NO. 36 OF 1988

ORAL

THE HON M K FEATHERSTONE

Will the Minister responsible for Government Services give specific details of what schemes and incentives he had in mind to motivate the workforce as suggested by him during the election campaign?

ANSWERTHE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, the Government is happy that throughout the Public Service the example being put in by Ministers, working full time, is having the desired effect and a notable response has been detected. Any areas where specific agreements can be introduced for enhanced earnings related to output will be pursued, in consultation with the appropriate Union, on an on-going basis.

MR SPEAKER:

Next question.

NO. 37 OF 1988

ORAL

THE HON M K FEATHERSTONE

What was the nature of the decision taken by Government which enabled the flushing of streets to be carried out so dramatically on March 26th, 1988?

ANSWERTHE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, as far as this Government is concerned there is nothing dramatic about flushing streets. It should not surprise the Opposition that Main Street and adjoining lanes and passages were flushed on March 26 given that the GSLP had made it clear during the election campaign that cleansing was one of the areas to be given priority by the new administration.

SUPPLEMENTARY TO QUESTION NO. 37 OF 1988

HON M K FEATHERSTONE:

But had not this flushing been programmed by the previous Government?

HON J C PEREZ:

Mr Speaker, I think the Honourable Member has accepted that that is not so, because his question refers to the nature of the decision, therefore, I presume he has accepted that that decision was taken by the new Minister.

HON M K FEATHERSTONE:

Did the Minister give a specific instruction that streets were to be flushed on that day or had it been programmed before hand?

HON J C PEREZ:

Mr Speaker, the Government took a decision based on its theme of caring for the community which was evident throughout the election campaign.

HON M K FEATHERSTONE:

Then why have the streets not been flushed since?

HON J C PEREZ:

That is not true, Mr Speaker. The flushing programme has continued on an on-going basis since that day forward.

HON M K FEATHERSTONE:

When was Main Street last flushed?

HON J C PEREZ:

Main Street was flushed last on the 26 March, but that does not mean that the flushing programme stopped and prior to Main Street, there was no flushing programme whatsoever. Mr Speaker, and the flushing programme has continued on an on-going basis including Housing Estates and it is evident by everybody in Gibraltar.

HON M K FEATHERSTONE:

When will Main Street next be flushed?

HON J C PEREZ:

Mr Speaker, that is something which is being at the moment looked into to see whether Main Street, particularly, can be flushed much more regularly than the rest of Gibraltar considering that there are many people using it consistently, particularly during the summer season with the amount of visitors coming in. We have a problem in terms of the parking arrangements which, again, is being considered and we are trying to make arrangements so that instead of having no parking signs in the morning for flushing to take place, that once every fortnight or once a week, depending on the arrangements that are finalised, the pedestrianisation is extended one day a week or one day a fortnight from 7 to 9 pm so that flushing is carried out in the evenings with less hindrance to the community as a whole.

HON A J CANEPA:

Mr Speaker, will the Honourable Minister accept that no industrial dispute existed prior to the 24 March which prevented the flushing of the streets from having been carried out, let us say on the morning of Saturday the 19th?

HON J C PEREZ:

Mr Speaker, I am not aware of any industrial dispute at all.

HON A J CANEPA:

And furthermore, is he aware that no decision had been taken by the outgoing AACR Government which prevented such work from being carried out. Moreso, if funds were actually available for that purpose, having regard to the fact that we were so near to the end of the financial year.

HON J C PEREZ:

Mr Speaker, we are not answerable for what he did when he was in Government, I am sorry. He should ask Major Dellipiani, what Major Dellipiani was doing at the time. I am not aware what Major Dellipiani was doing.

HON A J CANEPA:

Well now he is aware, Mr Speaker, that no such decision had been taken.

HON M K FEATHERSTONE:

Does the Honourable Member not agree that if he is trying to flush the Main Street between 7 and 9 in the evening, this is a new feature of regular overtime?

HON J C PEREZ:

Yes, I agree completely that it would be a new feature of regular overtime, but it is something that we are looking into in respect of how important it is to have our streets clean and we committed ourselves in the election campaign that if extra resources were needed to have a better, more efficient cleansing and flushing system, we would have it and we are giving serious consideration to this.

MR SPEAKER:

Next question.

NO. 38 OF 1988

ORAL

THE HON K B ANTHONY

Is it Government's intention to build a new prison, and if so, can we have details of the proposed site, and the anticipated date of completion?

ANSWERTHE HON THE MINISTER FOR GOVERNMENT SERVICES

Mr Speaker, in the short space of five weeks of the new Government, the matter has already been discussed at the prison and a number of options are being considered before the Council of Ministers can itself give consideration to the matter. I would remind members opposite that they spent years thinking about the building of a new prison without actually doing anything about it.

SUPPLEMENTARY TO QUESTION NO. 38 OF 1988

HON K B ANTHONY:

Mr Speaker, can the Minister give us an indication of some of the sites that are going to be considered.

HON J C PEREZ:

No, Mr Speaker, at the moment this matter is under consideration between the Superintendent of Prison and myself. Once I have all the details available, I will be preparing a paper for consideration by Council of Ministers and once a decision has been taken by all of us, will be made known first to the staff at the Prison and then made public.

HON A J CANEPA:

Does the Government have any views as to which priorities between building a new prison and building new schools?

HON J C PEREZ:

No, Mr Speaker. Government has not taken into consideration this yet and neither is it taking consideration in respect of priorities such as housing, but housing is certainly one of the greatest priorities of the Government. But what I can tell the Honourable Member is that the overcrowding situation at the prison is extremely serious and getting much more serious every day, so we are looking at all the options available to the Government and a decision will be taken once that happens.

HON K B ANTHONY:

Mr Speaker, is the Minister not aware of the importance of the prison site, existing prison site is part of our heritage. Will he keep this in mind when he comes to a decision as to building the new prison?

HON J C PEREZ:

Yes, Mr Speaker, but this must be outweighed against the cost of reprovisioning. It is an important site which the Duke of Gloucester will be visiting during his short visit to Gibraltar, but we have to look at it in the context of how much a new prison will cost and what the priorities of the Government are, as I have said before.

HON K B ANTHONY:

One final question, Mr Speaker. Are we likely to see the new prison during the present Government's term of office?

HON J C PEREZ:

Mr Speaker, we cannot say that at the moment. It is not a commitment in our manifesto, we are looking at this very serious situation but we cannot commit ourselves that that will be something which will be completed within our four year term of office.

HON K B ANTHONY:

Mr Speaker, the Minister admits that there is a serious situation which in the foreseeable future could get worse?

HON J C PEREZ:

Yes, but there are certain remedial measures that can be undertaken short of building a new prison.

MR SPEAKER:

Next question.

NO. 39 OF 1988

ORAL

THE HON A J CANEPA

What is the Government's policy regarding the reclamation for the Montagu Basin Housing Project?

ANSWERTHE HON THE MINISTER FOR TRADE AND INDUSTRY

The agreement reached by the previous Government with the developers for the Montagu Housing Project is currently being reviewed in the light of our plans to undertake the Viaduct/Montagu reclamation in joint venture with the private sector. The land reclamation will therefore be undertaken for the Government by a newly formed Joint Venture Company and the area of Montagu Basin when completed will be made available to Gib Homes to enable them to proceed with the remainder of the project as planned.

SUPPLEMENTARY TO QUESTION NO. 39 OF 1988

HON A J CANEPA:

What does the Government propose to do to the land, with the reclaimed land?

HON M K FEETHAM:

Apart from Montagu, Mr Speaker?

HON A J CANEPA:

What use will it be put to?

HON M A FEETHAM:

The answer is that the Government is committed to a large input of reclaimed land through a newly formed joint venture company of which part of the land will be released for the Montagu Housing Project. The rest of that land will be owned by the Government and will be used for the priorities that the Government considers to be in the best interest of Gibraltar in our overall development plans.

HON A J CANEPA:

Will be used by the Joint Venture Companies or by companies say in the private sector?

HON M A FEETHAM:

The land will be reclaimed by the Joint Venture Company and will be owned by the Government of Gibraltar and not the Joint Venture Company.

HON A J CANEPA:

Will the Governemnt then sell or allocate that land?

HON M A FEETHAM:

What use will be put to the land will be taken into account in the light of Government policies. Whatever use we want to make of it.

HON A J CANEPA:

Surely any Government wishing to reclaim land has an idea before of what they are going to use the land for.

HON M A FEETHAM:

Absolutely, and I will assure the House, that when we make our statement of what we intend to do, so far as our development plans are concerned, in due course an overall picture of the development plans for Gibraltar, for the next four years, and hopefully thereafter will be portrayed by the Government.

HON A J CANEPA:

Is the Minister satisfied that the cost of reclaiming this land under the aegis of a Joint Venture Company is likely to be the same or lower than if it is done by the private sector?

HON M A FEETHAM:

The answer is lower.

HON P C MONTEGRIFFO:

Can the Honourable Member, perhaps tell this House when reclamation is to commence, when it will be completed and what the estimated costs of the reclamation is in fact.

HON M A FEETHAM:

I am not prepared to make those details available at this stage because discussions are taking place on the formation of the company and the objectives.

HON P C MONTEGRIFFO:

But the figure and cost is known at this stage but you simply do not want to reveal, is that the case?

HON M A FEETHAM:

We do not believe it is the right moment to talk about costs, when you are discussing with potential partners.

MR SPEAKER:

What you are being asked is that you know the cost.

HON M A FEETHAM:

We have a fair idea of costings but we are not prepared to make this known at this point in time.

MR SPEAKER:

Next question.

NO. 40 OF 1988

ORAL

THE HON LT-COL E M BRITTO

Can Government now give specific details about its declared intention to build 500 low-cost houses within the next four years?

ANSWERTHE HON THE MINISTER FOR HOUSING

No Sir, Government cannot give specific details at this stage.

It must be realized that this administration has been in office for approximately 5 weeks. However the Government can guarantee that the programme will be implemented within its 4 years term in office.

SUPPLEMENTARY TO QUESTION NO. 40 OF 1988

HON A J CANEPA:

Does the Minister stand by his statement that he made on television. "If we fail to carry out what we have promised, that is, to build 500 housing units, we will not come with excuses in 1992".

HON J L BALDACHINO:

This Minister, Mr Speaker, stands by that statement and any other statement he made during the election campaign.

MR SPEAKER:

Next question.

HON LT-COL E M BRITTO:

Mr Speaker, can the Honourable Minister, not give us any details whatsoever, if he cannot give us specific details? Can he not give us more concrete details of locations?

HON J L BALDACHINO:

No, Mr Speaker, because this is the answer to the question the Honourable Member is asking. What has been given is the same as was given with the hostel, we do not know yet what other development is going to be carried out till we have a development programme.

HON P C MONTEGRIFFO:

Whilst accepting the Honourable Minister's question, on time, can he explain Government policy regarding these 500 houses in respect of the mix between rented accommodation and owner-occupier, surely there must be a policy on that which can be explained.

HON J L BALDACHINO:

Mr Speaker, we have to study first the demands, and then once we have done that, within that context, I still stand by what I said during the election campaign, that nobody will be deprived of a home because of his income.

HON P C MONTEGRIFFO:

Does Government have a view on what the demand for rented accommodation will be. I know that the Honourable Minister has a reputation to be an expert on housing and I would hope that he will enlighten us all on what information he has which would indicate the extent of the demand. For example, we have people on the housing list and there is available accommodation for purchase, one assumes that those people want rented accommodation or otherwise they would be buying in the private sector. Surely the prices are high but surely the Minister can give us an indication of what he believes the mix should be.

HON J L BALDACHINO:

Mr Speaker, the first day I went into office I asked for statistics on the nature that the Honourable Member is asking me now, there are no statistics available in the Housing Department. I have now asked my department to provide me with these statistics. The statistics are being produced. Once I have those statistics, then I will be in a position to make an assessment on what the Honourable Member is asking.

HON M K FEATHERSTONE:

Is Engineer House part of the 500 houses, or is it extra to that?

HON J L BALDACHINO:

No, Mr Speaker. The Engineer House is not part of the 500 units that we intend to build.

HON M K FEATHERSTONE:

And is White Rock Camp scheme also part of the 500 houses or is that extra?

HON J L BALDACHINO:

White Rock Camp is, Mr Speaker.

HON M K FEATHERSTONE:

So therefore, you are going to build 560 houses?

HON J L BALDACHINO:

Mr Speaker, we are going to build 500 houses and White Rock Camp will form part of those 500 units, because those people in White Rock Camp are part of the Housing Waiting List.

HON M K FEATHERSTONE:

Are you abandoning the Engineer House scheme?

HON J L BALDACHINO:

We do not know yet about what we are going to do with the Engineer House site.

MR SPEAKER:

It is not relevant to the question.

HON LT-COL E M BRITTO:

Mr Speaker, then give us an idea on what other existing projects form part of the 500 houses, apart from White Rock?

HON J L BALDACHINO:

Mr Speaker, the 500 houses, low-cost houses are part of the GSLP programme in the election campaign. They are new projects not existing ones.

MR SPEAKER:

Next question.

NO. 41 OF 1988

ORAL

THE HON LT-COL E M BRITTO

Can Government give specific details of the temporary accommodation which it intends to provide to deal with the worst of present housing conditions?

ANSWERTHE HON THE MINISTER FOR HOUSING

Mr Speaker, very serious consideration is being given to the housing problem and one of the measures being considered is the possible installation of temporary pre fabricated units which would alleviate the worst housing conditions. As stated during the election campaign the Government is investigating the possibility of prefabricated units provided the cost is reasonable for the length that it is intended to make use of these units. In the five weeks since the elections, steps have been taken to obtain quotations and investigate sources of supply. When a final decision is taken this will be made public.

MR SPEAKER:

Next question.

NO. 42 OF 1988

ORAL

THE HON LT-COL E M BRITTO

Can Government say what its policy will be with respect to:

- (a) Police Barracks at Castle Road
- (b) 4, Rodger's Road
- (c) North Gorge accommodation?

ANSWERTHE HON THE MINISTER FOR HOUSING

Mr Speaker, Government's policy on the properties mentioned is as follows:

- (a) Police Barracks at 30 Castle Road - to be demolished.
- (b) 4, Rodger's Road - to be demolished.
- (c) North Gorge - initially it is proposed to decant the present tenants within our term of office. Subsequently consideration will be given to the possibility of re-developing this area.

SUPPLEMENTARY TO QUESTION NO. 42 OF 1988

HON LT-COL E M BRITTO:

Mr Speaker, can the Minister give me a time-scale in which these buildings are intended to be demolished?

HON J L BALDACHINO:

Not at this stage, Mr Speaker.

HON LT-COL E M BRITTO:

Mr Speaker, can the Minister give me an idea on the priority this features on the housing policy of the Government?

HON J L BALDACHINO:

It has got nothing to do with the housing policy of the Government, Mr Speaker.

HON LT-COL E M BRITTO:

Mr Speaker, I beg to differ. I am asking precisely what is the policy of the Government with regard to a specific answer.

HON J L BALDACHINO:

It is not part of the housing policy. If the Honourable Member

is referring to our 500 units, this has nothing to do with that, Mr Speaker.

MR SPEAKER:

What is the question you have asked?

HON LT-COL E M BRITTO:

I asked originally, Mr Speaker, when it was intended to demolish. I was told it was not possible to put a time-scale at the moment. I then subsequently asked what priority does the demolishing of these buildings feature in general housing policy of the Government. If they cannot give me a time-scale, is it intended to be soon or is it intended to take a long time.

MR SPEAKER:

With respect, whether it is part of the 500 units or not, it is most certainly part of the general Government policy on housing. You are being asked....In other words....you are not using this site for the purpose of housing.

HON J L BALDACHINO:

We might or we might not, Mr Speaker. It has nothing to do with the 500 units that we intend to build.

HON A J CANEPA:

Is the Honourable Minister then saying, that having demolished Police Barracks at Castle Road, they have not yet decided what they are going to do in this place.

HON J L BALDACHINO:

I am not the right person to answer but most probably it will be looked into taking into account the context of what the development will be.

HON A J CANEPA:

Will they take into account, in respect to whatever development they propose for that site, the problems arising from high density in that area, problems of traffic congestion.

HON J L BALDACHINO:

That will be taken into account, Mr Speaker.

MR SPEAKER:

Next question.

NC. 43 OF 1988

ORAL

THE HON LT-COL E M BRITTO

When and how does Government intend to review the Landlord and Tenant Ordinance?

ANSWER

THE HON THE MINISTER FOR HOUSING

Mr Speaker, Government proposes to review the Landlord and Tenant Ordinance at the earliest opportunity and to introduce or amend whatever sections are considered necessary.

When a decision has been reached on this matter, the details will be brought to the House in the usual manner.

SUPPLEMENTARY TO QUESTION NO. 43 OF 1988

HON LT-COL E M BRITTO:

Mr Speaker, do I take that to mean that the Minister does not know how he intends to amend the Ordinance?

HON J L BALDACHINO:

It is not that the Minister does not know what he intends to amend, if he cares to look through the Hansard, he most probably will get a few ideas of what the Minister has said. What I am saying is that the Landlord and Tenants Ordinance and the amendments that the Minister intends to propose will first have to go to Council of Ministers and then a decision will be taken, and I am not prepared to say at this stage what my proposals are until my other colleagues have had the opportunity to look at them.

HON LT-COL E M BRITTO:

Can the Minister give me an idea when this will be brought to Council of Ministers?

HON J L BALDACHINO:

Mr Speaker, there is urgent legislation that this Government want to get through and maybe this is not one of the priorities, at this stage, but once I have the opportunity, once we have gone through the legislation and established a priority then it will be taken at the earliest possible opportunity.

HON LT-COL E M BRITTO:

I take it then Mr Speaker, that it is not considered a matter of priority?

HON J L BALDACHINO:

I consider it a matter of priority, Mr Speaker. It is within the context of the Government's overall policy that the priority lies and I suppose it may be that there is other legislation which requires a higher priority than this.

HON LT-COL E M BRITTO:

Thank you, Mr Speaker.

HON P C MONTEGRIFFO:

Mr Speaker, is it Government's policy within this review in general terms to extend protection of dwellings in the private sector or.....

MR SPEAKER:

No. I will not allow this. Next question.

THE HON A J CANEPA

Will the Minister responsible for GSL make a full statement explaining (a) why the Government has decided not to proceed with the proposed marketing contract with Appledore, and (b) how exactly it is intended that marketing of the yard will in practice be carried out after June?

ANSWERTHE HON THE MINISTER FOR GSL AND TOURISM

Mr Speaker, the Government and the Board of GSL simultaneously decided not to proceed with the agreed Marketing Contract with APA because of various factors

- (1) the fact that APA wanted an exclusive Marketing Agreement based on all sales turnover;
- (2) the fact that they wanted a fixed fee for marketing the yard;
- (3) the commission payable over and above the above fixed fee were not acceptable to the Board of GSL;
- (4) APA still wanted to retain some management input through the secondment of a Managing Director from APA; and
- (5) APA wanted the contract to run for a minimum of 2 years.

The Board of GSL has now completed negotiations with Scamp Ltd who will be providing Marketing Services to GSL's own Agency Network. Additionally GSL will be supported by Scamp's own network. Under the terms of this contract Scamp will liaise with the GSL Network to promote and sell the yard internationally and follow up enquiries as required.

Since the agreement is based on GSL having its own Agency Network this Agreement is therefore on a non-exclusive basis. The Board of GSL is at this moment studying other proposals which would further widen GSL's international agency network.

SUPPLEMENTARY TO QUESTION NO. 44 OF 1988

HON A J CANEPA:

Will the Minister confirm that the fee in question that Appledore were seeking was £70,000?

HON J E PILCHER:

No, Mr Speaker. The fee that A&P were looking for was £75,000.

HON A J CANEPA:

I think I picked up the figure of £70,000 from information released by the Government, but I stand to be corrected.

HON A J CANEPA:

Does the Minister not consider that given their track record on marketing, Appledore would have been likely to bring in enough work for the yard to have justified this fee of £75,000?

HON J E PILCHER:

No Sir. As far as we were concerned, what I discovered the moment that I entered the yard was the fact that APA was in fact catering for our own agency network, that means that GSL have their own agents which work exclusively to GSL and all that APA were doing were using the agents of the Company and the only other thing that they were producing was that APA was one of those agents of the Company in the United Kingdom. Therefore they were getting a 1% commission under the old management contract on all sales turnover, plus a percentage for their own fees under the exclusive contract for the UK marketing. I consider that APA had to break with the yard. I feel that the new contract which we have now entered into with Scamp, which is one of the companies which we intend to proceed with our marketing, with no marketing fee whatsoever, therefore saving the Company money.

HON A J CANEPA:

Was the Government prepared to consider payment of such a fee contingent on a minimum of sales being reached?

HON J E PILCHER:

Yes, Mr Speaker. As part of the agreement that we were looking at with APA, we were looking at a performance clause. There were two schools of thought. One was related to the annual sales turnover, the other one was related to the percentage contribution that the actual sales brought into the Company. Unfortunately, in neither area were we able to agree with A&P.

HON A J CANEPA:

Mr Speaker, what companies have expressed that interest in carrying out the marketing other than Scamp?

HON J E PILCHER:

There are many companies, Mr Speaker, who have intimated a desire to enter into a non-exclusive marketing arrangement with GSL. Scamp was one of those and I am glad that we have already, in fact this morning, signed a non-exclusive

marketing agreement with them. There are five other companies, two of which we are now pursuing, because at the end of the day it is a question of us being able to match our own agents with the agents that we are being offered and it is a question in that matching exercise, it is a question of seeing whether the agent that we are being offered is already in countries where we have our own agencies and therefore, at the moment, in that sieving exercise, are now in touch with two companies that can further extend our agencies, but at the moment I am not in a position to reveal the name of those companies.

HON A J CANEPA:

Do any of these five companies have local connections?

HON J E PILCHER:

The other two companies have no local connections whatsoever.

HON A J CANEPA:

Have the other three?

HON J E PILCHER:

The other three no. The other three basically have got UK connections. The two that we are discussing at the moment have UK and other connections outside the United Kingdom.

HON P C MONTEGRIFFO:

Mr Speaker, bearing in mind that the agreement with Scamp has been finalised, will copies of the agreement be made available to the Opposition for our perusal and study, and when?

HON J E PILCHER:

Mr Speaker, looking at the record over the last four years, I am surprised to get a question like that. This is an agreement, a contract between GSL and Scamp Ltd. It is a commercial contract which is not publicly available.

HON P C MONTEGRIFFO:

Mr Speaker, but I thought we were going to have greater openness, can the Minister then perhaps give us more concrete details, so that this House is aware of the terms of the arrangement with Scamp. The minute details of which are necessary for us to form a judgement on the agreement arrived at.

HON J E PILCHER:

Mr Speaker, it has nothing to do with the Government of Gibraltar as such. I am quite prepared to give out any information whatsoever on the general agreement. In fact I have already

given a lot and I am prepared to give as much as the Honourable Member wants. But the details of a commercial contract cannot be given outside GSL because it has been a contract that I have signed as Chairman of GSL and not as Minister for GSL.

HON P C MONTEGRIFFO:

Mr Speaker.....

MR SPEAKER:

No, may I make it quite clear what the policy is to the extent that Government has no commitment to what happens to the Chairman of GSL. They are answerable for policy matters. Not to the extent of the commercial contract relationship between GSL and other people.

HON P C MONTEGRIFFO:

Mr Speaker, is the Honourable Member satisfied that Scamp Ltd have a network of contacts necessary to attract ships to the yard, and could he perhaps give us an indication, in broad terms, of how many ships is envisaged Scamp will be able to bring to the yard within the first year of the contract.

HON J E PILCHER:

As regards the second part of the question, as many as possible obviously. We will be monitoring the position, because it is a non-exclusive agreement, it is not performance related inasmuch as we are not actually saying that there is a requirement to bring in so many ships. We have our own overall sales target which we are looking at with our partners in the commercial area. As far as the agreement as such, the Board of GSL.....

MR SPEAKER:

We must not get bogged down just now in giving details otherwise we are going to have a debate.

HON J E PILCHER:

No, I am not going to give details, Mr Speaker, but I do not want the Opposition to think that I am trying to hide something because I am not. I will not give out details of a commercial nature, but I mean I have already made public the arrangement that GSL is looking at with regards to its commercial partners, and that is, very briefly, that we have our own agency network in certain countries and what we are doing with our partners in marketing is matching up those agents, seeing which agents have been producing work for Gibraltar, which agents are not producing work for Gibraltar and substituting one agent for another. At the same time we are then looking internationally at what else Scamp has and what else other companies have in order to enlarge that network. That basically is what the

marketing agreement is all about. It is non-exclusive and what it does is that it has the marketing agents liaising with our own network in activating and motivating our own agents. So I think that not only is the GSL Board happy, but the Government of Gibraltar through me is also happy that the agreement is reasonable.

HON P C MONTEGRIFFO:

Mr Speaker, bearing in mind that the Honourable Minister does not wish to give many specific details of the agreement, can he say at least the amount and the terms of remuneration payable to Scamp.

HON J E PILCHER:

The answer to that is no remuneration is being paid to Scamp or any other of the companies that we enter into agreement, other than normal commissions payable on sales as any other agency.

MR SPEAKER:

Next question.

29 4 88

NO. 45 OF 1988

ORAL

THE HON A J CANEPA

On what basis are Appledore being retained to carry out their marketing role at GSL?

HON A J CANEPA:

Mr Speaker, I am withdrawing this question.

THE HON A J CANEPA

Will the Minister responsible for GSL make a full statement of policy explaining the Government's plans for the future of the yard?

ANSWERTHE HON THE MINISTER FOR GSL AND TOURISM

Sir, on the 25th March 1988 the GSIP Government advised APA that it was not prepared to continue the 10 year Management Contract which it had enjoyed under the previous administration. The Board of GSL has been reconstituted and is now in full control of all policy matters affecting the yard.

The first step taken by the Board was to change the Senior Management structure and as from the 1st May all the senior managers with the exception of the Managing Director, who is retiring on the 31 May, will be employees of GSL. The Government also seconded Mr John Hernandez to the post of Director of Finance and Administration. Priority is being given to look at establishing a link between the Commercial, Production and Finance Departments in order to monitor all operations and establish good financial control. At the same time a Joint Industrial Council has been set up in order to create a framework for discussion of all industrial relations problems. This Council is at the moment looking at the Manpower restructure of the yard which is progressing as planned. This process will be complete within the next two months.

It is envisaged that after the manpower restructuring and given the new marketing policies as outlined in answer to question No.44, GSL will be able to prepare a realistic business plan to carry it through to the end of the year.

The next priority for GSL will be to look at the possibilities for physical restructuring and setting up of joint venture companies taking into account the Government's needs and own redevelopment plans.

Action on all these priority areas is envisaged will take some months to complete but it is hoped that the yard will see full restructure pending major physical works before the end of the year. The Opposition must realise that the Government has only been in office for a month and I will be in a much better position in a few months time to give concrete evidence of a cut back in overheads, streamlining of operations, and a consequential cutback in costs per man hour. The future of the yard will be determined at the end of this year by which time we will be in a position to judge the effects of our actions and be able to have realistic projections for 1989 and 1990. These projections will then be monitored through the year and by summer 1989 we will be in a position to publicly announce the viability or otherwise of the shiprepair operation in Gibraltar.

Given the positive reaction from the Board, the new management and the workforce and given that we have already been able to cut overheads substantially, I am confident that all augurs well for the future.

SUPPLEMENTARY TO QUESTION NO. 46 OF 1988

HON A J CANEPA:

Mr Speaker, the Honourable Minister has spoken about a restructuring involving Senior Management and that they are all except for the Managing Director who is retiring they are all employees of GSL. How many people are we actually talking about, how many members of Senior Management were not in fact already employees of GSL?

HON J E PILCHER:

There were four employees, the Managing Director being one, who is retiring.

HON A J CANEPA:

Employees of Appledore?

HON J E PILCHER:

Employees of Appledore, yes. Mr Frank Wiggers was the Production Manager, there was an adviser in Finance and Computer matters, Mr Gordon Robson, and I think Mr Gordon Scrutcher, the Commercial Manager.

HON A J CANEPA:

In a Press Release which the Government issued on the 6 April they spoke about radical changes involved in the restructure. Will the Minister give some indication of what this will be I mean radical is quite a strong word to use in this respect. If we can have some indication, some more details than what he has given.

HON J E PILCHER:

Radical changes in their restructuring? I think the most radical change that has occurred in the yard over the last couple of months, when I mentioned the word radical restructure, I was referring to the restructure of the way that the yard used to operate. We have three main departments - Commercial, Finance and Production which were not linked together. So we had a situation where the Commercial Department did its own thing, the Production Department did its own thing and at the bottom of the scale the Finance Department was there to pick up the bills. What we did immediately, was restructure the whole

of the operation into a Finance and Administration Department which is really the leading Department of the Yard today and the Commercial Department and the Production Department are autonomous bodies but working through the Finance Department so that there is extreme financial control, something that the Company has never been subjected to. This, I think is basically what I meant by a totally radical change, although it is only radical inasmuch as from the manner which the Company was being run before. In a totally normal way of running a business, but this was not the normal way that business was previously being done in GSL.

HON A J CANEPA:

Would he agree that this amounts to coordination?

HON J E PILCHER:

I would agree that this amounts to coordination and I have already said normal commercial and even Governmental practices which the Company was not apparently complying with in the past. Yes, Mr Speaker.

HON A J CANEPA:

Regarding the restructuring of manpower and the setting up of the JIC, has the Minister had any reaction as yet from those who are going to be affected, members of the workforce, who the Minister has already indicated publicly are going to be offered employment elsewhere within the physical area of the yard, but perhaps in one of the Joint Venture Companies, has he had some reaction from the workforce through its representatives of what attitude they are likely to take?

HON J E PILCHER:

Yes, I think the first thing we did, and again I do not want to burden myself on the point, that the Joint Industrial Council was only set up some two weeks ago. Since then the first thing that the Joint Industrial Council did was have a meeting with all the Shop Stewards of the Yard to make sure that the new philosophy under which the GSL Board is now operating was totally understood by the whole workforce. This was only a repetition of what the GSLP has said to the workforce during the Election Campaign, ie that anybody who did not take on voluntary redundancy would at the end of the day once the Company was being restructured be offered alternative employment either in a Joint Venture Company or outside the Company in the Government or whatever. Now this point was again made to them and accepted by them and it is still early days as far as what the Honourable Member is asking for because we have just started. We have restructured the Commercial Department,

the Finance Department, the Personnel Department and we are now at the moment undergoing the manpower restructuring of the Production Department which is the department that employs most of the industrial workforce and I have already scheduled two meetings next week because the commitment was that we would discuss the restructuring at the JIC, get agreement at JIC from the Head of the Unions and then go down to the workforce and discuss the plans with them. That third stage is happening as from next week, but the feedback is that the workforce in fact are quite happy with the situation and in fact, there is pressure on the Company now to move quickly on the restructuring because there is a lot of motivation in the workforce, particularly in the Joint Venture Companies and they want us to move quicker than we really can.

HON P C MONTEGRIFFO:

Mr Speaker, will the Minister give us an indication of what further reductions in employment in the Yard, on the industrial side, are envisaged by the time the restructuring is undertaken?

HON J E PILCHER:

I must stress the point again which I hope has not been misunderstood. There will be no forced redundancies. I think what the Member is asking for is what as a Company is the nucleus that the Company will retain. It is, as I say, very difficult at this stage to say this, because we are at the moment undergoing the manpower restructuring. We are discussing that at the moment, and I could not hazard to guess because I would not want to give a figure which has not been discussed at JIC with the workforce or been approved by the Executive of the Board. So I mean at this stage I cannot commit myself to a figure.

HON A J CANEPA:

Earlier on, Mr Speaker, the Honourable Minister said that he would need more time obviously on which to give more details. Could we try to pin him down, is he likely to be making a statement in this House before what one would regard a Summer recess or after the Summer recess?

HON J E PILCHER:

I would expect, we have already got a commitment to the workforce of GSL, that we will do the manpower restructuring having agreed with the workforce and the JIC within the next two months, so I think, yes, that the answer is probably yes, I will have some statement to make before the Summer recess.

HON LT-COL E M BRITTO:

Mr Speaker, what I understand from the Honourable Minister is that once the manpower restructure has been completed and the excess numbers in the workforce established and until such time

as the Joint Venture Companies, which are going to be established as a second priority, are on-going and it is possible to re-deploy that manpower. What am I to understand will happen to those members of the workforce.

HON J E PILCHER:

When I said the first priority was discussing the manpower restructuring, we are trying to identify.....

MR SPEAKER:

What you are being asked is a simple question. If the restructuring means the re-deployment of labour before the Companies are ready to take over the overflow, what are you going to do with them?

HON J E PILCHER:

I will like to give as much information as the Speaker will allow me. The answer to that is we will try as a second stage to act simultaneously in opening the Joint Venture Companies and establishing their needs for manpower. If we are not able to do this simultaneously, then the Company will have to carry the excess workforce until we find a job for them.

HON A J CANEPA:

Sir, there is a matter which we will be able to pursue in Committee Stage, but perhaps I might give the Minister an indication if he is not able to answer it now, he might prepare himself for Committee. That is "does the Government have an estimate of the cost involved in the restructuring?". There is a figure of £3m that they are seeking to appropriate in the Appropriation Bill, perhaps if he is not able to provide the information now, he might do so when we go into Committee next week.

HON J E PILCHER:

I have the information, I prefer to tackle it in the Committee Stage of the Appropriation Bill, but the quick answer to that is 'The Government has set aside £3m and that is all that the Government of Gibraltar will give to the commercial company in order to cover the manpower and physical restructuring'. Although I know that the previous administration was looking at the figure of £10m. But I will explain further at Committee Stage.

HON A J CANEPA:

Mr Speaker, I said during, and the Minister now has the Hansard, Mr Speaker, would he read out if he wants to what it is that I said that we would have found it very difficult to accept proposals entailing expenditure of £10m. We would not have agreed to that.

NO. 47 OF 1988

ORAL

THE HON A J CANEPA

By what commercial criteria will the Government judge whether GSL has been successful after one year?

ANSWERTHE HON THE MINISTER FOR GSL AND TOURISM

Mr Speaker, the Government of Gibraltar will not judge GSL's future on pure commercial criteria. The success or otherwise of the yard after one year will be judged on its economic viability for Gibraltar as a whole. This will include the employment opportunities offered, the direct revenue yield to Government from yard activities and the knock on effect of these activities throughout the economy of Gibraltar.

This does not necessarily mean that the yard should not break even or be profitable and the Government will not provide any direct subsidy.

SUPPLEMENTARY TO QUESTION NO. 47 OF 1988

HON A J CANEPA:

Is the Minister saying therefore Sir, that insofar as profitability is concerned, the Government target is just that they should break even. They will be content with that.

HON J E PILCHER:

Yes Sir. At this stage, yes.

HON A J CANEPA:

The other thing Sir, is the year that we are talking about. When does the year operate from?

HON J E PILCHER:

As I explained in the last question. We are looking at the year being from the 1st January 1989 to the 31st December 1989. The year that we are giving ourselves as a Government is from this summer to the middle of next summer 1989. The year as far as the Government is concerned, as I explained in the previous question, is by the time the end of the year comes this year, we will produce the projections for 1989 and 1990. We will monitor those through the year and by the middle of 1989, we will be in a position to judge whether the company will in fact hit those targets by the end of December 1989, so the year that as a Government we are looking at is the year starting this summer to the end of next summer, but the Company is looking at 1989 as the year in question.

HON A J CANEPA:

Which is the commitment that the Government is in fact giving? Is it for the twelve month period from, I imagine, from the time when Appledore pack up their bags and go, the next twelve months? As from that date? But then if they take a decision about the future of the yard that could involve closure for instance, there would be another six months until the end of 1989.

HON J E PILCHER:

That is correct, Sir.

HON A J CANEPA:

To make the winding up arrangements.

HON J E PILCHER:

Yes, of course.

HON P C MONTEGRIFFO:

Mr Speaker, if I have understood the Minister correctly if the Government's position is more than just that it will consider the yard economically viable if it breaks even but even if it makes a loss, if there are knock on effects or subsidiary advantages of an economic nature the yard will still be kept going. Is that a correct impression or not, even if it does not break even could there be circumstances on which the yard would be kept going. Have I misunderstood, Sir?.

HON CHIEF MINSITER:

The position would be, Mr Speaker, whether it is the future of the shipyard or anything else, that we would look at it in two levels. We would look at it on the basis of the yard earning money and earning a return of its assets, and that is stage one. And if it fails that test then we have to say to ourselves, as a Government, what is the cost if we close it immediately and are we actually going to be finishing paying out more money if we close it or we keep it open. That is a matter both of judgement and of working out the impact on the rest of the economy and the alternative use for the assets. If clearly the situation were that the Government had to choose between a yard that was losing £100,000 a year on the one hand, or alternately a closed yard with closed workshops with 300 people unemployed and a loss in income tax of a £¼m, then it would be a nonsense to close the yard. It will be primarily financial and if the decision is taken to continue with an open yard notwithstanding that there is a profit and loss account showing a loss then that will be made public and a statement will be given explaining why.

HON A J CANEPA:

May I say, Mr Speaker, that I agree with that approach. I think that it would be foolish to close a yard that is losing £100,000, but how would the Government propose to make good the shortfall if they are not able to make a direct subsidy in order to make good the losses.

HON CHIEF MINISTER:

When the restructuring and diversification is completed, the Opposition will be able to see how it is possible to achieve certain objectives without being in breach of community law.

HON A J CANEPA:

We look forward to that, Mr Speaker.

HON P C MONTEGRIFFO:

Mr Speaker, although as my colleague has said that approach is one that we would not argue with in terms of the yard itself. Does the Government not agree that there is an opportunity cost involved in proceeding with that type.....

MR SPEAKER:

We are beginning to debate and I am not prepared under the guise of questions to allow debate. It is a matter which Members might wish to debate on the Motion, but Question Time is of course for the purpose of seeking information.

HON P C MONTEGRIFFO:

Certainly the point I wanted to make for clarification is that bearing in mind the declared aim of Government policy, in particular regarding the Joint Venture Companies, is to show a profit and hence bolster government revenues. There would seem to be some contradiction in treating GSL as a separate entity, although there may be historical reasons for doing so initially and would not the Government accept that it would be depriving itself and Gibraltar of valuable land and an opportunity for expanding other areas of the economy.

MR SPEAKER:

No, No.

HON CHIEF MINISTER:

The simple answer Mr Speaker, is that if we had been elected in 1984, we would not have spent £28m at GSL. If you look at

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the profit and loss account, you will find that GSL on paper will be showing losses partly because it has to depreciate things like the slop barge which the previous Government agreed to have £2m spent on and which may not be producing an economic return on those £2m. Because there is an investment of £4.8m on expanding No.1 Dock and hardly any work has been done in exchange for that investment. We are stuck with an investment. It is one thing to decide how you move forward when you have got cash and you decide how to spend it. It is another thing to decide how you move forward when you have got an asset which on paper is worth £20m, but if you were to close it and try to sell it, I doubt whether the slop barge, which has got a paper value of £2m would be sold for £200,000, and that is the difficulty because it is already there.

MR SPEAKER:

Next question.

NO. 48 OF 1988

ORAL

THE HON A J CANEPA

What is the Minister's policy towards the wages and salaries review for GSL employees for 1988?

ANSWERTHE HON THE MINISTER FOR GSL AND TOURISM

Mr Speaker, the GSL's policy towards the wages and salaries reviews for GSL's employees in 1988 and for subsequent years has already been explained to all shop stewards in the yard. It has been agreed that immediately after the manpower restructuring the Company will start negotiations with its employees on wages and salaries and any other outstanding claims. The actual terms to be offered by the Company in these negotiations will shortly be discussed at JIC and it is therefore not considered correct to disclose the Company's position at this point in time.

However, as a matter of policy it has been agreed that wages and salaries will be subject to an annual increase subject to the already mentioned negotiations.

SUPPLEMENTARY TO QUESTION NO. 48 OF 1988.

HON A J CANEPA:

What about the date of settlement? Is the Minister not in a position to inform the House about that?

HON J E PILCHER:

No Sir, because the JIC and the workforce has accepted that we wish to do the manpower restructuring first before we actually sit down to do the pay negotiations.

HON A J CANEPA:

Does that mean that GSL has agreed with the workforce that the date for the 1988 wage settlement, which was envisaged at the time of the last review is no longer an effective date?

HON J E PILCHER:

No Sir, what it means is that the subject of wages and salaries reviews has not been discussed yet.

HON A J CANEPA:

Is there any commitment on the part of the Government that parity should continue to be followed or will the main criterion be that of profitability?

HON J E PILCHER:

That is for negotiation with the workforce, Mr Speaker.

HON A J CANEPA:

So we are not in a position, Mr Speaker, to obtain information on this side of the House unless we become shop stewards at GSL, is that the position?

HON J E PILCHER:

No Sir, what it does mean is that there will be, we have a commitment that matters are discussed at Joint Industrial Council, and that obviously when we are undergoing those negotiations, we do not make those negotiations public. Once that has been established, we will come to the House and make a full statement like indeed I have been doing on everything to do with GSL this afternoon. More than I ever got in the last four years, Mr Speaker.

HON P C MONTEGRIFFO:

Mr Speaker, I am a little confused here. Is that not a contradiction to the attitude of the GSLP in the past, which appears to have been that wages in the yard should follow the norm of other sectors of the economy, notwithstanding the profitability or otherwise of the yard. Certainly, I know Mr Speaker, the actions of Mr Bossano, the Chief Minister during his time as a Trade Union Leader. I am not sure whether, though I suspect, it was also the GSLP position.

HON CHIEF MINSITER:

Mr Speaker, the position of the GSLP in the House certainly has been to try and get the AACR Government to explain anything at all that they could manage to extract from them about the yard, and the position of the AACR in Government was that the wages and salaries of the employees was a matter exclusively between the employees and the company. It has nothing to do with the Government. So if that is what they felt in Government, why have they changed their position now? That is the question.....

MR SPEAKER:

We are not here to debate. Next question.

NO. 49 OF 1988

ORAL

THE HON A J CANEPA

Will the Minister for GSL and Tourism give a monthly breakdown of the turnover (ie sales) achieved by GSL during the first quarter of 1988?

ANSWERTHE HON MINISTER FOR GSL AND TOURISM

Mr Speaker, the sales turnover achieved over the 1st Quarter of 1988 is not seen as indicative of the potential of the company since little or no marketing of the yard was undertaken during the last six months by the previous management.

I will not try to explain why this inaction was allowed to continue over this period since the Opposition must be well aware of the reasons for this. It must be stressed that this has had a detrimental effect on the potential sales turnover of the yard and is yet another problem amongst others identified and still to be identified that needs to be tackled as a matter of urgency.

Although we are committed to make public as much information as necessary as regards the operations of GSL I feel that in this particular area it is not advisable from a commercial point of view, to disclose details of our commercial sales as this could make our competitors aware of our pricing and tariff policies.

SUPPLEMENTARY TO QUESTION NO. 49 OF 1988

HON A J CANEPA:

So again, Mr Speaker, we have a situation in which we are not getting information. This time it is under the guise that it is commercially sensitive. I would have thought, Mr Speaker, that this is a perfectly proper question on which the Opposition would be entitled to receive information from the Government. It is information which is going to be available to the Opposition when the accounts for the year are known. We are not prepared to wait a year from now before we know, Mr Speaker. I am not aware, Mr Speaker, whether the Government, when they were in the Opposition, ever asked for information on sales and did not get the answer.

HON J E PILCHER:

Mr Speaker, I do not want to go on about what we got over the last four years. What I can tell the Honourable Member is that sales turnover, budgetted sales turnover, has an effect on the tariff policy of the Company. If for example the Company was budgetting for £5m and this is obviously a very arbitrary figure. £5m of sales turnover and we achieved in the first quarter 50% of that, then our pricing policy would obviously be a much more flexible one and we could bid under the market for various prices. If we did not achieve 25% of that on the

first quarter, then we could not be flexible on our pricing policy. Now this is something that if other companies that are competing against us know then they undercut the market as they see fit. Because they would know what is our overall sales strategy and whether we are achieving it or not. So I feel that it is Commercial-in-Confidence to reveal these figures through the year although we would be quite happy to say to the Government, sorry the Opposition, I must get used to this, whether we are in fact arriving at the budgetted figures throughout the year, and therefore when the accounts are ready for the Company, does the Opposition feel that this is acceptable?

HON A J CANEPA:

Mr Speaker, if he calls out the Government again, we will move over and take over. Is the Government prepared to consider making that information available to the Opposition Commercial-in-Confidence? And we will not use it in the House until the accounts for the year have been published.

HON J E PILCHER:

Mr Speaker, I would certainly put that to the Board, but my own personal opinion is that I would be willing Commercial-in-Confidence to make that available to the Leader of the Opposition, but it has to be approved by the Board first.

HON A J CANEPA:

I would be grateful. Another thing, Mr Speaker, I do not know whether he has got the information there. But if he does not perhaps, if the answer is positive to my request, he might also give me for the sake of comparability, the figure of sales for the same period last year but without RFA work, excluding RFA work. If he does not have it, it is no longer urgent, Mr Speaker, since he has not been able to give me the first set of information that I wanted.

HON J E PILCHER:

No, Mr Speaker. I have got the overall sales for 1987 but not broken down into quarters and in any case, I am sure that as the previous Government they should have this information themselves.

HON A J CANEPA:

There is a problem, Mr Speaker. When you go out of Government, you cannot take all the papers that you had with you. It is as simple as that.

HON J E PILCHER:

I dare say they did not have it.

HON A J CANEPA:

No, I used to get quarterly reports, Mr Speaker, but physically it has been impossible to take all that information with me.

MR SPEAKER:

Next question.

THE HON A J CANEPA

Has any severance payment been made to Mr Peter Simonis on termination of his appointment as Chairman of the Board of GSL?

ANSWERTHE HON THE MINISTER FOR GSL AND TOURISM

No, Sir, Mr Peter Simonis resigned as Chairman of the Board of GSL after consultation with the Chief Minister and myself and therefore he agreed that no severance payment would be required. What certainly the previous administration and the now Opposition should know since the previous agreement with Mr Simonis was signed by them was that over and above the fees payable as Chairman which were £10,000 for 1985, £20,000 for 1986 and £25,000 for 1987, a terminal bonus of £5,000 per annum was included in his contract. This in effect means that the per annum fee was increased by £5,000 although this was hidden under the guise of a terminal bonus clause. Therefore, in effect although we have not paid Mr Simonis as a Government any severance pay the Company have had to honour the previous contract and have had to pay Mr Simonis a further £15,000 in respect of his 3 years service ending 31 December 1987. Mr Simonis is not claiming either compensation or a percentage of the terminal bonus for this year.

The Government has now agreed a retainer fee with Mr Simonis as an Adviser to the Government and in this role, and, at no expense to GSL he is providing continuity as a director of GSL for the new Board. The retainer fee etc is the subject of Question No.53 which will be answered separately.

SUPPLEMENTARY TO QUESTION NO. 50 OF 1988

HON A J CANEPA:

How long is it expected that Mr Simonis will remain a Member of the Board?

HON J E PILCHER:

It is expected that Mr Simonis will remain a member of the Board for the next three or four meetings. I would say towards the end of this year.

MR SPEAKER:

Next question.

THE HON P C MONTEGRIFFO

Can Government explain what steps and initiatives it proposes to take in order to expand air services to Gibraltar, notwithstanding the position adopted on the Anglo-Spanish airport agreement?

ANSWERTHE HON THE MINISTER FOR GSL AND TOURISM

Sir, Government intends to expand air services to Gibraltar

- (a) By giving every possible help and support to any airline and/or Tour Operator wanting to use Gibraltar Airport;
- (b) By improving the facilities at present available at the Air Terminal;
- (c) And by an aggressive marketing effort in other potential markets in Europe. To this end plans are under way to hold discussions to establish a new service with a Northern destination.

SUPPLEMENTARY TO QUESTION NO. 51 OF 1988

HON P C MONTEGRIFFO:

Mr Speaker, is the proposed expansion purely vis a vis UK routes or international routes, and if they are international in terms of other than UK, does not the Government fear renewed Spanish diplomatic pressure of the type that has already been in evidence in stopping these developments?

HON J E PILCHER:

The first part of that question, Mr Speaker, is no we are not limiting our expansion to the UK market. In fact the plan that we have already underway is a northern European destination and not the United Kingdom. As far as the comment made by the Honourable Member that if we proceed with trying to expand our services elsewhere but to the United Kingdom, we are going to get the same kind of pressure as was in evidence before. Well we are not sure that that was the case. But in any case we feel that this is our policy, we have to try to expand our services and if the pressure is mounted, which we do not know whether that is going to be the case, we will then have to deal with that as and when it happens.

HON P C MONTEGRIFFO:

Mr Speaker, does the Government not have information from the local carriers and from airlines wishing to run routes, particularly to Frankfurt and Zurich, that it was in fact Spanish diplomatic pressure that was the major obstacle, and

if that information is with the Government, does it not consider that this could be an obstacle, and I am asking, in good faith, because we also want to seek expansion of the airport, but we see this as a perhaps an insurmountable problem.

HON J E PILCHER:

No, first of all there is no official confirmation that that is the case. As far as we are concerned, it is pure speculation. The fact that there are airlines interested and the fact that we are meeting those airlines with a view of attracting them to Gibraltar, if the airlines are interested and there is pressure put on the airlines, then obviously we would get an immediate feedback from that and we will react to that as and when it happens.

HON P C MONTEGRIFFO:

Can the Minister give details of what airlines have been approached and what level of expansion does Government envisage to see at the airport say within the first year. Is there a target for that in line with the Government's general views towards their target?

HON J E PILCHER:

Obviously, we are not in a position at this moment to reveal the names of the companies that we are approaching and that in fact have approached us. As far as giving a deadline of what we expect for that to materialise, I think it is early, very early on. We have already had contacts established within the last couple of weeks and we have meetings scheduled for the next couple of months. I will be in a much better position towards the end of the summer to be able to give actual deadlines and targets in that area.

HON P C MONTEGRIFFO:

Mr Speaker, bearing in mind the Anglo-Spanish Agreement and the whole question of the controversy of the airport, has the Government consulted or liaised with the British Government on its plans for extra use of the airport or has the matter not been discussed with the British Government at all.

HON J E PILCHER:

Well, at this early stage, I do not want to go into the actual Anglo-Spanish Agreement because there is a motion which will be discussed, although it is only on the legal interpretation, I am sure, that when we start discussing the actual motion, we will expand onto that. But no, at this stage, at this very early stage, and I want to continue to remind the Members of the Opposition that we have only been in Government for three

or four weeks we have not at this stage contacted the British Government in order to look at the area of major expansion. Although as I have already mentioned in the answer, we are now looking at improving the facilities at present available and this will mean approaching the British Government, with a view of expanding the existing facilities.

HON K B ANTHONY:

The Minister mentioned the northern European destinations. Does this eliminates countries such as Switzerland, Germany, which I call central European?

HON J E PILCHER:

It does not eliminate any country, at the moment, except that the companies that we are talking to at the moment, we are not prepared to divulge at this stage for obvious reasons.

MR SPEAKER:

Next question.

NO. 52 OF 1988

ORAL

THE HON A J CANEPA

Will the Minister make a statement of policy on economic development?

ANSWERTHE HON THE MINISTER FOR TRADE AND INDUSTRY

Mr Speaker, the Government is currently considering all development project priorities having regard to past commitments and to the Government's own plans, both immediate and for the future. We are also exploring the best ways of financing the overall development strategy, including the optimal allocation of the £6m ODA grant given in 1986 but which the previous Government barely managed to spend. Once we have completed our review we shall be making a comprehensive public statement.

SUPPLEMENTARY TO QUESTION NO. 52 OF 1988

HON A J CANEPA:

What is emerging, Mr Speaker, from their review? Can the Minister give any information regarding any decisions or views taken about the provision of more office accommodation?

HON M A FEETHAM:

The question of office accommodation indeed, along with the main social priorities of this Government, providing houses will be considered in the development plans which at the moment Government is giving urgent consideration and will be made public as soon as possible.

HON A J CANEPA:

Can the Minister be a little bit more precise, what is meant by as soon as possible, has he set himself a target date by which he would be in a position to give this House more information?

HON M A FEETHAM:

The Development Plans of the Government will be made public as it happens within the course of the next few months.

MR SPEAKER:

Next question.

NO. 53 OF 1988

ORAL

THE HON A J CANEPA

What is the retainer fee being paid to Mr Peter Simonis to act as adviser to the Government "in developing and promoting its industrial and investment strategy abroad"?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, as already mentioned in answer to question No.50, Mr Simonis resigned as Chairman of GSL after consultation with the Minister for GSL and myself. Having had direct contact with Mr Simonis, I valued the input that he could make in giving advice from an international angle to the Government "in developing and promoting its industrial and investment strategy abroad." The Government is therefore retaining Mr Simonis on a fee of £7,500 per annum to act as an adviser on an as and when required basis. This will entail an almost weekly input on the Government strategy abroad. Mr Simonis has also agreed to continue as a non executive director of the GSL board at no extra cost either to the Government or to GSL.

SUPPLEMENTARY TO QUESTION NO. 53 OF 1988

HON A J CANEPA:

Sir, are there any other expenses that are going to be met by the Government. For instance, air passages, hotel expenses and so on.

HON CHIEF MINISTER:

We do not anticipate that in the role of adviser to the Government as such, there will be a need for Mr Simonis to be travelling specifically to Gibraltar. When he travels to Gibraltar to attend meetings of the Board, then I would imagine that his expenses will be met by GSL as they are for anybody else that comes from abroad for GSL meetings. The position will be that Mr Simonis's out of pocket expenses, for example, if it was thought necessary that he should do some work for us when he is himself abroad on business from London, then anything additional to his own normal expenses which arise out of work he is doing for us, we would obviously meet. He would not be expected to meet any out of pocket expenses out of the £7,500.

HON J E PILCHER:

Sir, perhaps I can expand on that because the Honourable the Chief Minister was mentioning that when he does attend the meetings of the GSL Board and as I have said probably the next two or three meetings, he will be obviously paid from the Company, but one thing that I must stress is that the expenses side of it are now being monitored by the Company for everybody and that also includes Mr Simonis.

HON A J CANEPA:

On a more general nature, Mr Speaker. Having regard to their oft expressed antipathy to the engagement of UK consultants, or experts, why does the Government really feel that it is now necessary to engage such an expert as Mr Simonis.

HON CHIEF MINISTER:

Well, Mr Speaker, the antipathy that we have is an antipathy to a situation, for example such as the one that existed in GSL before we took over, where the Gibraltarians had to pay their own water, electricity and rents and the expatriates get paid £400,000 tax free. Were the Government allowed a situation to persist, where the Managing Director in total emoluments was collecting £120,000 a year. For £7,500, Mr Speaker, we are not paying Mr Simonis more than we would pay a Gibraltarian, and our antipathy to expatriate consultants to which the Leader of the Opposition refers is an antipathy to the Government of Gibraltar treating its own citizens as second class.

HON A J CANEPA:

I think he has just mis-directed himself in answering my question, Mr Speaker, by dealing just with GSL. The question was about the engagement of Mr Simonis in developing and promoting its industrial and investment strategy abroad. That surely goes beyond the ambit of GSL, and what has happened over the years is that the previous Opposition were never very kindly disposed to the Government engaging consultants on anything. On the supply of water, electricity or what have you. It is in that context that I am asking why they feel that they should now have a consultant, be it Mr Simonis or be it anybody else.

HON CHIEF MINISTER:

Mr Speaker, I would imagine that with the years that the Leader of the Opposition has been in Government, he would know that consultants come much more expensively than this. Unless it is that the previous AACR administration was so inefficient that they were paying through the nose for consultancies and well above the market price. Mr Simonis is not carrying out a consultancy for the Government, the consultancies that the Government has been obliged to continue with, for example, the one on electricity supplies, we are continuing with because there was an on-going commitment from the previous administration which we could not stop. That will cost £30,000 or £40,000, not £7,500 a year. I wish if it was possible to engage consultants at £7,500 a year, much of the antipathy will disappear.

HON A J CANEPA:

The reason is then that Mr Simonis comes cheap at the price?

HON CHIEF MINISTER:

Because Mr Simonis is providing a very valuable service to the Government and the Government is supplying the same criteria of value for money to the employment of Mr Simonis, not as a consultant, and not at consultancy fees, and frankly, I doubt whether we will be able to buy the skills that Mr Simonis has to act on our behalf in the market at anywhere near this price. We have a worthwhile investment. If the members opposite think he is too expensive at this price, then I am surprised they were paying him £30,000 a year before.

HON P C MONTEGRIFFO:

Mr Speaker, if Mr Simonis's abilities in marketing are so important, who will replace Mr Simonis as the spearhead or the role that Mr Simonis will conduct within the next few months after his departure? Will it be the Minister heading the Board?

HON J E PILCHER:

I think the Honourable Member has misunderstood the answer. Mr Simonis was not a spearhead on the marketing side of the company. What Mr Simonis produced for the Company at a very, very high price, was in fact what the Honourable the Chief Minister is saying, he produced for the Company a feedback on the international side of people that we were to contact, and therefore there will be no requirement after he has passed on basically his knowledge to the Board there will be no requirement to have Mr Simonis on the Board, although GSL, through the Gibraltar Government may wish to seek his advice on any matter in the future, but we will not be paying for it.

HON P C MONTEGRIFFO:

Mr Speaker, if I could just perhaps change the question. Who will be conducting.....

MR SPEAKER:

There will be no need to have anyone once Mr Simonis has been there for a little while.

HON P C MONTEGRIFFO:

So after a few months there will be no need to develop....

HON CHIEF MINISTER:

No, Mr Speaker, perhaps I can clarify the position with the Member opposite. Mr Simonis's position on the Board of GSL is one which he is giving for nothing as a service to GSL in

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order to ensure continuity between the new Board under the new Chairman, my colleague, and himself as a previous Chairman. That is expected to last a few months. The continuation of Mr Simonis in assisting the Gibraltar Government in developing its strategy is one that will be reviewed between himself and us annually.

MR SPEAKER:

Next question.

NO. 54 OF 1988

ORAL

THE HON P C MONTEGRIFFO

Will Government reveal full particulars of the various joint venture companies which it is proposing to set up, including details of those private concerns which have been approached or are committed to participation?

ANSWERTHE HON THE MINSITER FOR TRADE AND INDUSTRY

Mr Speaker, the Government will shortly be setting up a number of joint venture companies. The particulars, or operations, of these companies will be of a purely commercial nature and the Government's view therefore is that it is not a matter which requires prior discussion in this House. We will naturally make public statements as and when appropriate.

SUPPLEMENTARY TO QUESTION NO. 54 OF 1988

HON P C MONTEGRIFFO:

Mr Speaker, can we not have some details of the areas of business in which the companies are going to be engaged at all, is that not something which the public and this House have a right to know.

HON M A FEETHAM:

Only when it happens, Mr Speaker.

HON P C MONTEGRIFFO:

But surely, you have plans that have been prepared by the GSLP for many many years, so we were let to believe.

HON M A FEETHAM:

Mr Speaker, the philosophy has been prepared. The details of entering into discussions and choosing commercial partners is one that the prerogative lies with the Government and when the Government has finalised its negotiations and discussions, we will make a public statement and the public will know exactly what has been happening.

HON P C MONTEGRIFFO:

Can the Government explain of the private concerns that have been approached, how many are from outside Gibraltar and how many are from within Gibraltar?

HON M A FEETHAM:

The Government is obviously interested in promoting both the participation of the local private sector and for political and commercial reasons, is also interested in extending its

influence and marketing and business interests in Europe as a whole. Consequently, both private interests and other interests outside Britain are being considered in these partnership.

HON P C MONTEGRIFFO:

Do I then understand that the plans for the Joint Venture Companies are still very much at a primitive and preliminary stage and that in fact even details of say basic business plans have not been put together with details of the interested parties involved?

HON M A FEETHAM:

I can assure you that the policy of the Government in respect of Joint Venture Companies are not at the primitive stage.

HON P C MONTEGRIFFO:

Will the Honourable Minister tell me when the first Joint Venture Company will be launched?

HON M A FEETHAM:

I think the most honest answer I can give to that is when it is announced.

HON LT-COL E M BRITTO:

Is it their intention to have ministerial involvement in the Joint Venture Companies or not?

HON M A FEETHAM:

It is not necessarily, Mr Speaker.

MR SPEAKER:

Next question.

NO. 55 OF 1988THE HON P C MONTEGRIFFO

Can Government confirm that St Jago's has been earmarked as the site for the proposed National Bank and give full details of how and when the Bank is to commence business?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, I would like to say, first of all, that it is the intention of the Government to implement all its commitments in the Election Manifesto during the four year term of office, and not in five weeks. I can confirm that the St Jago's building will not be used for Government office accommodation and that it is being considered as possible premises for the National Bank. As explained in our Election Manifesto, it is proposed to have the bank operational during our first year in office.

SUPPLEMENTARY TO QUESTION NO. 55 OF 1988

HON P C MONTEGRIFFO:

Mr Speaker, bearing in mind that we know in this case the nature of the business, can the Chief Minister give us a breakdown as to whether apart from small deposit taking and related business will the Bank undertake trusteeship work, work of investment advice, etc. What will be the range of the services offered by the Bank?

HON CHIEF MINISTER:

Mr Speaker, I thought the Honourable Member wanted to know what was happening to St Jago's, not what was happening to the Bank.

HON CHIEF MINISTER:

Mr Speaker, I thought the Honourable Member wanted to know what was happening to St Jago's, not what was happening to the Bank.

MR SPEAKER:

The procedures of how and when the Bank would commence business.

HON CHIEF MINISTER:

As far as what the Bank is going to do, when and how it will commence business, the position is that the Government will be a shareholder in the Bank and we will expect the professional managers of the Bank to decide what business is possible to take on. The Bank will not be receiving political directives from us saying give loans to the GSLP but not to the AACR, so the Honourable Member has nothing to worry about.

HON P C MONTEGRIFFO:

Mr Speaker, that is not my question. I think the Honourable Chief Minister knows it. I am asking a simple question, that there could be different kinds of Banks. I am asking apart from small deposit taking, is it the intention of the Government that the Bank should also undertake work of a different nature, trusteeships, investments advice, a whole range of other activities which the Honourable Member knows, in fact, it could undertake, but which I am not clear whether this one will.

HON CHIEF MINISTER:

The Articles of Association of the Bank will be the normal Articles of Association of a Bank allowing it to undertake whatever businesses banks can undertake. The management of the Bank and the Board of Directors of the Bank will have a brief from the Government to operate the Bank profitably so that the people of Gibraltar and public finances will benefit, and it will be their decision and not the Government's decision what business they undertake, and that is the answer that I have already given and I am afraid there is no other answer that I can give.

HON P C MONTEGRIFFO:

Mr Speaker, could I ask another question. Can the Honourable Member give an indication of the estimated costs.....

MR SPEAKER:

No, no.

HON P C MONTEGRIFFO:

One final question then. Would the Honourable Member give us an indication of the proposed deposits which the Government envisages it will be able to attract in the first year of operation of the Bank?

HON CHIEF MINISTER:

No, I mean I doubt it there is a Bank in the world that can tell people what deposits it will attract before it has even been incorporated. The Honourable Member seems to expect me to have not only the speed of "speedy gonzalez" in five weeks, but to be clairvoyant and have a crystal ball at the same time. I understand from professionals in the business that with a share capital of £5m, a ratio of £20m of deposits will be considered quite a safe and conservative ratio. Certainly the Bank will be required in obtaining its licence to meet the requirements of the Gibraltar Banking Ordinance and would be expected to be in a situation of compliance with the new moves in the European Commission for harmonisation of Banking Laws.

I understand that the ratio of reserves to deposits that the European Banking community is looking for is something in the order of something of 8%. Those are technical things which we would expect the professional managers to bear in mind. The Government is not making it a condition in setting the Bank up that it will reach a certain level of business, except that one thing that I can say is that the Government will be banking with its own bank and that the Government is in fact the biggest customer that exists in Gibraltar.

HON P C MONTEGRIFFO:

Mr Speaker, do I therefore understand the Chief Minister to say that the extent of profitability.....

MR SPEAKER:

No, we are not going into the profitability of the bank under any circumstances.

HON A J CANEPA:

Mr Speaker, is the Honourable Chief Minister aware that the previous Government as an employer had entered into a commitment with the Gibraltar and General Clerical Association in respect of the provision of office accommodation, that included St Jagos?

HON CHIEF MINISTER:

Well, I am not sure to what the commitment was. What I can tell the Honourable Member opposite is that I have had a meeting with the GGCA committee and I have explained to them that the policy of the Government of Gibraltar is to use its resources to maximum benefit and that we feel that the prime Main Street location is not required for the work that many of our civil servants have to do, but that there is a commitment from us as a Government to provide modern working environments for both industrials and non-industrials, purpose built for that end, and that they should exercise a little bit of patience with us. We are looking at some of the worst areas of bad working conditions to try and alleviate them first, and we have had a very good response from the Union in support of the Government.

HON A J CANEPA:

So he has given an assurance to the Staff Association that the Government as a matter of policy is committed to re-providing them with the offices that they would otherwise have had at St Jagos.

HON CHIEF MINISTER:

No, the Government as a matter of policy is committed to re-providing a far bigger number of civil servants than would have figured in St Jagos.

HON A J CANEPA:

Is there any fine scale on the Government's plans or is that still very much in the air?

HON CHIEF MINISTER:

No, at this stage it is clear that it is a policy of the Government and in looking at sites, one of the problems, Mr Speaker, that we have in trying to formulate the plans in the absence of statistical information in the shape that we need, and the Government is still trying to find out exactly how many properties it owns in Gibraltar, which apparently, nobody had ever thought of putting together into one single package to be looked at. In looking at those resources, we have a commitment to give good working conditions as employers. Giving a good example to our employees, industrial and non-industrial; but to do it ideally in areas where the site is not in competition for other use. We are looking at the use of land for housing, for hospitals, for offices, for workshops and for commercial development. Within that overall plan, there will certainly be a place for Government offices, and we hope that that will be possible to translate into a reality, certainly by halfway through our term of office.

MR SPEAKER:

Next question.

THE HON DR R G VALARINO

Will Government make public the Report of the Joint Study Group once received?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, I am assuming that the Hon Member is referring to the report on the Payment of Spanish Pensions after 1989. Although the previous Government was not prepared to commit itself to publishing the report. I think the answer I got, at the time from the Chief Minister to Question No. 274 of 1987, was 'I would like to see what the report looks like before we decide what happens'. I am nonetheless being more open minded willing to commit myself. In fact we have got no objection to making the report public and as the House is aware, we were opposed to the setting up of a Joint Study Group when it was announced. By publishing the report, the people will then have an opportunity to judge why we were right in raising objections to it and why the previous Government was so mistaken in agreeing to having the report.

HON DR R G VALARINO:

Mr Speaker, I thank the Honourable Member for the reply. He has got his answers mixed up, the question was 392 of 1987. What I would like to know is when is the report expected and has a draft of the report already been received by the Chief Minister?

HON CHIEF MINISTER:

Let me say, Mr Speaker, that the answer that I quoted was in a supplementary to Question No. 274 of 1987 on the 19 October 1987, I think if he checks that, Mr Speaker, As regards the draft report, I understand from the previous Government that there was a draft report produced when they were in office and that that draft report was returned to UK with comments locally. I believe the Honourable Member opposite provided some information to the House on this matter when he was sitting on this side. Whether the draft report has now been finalised or not I am not in a position to state, nor am I in a position to give the date when we will receive it. What I am in a position to state is, and we do not consider ourselves bound by the recommendations of that review, and consequently, our position will not change by what the review says and we are not particularly worried about when it arrives.

HON A J CANEPA:

Is the Chief Minister aware that I myself had not been successful in obtaining a copy of the report or of the draft report when I presided over the Government?

HON CHIEF MINISTER:

No, Mr Speaker, I am not aware. I assumed that the previous administration who were involved in setting it up had access to it. I certainly have not pressed to be given a copy because the position that I took with Sir Geoffrey Howe on the matter was that whereas Her Majesty's Government were saying that they wanted to wait for the report to decide whether they would pay, I could tell them before the report came, that I was not prepared to pay, so I do not need the report to tell me that.

HON DR R G VALARINO:

I do hope that the report will be made public as soon as the Honourable receives it.

HON CHIEF MINISTER:

We are quite happy, Mr Speaker, to make it public immediately it arrives on the plane. I can send the Honourable Member a copy by courier straight from the airport.

HON DR R G VALARINO:

Thank you.

MR SPEAKER:

Next question.

NO. 57 OF 1988

ORAL

THE HON P C MONTEGRIFFO

Will Government give full particulars of how and when the proposed restructuring of the Civil Service and public administration is to take effect?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, the restructuring of the Civil Service and the administration generally is a matter which will be discussed with the Unions and Staff Associations concerned. Once we reach an agreement or understanding, full particulars will be made public. It will not be right in our view for the Associations to find out through an answer to a question in the House.

SUPPLEMENTARY TO QUESTION NO. 57 OF 1988

HON P C MONTEGRIFFO:

Does the proposed restructuring at least involve an increase in public sector employment or is the restructuring of an internal nature not involving actual growth within the sector.

HON CHIEF MINISTER:

It does not involve growth in the sector. Before the elections, in fact, Mr Speaker, the Party in meeting with the Civil Service had made clear to the Union that the policy would be to re-deploy people from areas where we felt the work that was being done was less valuable and perhaps people themselves felt that they were not being fully utilised to other areas where they could provide a more valuable service to the public and better value for tax-payers money. That is the thinking, it is not to increase the size.

HON P C MONTEGRIFFO:

Mr Speaker, bearing in mind the Chief Minister's answer, can you give us an indication of the time-scale involved in the restructuring and when will we expect to see the first restructuring steps?

HON CHIEF MINISTER:

Yes, I think the first restructuring steps will take place over the next fortnight. It will be an on-going process, but certain changes have already been planned and these changes are currently being discussed between the Industrial Relations Office and the Unions concerned and although it is a very small start, it is a start that in the Government's view, will bring about an improved facility for handling pay negotiations to the machinery that existed before.

HON A J CANEPA:

Which are the Unions, Sir, which are to be consulted regarding the restructuring?

HON CHIEF MINISTER:

The Union primarily concerned is the Clerical Union, GGCA.

HON A J CANEPA:

Is not the restructuring likely to have any repercussions affecting personnel represented by the IPCS or the ACTSS?

HON CHIEF MINISTER:

Not in this particular instance.

HON A J CANEPA:

No, generally, the general restructure?

HON CHIEF MINISTER:

After restructuring takes place, the people affected will be consulted directly and through their proper unions, but in this particular case, the one that we have started with, which is an important area from our point of view, because it facilitates the rest of the restructuring as it were, is one where the grades involved are all GGCA grades.

HON A J CANEPA:

So the general restructure which the Government has in mind does not just concern the GGCA, but it will concern the other non-industrial unions that have representation for employees in the Government?

HON CHIEF MINISTER:

The philosophy of the Government is to use its 3,600 employees to maximum benefit. Consequently, there are no exceptions. The restructuring involves looking objectively at the work on which people are employed, industrial and non-industrial, and if we find that they could be better employed in some other way we will explain why we want to change what they are doing to something else that is more valuable. It will be done through the machinery of the Association that represents those involved.

HON A J CANEPA:

Is the Chief Minister likely to ask for outside help, such as for instance, from personnel skilled in this area, let us say, from the British Government?

HON CHIEF MINISTER:

It is something that we have not considered within the context of the detailed negotiations or the detailed plans for restructuring, which are not pre-determined as such, but are an on-going process of the restructuring. It will not be something that begins and ends, but will be an on-going process. I think where we may find it valuable to get some help or advice from Her Majesty's Government or even from the UK Departments in Gibraltar, the way decision making proceeds within our administration. It may be a way that may not have been looked at for many many years, and we may still be doing things in a particularly long-winded way, where other people have since then, if you like, streamlined their procedures and produced better results. Certainly if we need any advice or help in that area, I am sure that we will find that the people concerned are willing to give it.

HON DR R G VALARINO:

Mr Speaker, is there truth in the rumour that you are going to recruit Joe Pitaluga to help you in this respect?

HON CHIEF MINISTER:

Certainly not at £20 an hour like the previous administration paid him.

MR SPEAKER:

Next question.

NO. 58 OF 1988

ORAL

THE HON P C MONTEGRIFFO

Will Government make a statement of policy on import duties generally and in particular its position on Gibraltar forming part of the EEC's Customs Union?

ANSWERTHE HON THE MINISTER FOR TRADE & INDUSTRY

Mr Speaker, the Government has already considered this matter in relation to the prospective aim of establishing a Single European Market in 1992. The Chief Minister took the opportunity of informing the Secretary of State, during our recent meeting, that we proposed to review Gibraltar's position vis-a-vis the EEC's Custom Union. It was agreed that the matter would be looked at by officials and that Her Majesty's Government would provide a specialist input.

SUPPLEMENTARY TO QUESTION NO. 58 OF 1988

HON P C MONTEGRIFFO:

Mr Speaker, bearing in mind the study that is being undertaken, does not the Government agree that inclusion in the Customs Union would imply therefore a policy of export to Gibraltar, and if so what would be the nature and level of the export that Government has in mind.....

MR SPEAKER:

No, I do not think that is a question that can be asked as a supplementary, it is a detailed question that requires prior notice.

HON M A FEETHAM:

Mr Speaker, in fact, the study will show what are the pros and the cons. Let us be quite clear about one thing. This Government has been the only Government before the election, during the election and today maintaining a position of a Single European Market which the Opposition never mentioned at all and where we see that there are possible dangers with the introduction of a Single European Market, in relation to our competitiveness with Spain and in relation to our ability to export into the European market later. And it is against that background, that we feel that a thorough study of the problems will reveal what advantage or disadvantages we will have.

HON P C MONTEGRIFFO:

Mr Speaker, does not the Government agree that the possibility of going into the Customs Union could also involve the introduction of VAT, and would this not significantly affect Gibraltar's competitiveness in other areas?

HON M A FEETHAM:

First of all, the advice that we have got is that it does not. But secondly we will know that once we have finalised the study and that is why we are asking for specialist input. Something that should have been done, perhaps, three years ago, and not commenced now.

HON P C MONTEGRIFFO:

Can we have an indication from the Government when that study will be available and the time-scale when it is expected?

HON M A FEETHAM:

Let me say that the study has not even started yet. We have not even got the specialist appointed by Her Majesty's Government.

MR SPEAKER:

Next question.

NO. 59 OF 1988

ORAL

THE HON A J CANEPA

Will the Chief Minister state whether he has agreed with HE The Governor and with the British Government to be bound by the principle of confidentiality regarding consultation on matters connected with foreign affairs?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, neither HE nor the British Government have made an issue of the question of confidentiality. As I stated at the time, as Leader of the Opposition, I am fully prepared to accept consultation on the terms observed by Sir Joshua Hassan as Chief Minister which allowed full consultation with the rest of the Government. It will also be recalled that in November 1983 when Sir Joshua gave Sir Geoffrey Howe the go-ahead to discuss advancing of EEC rights to Spanish nationals, he was able to inform Mr Mascarenhas, at the time, on the Executive of the AACR, but not an elected member of the House, without breaking confidentiality.

SUPPLEMENTARY TO QUESTION NO. 59 OF 1988

HON A J CANEPA:

The Chief Minister has said that neither the Governor nor the British Government have raised the matter. Has he raised the matter, and if not, does he intend to do so?

HON CHIEF MINISTER:

No, I have not raised the matter, they have not raised the matter, they do not think it is necessary and I do not think it is necessary and I am certainly not prepared to do it to please the Leader of the Opposition.

HON A J CANEPA:

He would not be pleasing me, Mr Speaker. My objective is purely to ensure that the people of Gibraltar are kept fully informed in this vital area that concerns their future.

HON CHIEF MINISTER:

Well I do not see how his objective can be to keep the people fully informed if he wants me to accept confidentiality. It seems to me he is trying to do the opposite, Mr Speaker.

HON A J CANEPA:

We will not know, therefore, whether the approach of the

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Chief Minister is likely to be, shall we say, a correct approach until the matter is put to the test, is that it?

HON CHIEF MINISTER:

I think you can say that, whether I have accepted confidentiality or not, is confidential, Mr Speaker.

MR SPEAKER:

Next question.

NO. 60 OF 1988

ORAL

THE HON A J CANEPA

How does Government propose to pursue the question of Gibraltar representation in the European Parliament following the positive vote taken by the Petitions Committee?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, the question of Gibraltar representation in the European Parliament was pursued after the outcome of the vote taken by the Petitions Committee was made known. This was done immediately through the Governor's office. The Government will continue to discuss this matter in close consultation with Her Majesty's Government as part of the harmonious working relationship which we have already established following my recent meeting with the Secretary of State.

SUPPLEMENTARY TO QUESTION NO. 60 OF 1988

HON A J CANEPA:

Does that mean that the Chief Minister is contemplating going it alone and not working with other political forces through the European Movement?

HON CHIEF MINISTER:

No, it means the Chief Minister, Mr Speaker, accepts that the responsibility of the office requires him to behave in a way in which the previous long-term Chief Minister, Sir Joshua Hassan, behaved; I do not know whether the interregnum, the Leader of the Opposition, behaved in a different manner, but certainly we will be participating in any initiative that others may wish to start, but as a Government, and I am sure that he agrees with me that Governments have got special responsibilities, we are treating the matter with the sensibility it requires directly with Her Majesty's Government.

HON A J CANEPA:

Will the Chief Minister give an assurance that whatever action he takes will not cut across the initiatives that have already been taken by the European Movement?

HON CHIEF MINISTER:

I am not sure which initiatives the Honourable Member is referring to.

HON A J CANEPA:

Quite simple, Mr Speaker. Is it not a fact that continuously over the years, the European Movement has in fact been the

forum that has been pursuing the question with the support of all political parties in Gibraltar, the question of Gibraltar's representation in the European Parliament?

HON CHIEF MINISTER:

As I have already said, Mr Speaker, that any initiative by other parties which is brought to our notice for involvement and support we will support. If the Honourable Member is saying that we are going it alone in the context of this House, then the view of the Government of Gibraltar is that we do not believe in bi-partisan policies.

HON A J CANEPA:

It is not just a case of bi-partisan policies affecting this House, Mr Speaker. It goes beyond the boundaries of this House. Is the Chief Minister, therefore saying that unless an initiative is taken by the European Movement or other political force with the Government, he himself has no intention of consulting them on the matter.

HON CHIEF MINISTER:

No, I am not saying that, Mr Speaker. What I am saying is that in answer to the question which is to ask us what we propose to do, I have told him what we propose to do and that is the position. We have already taken the matter up. We are pursuing the matter directly with the British Government. When we feel that it is necessary to go back and inform people of any progress that we have made, we will do so. Certainly, the representatives of the European Movement were informed by me in my office that this was already happening before the Honourable Member even thought of putting a question in this House. They came to see me and I told them.

MR SPEAKER:

Next question.

NO. 61 OF 1988

ORAL

THE HON A J CANEPA

Will the Chief Minister extend an invitation to Her Majesty the Queen and to the Prime Minister for them to visit Gibraltar, bearing in mind their proposed visits to Spain in the autumn?

ANSWERTHE HON THE CHIEF MINISTER

Mr Speaker, I would remind the House that as far back as March, 1977, I moved a Motion in this House proposing that Gibraltar should extend an invitation to the Queen to visit Gibraltar. At the time, and for reasons which remain unclear, my motives were considered to be suspicious by the Members of his Party in this House. If he looks at the Hansard, he will find that I was being accused at the time, by implication and by innuendo, of wanting to behave in a way that would embarrass Her Majesty. As far as I, and the rest of the Government are concerned, that invitation, which was supported unanimously in an amended motion making it open-ended, ie instead of being for immediate implementation it said 'whenever Her Majesty feels is right' still stands. I have assumed that Her Majesty's Government have taken account of our desire for a visit by the Queen, and indeed the Prime Minister, when it was decided to arrange their respective visits to Spain later this year. For this to happen it was necessary that Sir Joshua Hassan, when he was still Chief Minister last year, should have raised the matter with London because, according to the explanation given by him in reply to my motion in March, 1977, it takes over a year between the time an invitation is issued and the visit can take place given Her Majesty's busy schedule. I have no idea why the AACR Government took no action on the matter at the appropriate time in 1987.

SUPPLEMENTARY TO QUESTION NO. 61 OF 1988

HON A J CANEPA:

Mr Speaker, we have on a number of occasions today been discussing more the last four years, than what the Government's policies are, ie we are now going back 12 years ago, when there are in the House today one, two, three Members, four who were Members of the Hosue then, how far back are we going to be going, Mr Speaker, when matters are raised in the House in justification of the inadequate answers which the Government is giving?

HON CHIEF MINISTER:

Shall I answer?

HON A J CANEPA:

No, I am aware.....

MR SPEAKER:

Order, order. I will remind the public gallery that they are here to listen on sufferance and that they are not under any circumstances to interfere with the proceedings of the House or to intimidate or inhibit any Member when he is on the floor. I know that on many occasions it is easy to forget, for we are all human, but on the other hand we must be careful that this does not happen.

HON A J CANEPA:

I am fully aware, Mr Speaker, that the visits of Her Majesty the Queen are planned years ahead, and therefore my question in the House today is that the Chief Minister should extend an invitation for the future, it is not that we on this side are expecting the Queen to visit Gibraltar at the same time as she visits Spain. Will he therefore extend such an invitation for the Queen to visit Gibraltar at some time in the future when it is convenient for such a visit to be included in her programme.

HON CHIEF MINISTER:

Mr Speaker, as the original reply to the question says. We consider that there is an open standing invitation because what was moved, not by me, but the amendment moved by Sir Joshua Hassan in 1987 which said that 'This House records its great desire to welcome Her Majesty on a visit to Gibraltar at whatever time such a visit might be thought convenient and appropriate'. What I will do to keep the Honourable Leader of the Opposition happy is in fact find out whether the British Government is aware that there is an open standing invitation from the people of Gibraltar.

HON A J CANEPA:

No, Mr Speaker, that is not good enough. We are a new House of Assembly, Mr Speaker. There are many new Members now who were not here in 1977. The Question that I have put to the Honourable Chief Minister, expresses the desire of Members on this side of the House having regard to what we think are the feelings of the people of Gibraltar, that the people of Gibraltar would like to have an opportunity to express their loyal feelings to Her Majesty the Queen in person.

HON CHIEF MINISTER:

Mr Speaker, I am afraid that what is considered by the Member opposite not good enough is irrelevant, he is not here to lecture us as if we were in a classroom and he was a school teacher. The position of the Government of Gibraltar is as stated in our answer. We think that the decision taken in 1977, which the AACR then was unhappy with, because they thought it was a move on my part to embarrass Her Majesty, and which I am

glad to say they have now changed their mind over, because I imagine, he does not want to embarrass Her Majesty by insisting that we should invite her. Is one where we consider as the answer states, 'Her Majesty's Government have been aware of'. But if they are not aware of it, I will make it my business for them to understand. If he wants something else done, then I am afraid he has to wait until 1992 and include it in his manifesto.

HON A J CANEPA:

Does the Chief Minister not agree, whatever the motives were in 1977, and quite honestly, Mr Speaker, I am not concerned. Not after the passage of these years. Does he not agree that Spain can hardly take umbrage at the Queen or the Prime Minister visiting Gibraltar, having regard to the plans that there are for these visits to take place to Spain in the autumn.

HON CHIEF MINISTER:

I am not aware, Mr Speaker, that I have to answer in this House for Spain's feelings. Quite frankly, I do not care whether they take umbrage or do not take umbrage. The policies of the Government of Gibraltar are not determined by any umbrage that may be taken by Spain or by any umbrage that may be taken by the Leader of the Opposition for that matter.

HON A J CANEPA:

Does he not agree that having regard to the desire of the Foreign Secretary to visit Gibraltar in the near future, that it would be most appropriate if the Prime Minister were to do so as well?

HON CHIEF MINISTER:

Well, I am not sure that we can actually expect Her Majesty's Government to send us the entire Cabinet out here, Mr Speaker. But I would think that the desire of the Foreign Secretary to visit Gibraltar might not be unrelated to the view that there should be a visit from a Member of Her Majesty's Government at senior level to Gibraltar. Certainly, the Government of Gibraltar would be very happy to welcome to Gibraltar, the Prime Minister or Her Majesty the Queen or anybody else representing the British Government that wants to come. If we find that there is a desire to come to Gibraltar, or that if we feel that there is a pressing necessity, for them to come, and if it is something that can be fitted into their future schedule, we will explore that possibility. It is not as far as we are concerned a major issue.

HON A J CANEPA:

Will he therefore indicate and express those same views that he has just expressed to His Excellency the Governor for onward transmission?

HON CHIEF MINSITER:

I have already said several times, Mr Speaker, in answer to the supplementaries, that the position as we stated in the original answer to the original question was that we consider that Her Majesty's Government is fully aware of the situation, but that if it would help to satisfy the Honourable Member opposite, then we will make sure that they are fully aware.

HON A J CANEPA:

Does the Chief Minister not agree also that the forthcoming visit of His Royal Highness, the Duke of Gloucester is not regarded by us as being a substitute, a sop, if I may put it that way, for the fact that the Queen is visiting Spain in the autumn?

HON CHIEF MINISTER:

Well, I am not sure that His Royal Highness, the Duke of Gloucester, would be too happy to be called a sop. I do not know whether that remark is an indication that prior to the 25 March, the possibility of the Duke of Gloucester being a sop in substitution for the Prime Minister or somebody else was something that had been filtered through to the previous administration. Certainly, since the 25th March, nobody has suggested to us that the visit of His Royal Highness, the Duke of Gloucester is connected with anything at all, other than the heritage.

HON A J CANEPA:

My understanding, Mr Speaker, is that Sir Joshua Hassan certainly made it clear, at the time when it was known, that the Duke of Gloucester would be visiting Gibraltar, that that was not regarded as a substitute visit, and I certainly did the same during the time that I was Chief Minister.

MR SPEAKER:

I think this is as far as we can go. Next question.

THE HON P C MONTEGRIFFO

Can Government confirm what its policy is on the taxing of financial and other institutions undertaking offshore business from Gibraltar?

ANSWERTHE HON THE FINANCIAL AND DEVELOPMENT SECRETARY

Yes, Mr Speaker, as stated in the GSLP Election Manifesto, it is not the intention of the Government to introduce a Capital Gains Tax or to make any changes in the tax status of offshore companies. However, any fiscal changes which will make Gibraltar more attractive to the international financial services community will be given favourable consideration by the Government.

SUPPLEMENTARY TO QUESTION NO. 62 OF 1988

HON P C MONTEGRIFFO:

Mr Speaker, can Government not confirm that no distinction will be drawn between undertaking work from Gibraltar with a bricks and mortar presence as opposed to other undertakings using Gibraltar without a physical presence here?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

I do not think that that particular Question arises directly out of the question which the Honourable Member asked, Mr Speaker. Certainly, the question of a bricks and mortar presence as opposed to a brass plate presence is something which we have continually under review where appropriate and in appropriate circumstances.

HON P C MONTEGRIFFO:

Mr Speaker, I beg to differ, the Question quite frankly is connected to this. If there is any truth in press statements in the financial press that it is Government's intention, or Government is considering introducing a 10% tax on institutions doing off-shore work from Gibraltar in terms of with a bricks and mortar presence in Gibraltar, ie the banks and trust companies operating from here?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, Mr Speaker. As I have already said, there are no such plans on behalf of the Government.

HON P C MONTEGRIFFO:

Can we have an undertaking that no such tax will be imposed, during the term of office of this Government?

HON FINANCIAL AND DEVELOPMENT SECRETARY:

No, I have only joined the GSLP five weeks ago, Mr Speaker. I am sure the Honourable Member would not expect, an old professional like myself, to fall into that particular trap. We will seriously keep everything under review and I can assure the Honourable Member that it is our desire to make Gibraltar more attractive to the International Financial Services Community. Consistent, of course, with proper regulations of activities carried out by the Financial Services Community.

MR SPEAKER:

Right, that is the end of Questions.